

Background

Part XI of the Municipal Act provides the authority for the collection of tax arrears by the registration of a tax arrears certificate (lien) on the title of such properties. After a tax arrears certificate is registered the owner of the property has one year to pay the property taxes in full. This one year period is called the redemption year. Section 378 (1) of the Municipal Act provides for the repayment of tax arrears by way of a tax extension agreement in favor of an eligible owner, spouse of owner, mortgagee or tenant in occupation of the land. The applicant must meet the terms and conditions of the tax extension agreement and the agreement must be ratified by City Council by by-law before the expiry of the redemption period.

A tax extension agreement is optional for a municipality, however in the past the City of Greater Sudbury has utilized this process and it has proven successful in the collection of the City's tax arrears.

The attached Schedule A outlines the 2017 Phase II tax accounts that are eligible for a tax extension agreement. The passing of a by-law will provide the authority for the Executive Director of Finance, Assets and Fleet to execute the tax extension agreements on behalf of the City of Greater Sudbury. This authority will facilitate the processing of tax extension agreements throughout the redemption year.