



AGENDA ITEM

Tax Late Payment Penalty Cancellation Request

Tax Roll No. 3903363002

October 10, 2019

BACKGROUND

Attached is correspondence from Lacombe County ratepayers Terry and Hope Hayduk in which they are requesting that Lacombe County cancel the \$172.25 in late payment penalties levied on the 2019 tax balance related to their property.

Action requested of Council is consideration of this request.

ANALYSIS

The Hayduks are seeking the cancellation of the property tax penalties levied on September 1, 2019. As the property owners state, the taxes were paid late on the property. This property, tax roll #3903363002, had penalties of \$172.25 levied on September 1, 2019 as payment was not received prior to the property tax payment deadline.

The County receives a number of these requests on an annual basis. Council has been firm in denying these requests in the past. Requests have been granted only in situations where the County erred in assessing or taxing a property or made an error which caused or contributed to the payment not being made prior to the penalty date.

The owner indicates in their letter that payment was mailed sometime in August. According to County records, no payment was received. The property owner suggests that the payment was lost in the mail. The owners have paid by the August 31st deadline over the past several years.

A search by County staff have not discovered any payments from the property owner. Administration has waited to process this request in the event the letter was misplaced by Canada Post as the County would honour the payment if the payment was postmarked prior to the payment deadline. To date, the letter containing the payment has not arrived at the County.

ALTERNATIVES

1. Deny the request.
2. Cancel the September 1st late penalty of \$172.25.
3. Other action as determined by Council.



BUDGET IMPLICATIONS

Any cancellation of late payment penalties will result in a reduction of late payment revenue of a corresponding amount.

LEGISLATIVE RESPONSIBILITIES

Section 347 (1) of the MGA states that “if a Council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business or a class of taxable property or business, do one or more of the following, with or without conditions a) cancel or reduce tax arrears; b) cancel or refund all or any part of a tax; or c) defer the collection of a tax”.

PUBLIC PARTICIPATION

The request affects a single property tax owner and would not have a lasting impact on the County as a whole as Council’s decision will be based on the unique circumstances of this request. The County’s public engagement will be limited to informing the public of Council’s decision on this matter as well as communicating the impact of Council’s decision to the affected property tax owner.

STRATEGIC PLAN

The following element of the County’s Strategic Plan is relevant to this issue: Key Principles: “Fair and objective in our decisions and in how we treat individuals” and “Accountability for our decisions and for our actions”.

RECOMMENDATION

That Council defeat the following resolution:

That Lacombe County cancel the September 1st, 2019 late payment penalty levied on Tax Roll No. 3903363002 in the amount of \$172.25.

PREPARED BY: Michael Minchin, Director of Corporate Services

REVIEWED BY: Tim Timmons, County Manager