



# The Corporation of the TOWN OF MILTON

Report To:	Council
From:	Linda Leeds, Director, Corporate Services and Treasurer
Date:	December 14, 2015
Report No:	CORS-085-15
Subject:	Tax Sale Extension Agreement
Recommendation:	<b>THAT report CORS-085-15 providing background for a tax sale extension request be received for information;</b>  <b>THAT the Mayor and Town Clerk be authorized to sign the confidential tax sale extension agreement as attached to this report.</b>

## EXECUTIVE SUMMARY

Staff request a by-law to authorize the Mayor and Town Clerk to enter into an extension agreement with the owner(s) of a Milton property identified in the attached confidential document to extend the period of time in which the cancellation price is to be paid.

## REPORT

### Background

As of December 07, 2015, the property identified in the confidential attachment has outstanding realty taxes in the amount of \$64,633.31 with a portion of the arrears dating back to 2012 (this figure does not include legal fees).

The Tax Division has made numerous attempts to recover these taxes by contacting the property owner, sending notices, and informing interested parties of the tax situation, without success. A Tax Arrears Certificate was registered against the property on February 18, 2015 which indicates the property will be sold by public sale if the cancellation price (overdue taxes plus all costs) is not paid within one year following the date of the registration of the Tax Arrears Certificate.

Section 378 of the Municipal Act, 201, S.O. 2001, c.25 allows a municipality, by a by-law passed after the registration of a tax arrears certificate and before the expiry of the one-year period, to authorize an extension agreement with the owner of the land, extending the period of time in which the cancellation price is to be paid.

### Discussion

Staff has met with the owner of the subject property. The property owner has requested the Town enter into an extension agreement to extend the period of time in which the



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cancellation price is to be paid

A tax sale on this property can be avoided if the property owner enters into an extension agreement with the municipality under section 378 of the Municipal Act, 2001 and adheres to the terms of the agreement. The property owner is aware that failure to meet the payment dates and amounts specified in the agreement will reinstate the tax sale process.

## Financial Impact

The tax sale cancellation price shall be paid in accordance with the following payment terms:

- \$3,000 upon execution of the agreement
- \$1,000 per month for each of February, March, April and May 2016
- Balance of tax sale cancellation price, no later than June 30, 2016
- Payment of current taxes as billed, no later than June 30, 2016

There will be no impact on tax levies, however, penalty and interest will continue to accumulate on any taxes past due.

Respectfully submitted,  
Linda Leeds, CPA, CGA  
Director, Corporate Services and Treasurer

For questions, please contact: Lesley Payton 905-878-7252 ext. 2141

## Attachments

CONFIDENTIAL Tax Sale Extension Agreement

CAO Approval  
William Mann, MCIP, RPP, OALA, CSLA, MCIF, RPF  
Chief Administrative Officer