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# COVID-19 Property Tax Financing Program Policy

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## Title

1. This Policy is entitled the “COVID-19 Property Tax Financing Program Policy.”

2. **Objective:**

The Municipality of the District of Argyle (Argyle) is concerned about the health and safety of residents. Argyle recognizes that facilitating the payment of property taxes in installments will better allow Nova Scotians to follow the public health directives endorsed by the Government of Nova Scotia. This Policy responds to that need by establishing a one-time property tax installment payment program (the “Program”) for owners of residential and commercial properties negatively affected by the COVID-19 global pandemic.

3. **Authority:**

Sections 111 and 112 of the *Municipal Government Act* give Council the authority to provide for the payment of taxes by installments.

Section 113 of the *Municipal Government Act* allows Council to charge interest for non-payment of taxes when due, at a rate determined by policy.

4. **Scope:**

4.1 Residential - The following owners of residential property are eligible to participate in the Program:

4.1.1 An owner of a residential property that is the owner’s primary residence, where the owner has experienced financial hardship through a significant reduction in income due to the State of Emergency declared by the Government of Nova Scotia in response to COVID-19, demonstrated through receipt of Provincial or Federal program assistance, or a Record of Employment (ROE) demonstrating layoff from employment after March 15, 2020;<sup>1</sup>

4.1.2 An owner of a residential property where the owner was a registered Tourism Operator with Tourism Nova Scotia for the 2019 tourist season (excluding AirBNBs);<sup>2</sup>

[4.1.3 An owner of a residential property that is rented to one or more tenants, where the owner has experienced a reduction of 20% or more in rental revenue from the property due to the State of Emergency, in any of the months of March, April or May of 2020 when compared to January of 2020, and provides proof thereof.

4.2 Commercial - The following owners of commercial property are eligible to participate in the Program:

4.2.1 An owner of a taxable commercial property where the property has a total taxable 2020 property assessment value equal to or less than \$5,000,000 and where the owner's business or building located on the property has experienced financial hardship through loss of revenue related to the State of Emergency, demonstrated through one the following:

4.2.1.1 Internal financial statements indicating a loss of revenue of 20% or more in the combined months of March, April and May of 2020 when compared to the same months in 2019

4.2.1.2 Proof that your business was forcibly closed during the state of emergency during at least 30 days in the months listed above.

4.2.1.3 Proof of eligibility of a form of COVID relief.

4.2.2 An owner of a taxable commercial property who has experienced financial hardship through loss of revenue related to the State of Emergency, regardless of the assessed value, where:

4.2.2.1 The owner of the property is a tourism operator registered under the *Tourist Accommodations Registration Act* and the property is used for tourist accommodations (e.g., hotels, motels, bed and breakfasts);

4.2.2.2 The owner of the property carries on the business of an automotive or leisure/recreational vehicle dealership on the property, including automotive repair and auto body shop;

4.2.2.3 The owner of the property uses the property as a private or non-profit recreation facility (e.g., golf courses, indoor playgrounds, campgrounds, racing venues);

4.2.2.4 The owner of the property carries on a business on the property in the hospitality industry, including bars, cafes, and coffee shops;

4.2.2.5 The owner of the property carries on a business on the property in the service industry, including hairdressers, nail salons, gyms, tattoo parlours;

4.2.2.6 The owner of the property carries on a business on the property as a health care provider (including, but not limited to, dentists, naturopaths, chiropractors, physiotherapists, physicians and other doctors), where that business has been required to reduce hours as a result of the State of Emergency.

4.2.2.7 The owner of the property is an independent local owner of a gas station.

4.3 Exclusions: Regardless of sections 4.1 and 4.2 of this policy, the following are not eligible to participate in the Program:

4.3.1 Property owners who have not experienced financial hardship through loss of revenue related to the State of Emergency;

4.3.2 Property owners who have received compensation from Business Interruption Insurance towards the payment of property taxes or other business losses;

4.3.3 Properties occupied by daycare centres in receipt of federal or provincial funding, or those in receipt of other emergency funding;

4.3.4 Properties used for landfill, pipeline, managed forest, parking, and commercial vacant land;

4.3.5 Properties for which there is an active tax agreement with the Municipality through legislation or bylaw;

4.3.6 Properties owned by non-profit organizations that are funded by the Municipality or that are partially exempted from property tax;

4.3.7 All properties managed under payment-in lieu-programs.

#### 4.4 General Requirements

4.4.1 Installments shall be payable by the person, company or other entity assessed for the property for the current fiscal year.

4.4.2 In order for taxes for a property to qualify for the Program, the taxes for the property must not be in arrears at the time of application. Outstanding property taxes with a payment arrangement that existed April 1, 2020 shall also qualify, provided that the taxpayer has not missed any pre-arranged payment.

#### 4.5 Application

4.5.1 Property owners wishing to apply to participate in the Program for a property must complete and submit to the Municipality an application in the form attached as Schedule “A” to this policy.

4.5.2 An online application process will also be made available through a central portal accessible at [www.munargyle.com](http://www.munargyle.com).

4.4.3 The application deadline to participate in the Program is July 10<sup>th</sup>, 2020.

### 5. **Administration**

#### 5.1 Tax Installments

5.1.1 For applications meeting the Program criteria set out above, property tax payments normally due on July 31, 2020 for approved properties may be paid in installments as follows.

5.1.2 For each property, Program participants will pay tax installments as follows:

5.1.2.1 Payments of \$25 per month for five months, payable on the 20<sup>th</sup> of each month, commencing in the month of August 2020.

5.1.2.2 Following these five months at \$25 per month, monthly payments equal to 1/20<sup>th</sup> of the balance of the amount eligible for the Program plus interest as set out below. These monthly payments are payable on the 20<sup>th</sup> of each month and continue for 20 months.

5.1.3 The rate of interest for the Program will be 1.35% per year.

5.1.4 Interest on amounts owing under the Program will be calculated commencing on the date the property tax payment is normally due and continuing until all installments have been paid.

#### 5.2 Terms of the Program

5.2.1 The Treasurer, or his or her delegate, shall approve qualifying applicants. Unsuccessful applicants may appeal the decision of the Treasurer by submitting such an appeal to our Director of Finance, at [admin@munargyle.com](mailto:admin@munargyle.com). The appeal period is 14 days after the date of correspondence for the denial.

5.2.2 Payments under the Program must remain in good standing with the municipality throughout the duration of the Program.

5.2.3 Default in payment of an installment when due will result in the following:

5.2.3.1 The balance of outstanding taxes on the applicable property and interest will become immediately due and payable; and

5.2.3.2 The outstanding taxes and interest then owing will become subject to the municipality's regular rate of interest for overdue taxes of 10% in 2020-21, subject to increase in 2021-22.

5.2.4 All amounts owing and payable on the property tax account that are not included in the Program are due on their normal dates and any amounts not paid when due will be subject to the municipality's regular rate of interest for overdue taxes of 10% for 2020-21, subject to change by council motion.

5.2.5 Payments received by the municipality from a property owner will first be applied to any installments due under the Program, in priority to any other taxes or other amounts owing by the owner to the municipality.

6. **Responsibilities**

6.1 Council will:

7.1.1 Monitor the implementation and administration of this policy and make any amendments required for the effective and efficient operation of the Program.

6.2 The Chief Administrative Officer/Treasurer will:

6.2.1 Be responsible for the administration and implementation of this policy and the Program; and

6.2.2 Identify necessary amendments to this policy in consultation with Council and managerial staff and make recommendations accordingly to Council.

7. **General Provisions**

Payments received by mail are deemed to be paid on the date received by the Municipality.

**Application for COVID-19 Property Tax Financing Program**

**Residential Property**

Civic address of property: \_\_\_\_\_

Assessment Account Number (as it appears on your tax bill): \_\_\_\_\_

Name of owner (as it appears on your tax bill): \_\_\_\_\_

Mailing address (include civic number): \_\_\_\_\_

Phone number: \_\_\_\_\_

Email address: \_\_\_\_\_

**I declare that:**

- a) I have not received compensation from business interruption insurance toward payment of property taxes in relation to the above property;
- b) The property is not occupied by a daycare centre in receipt of federal or provincial funding or other emergency funding;
- c) The property is not used for a landfill, pipeline, managed forest, or parking, and is not commercial vacant land;
- d) There is no active tax agreement in place with the Municipality with respect to property taxes for the property through legislation or bylaw;
- e) The property is not owned by a non-profit organizations that is funded by the Municipality and the property is not partially exempted from property tax; and
- f) The property is not managed under a payment-in lieu-program.

**Complete one of I, II, or III below**

**I. Owner-occupied residence**

I also declare that:

- a) I reside in the above property;
- b) I have experienced financial hardship through due to a significant reduction in income as a result of the State of Emergency declared by the Province of Nova Scotia related to COVID-19; and
- c) I am receiving federal or provincial financial assistance related to COVID-19 OR I was laid off from my employment after March 15, 2020.

Dated this \_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Signature of owner

Enclose: Documentation (email, letter, payment statement, or other) showing that you are in receipt of federal or provincial financial assistance related to COVID-19 OR enclose a Record of Employment indicating that you were laid-off from your employment after March 15, 2020.

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## **II. Registered tourism operator**

I also declare that:

- a) I was a registered Tourism Operator with Tourism Nova Scotia for the 2019 tourist season with respect to the above property;
- b) There is no current agreement in place with the Municipality regarding payment of property taxes;
- c) I have experienced a significant reduction in income from the property as a result of the State of Emergency declared by the Province of Nova Scotia related to COVID-19; and
- d) The property is not used as an AirBnB.

Dated this \_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Signature of owner

Enclose: Documentation showing registration as a Tourism Operator with Tourism Nova Scotia for the 2019 tourist season.

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## **III. Rental residential property**

I also declare that:

- a) I rent the above property to one or more residential tenants;
- b) I have experienced a significant reduction in income from the property as a result of the State of Emergency declared by the Province of Nova Scotia related to COVID-19;
- c) **[any other criteria to qualify for the program for residential rental properties]**

Dated this \_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Signature of owner

Enclose: **[list of documents and information to show the applicant meets any criteria listed in 4.1.3]**

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**Application for COVID-19 Property Tax Financing Program**

**Commercial Property**

Civic address of property: \_\_\_\_\_

Assessment Account Number (as it appears on your tax bill): \_\_\_\_\_

Name of owner (as it appears on your tax bill): \_\_\_\_\_

Mailing address (include civic number): \_\_\_\_\_

Phone number: \_\_\_\_\_

Email address: \_\_\_\_\_

**I declare that:**

- g) I have not received compensation from business interruption insurance toward payment of property taxes in relation to the above property;
- h) The property is not occupied by a daycare centre in receipt of federal or provincial funding or other emergency funding;
- i) The property is not used for a landfill, pipeline, managed forest, or parking, and is not commercial vacant land;
- j) There is no active tax agreement in place with the Municipality with respect to property taxes for the property through legislation or bylaw;
- k) The property is not owned by a non-profit organizations that is funded by the Municipality and the property is not partially exempted from property tax; and
- l) The property is not managed under a payment-in lieu-program.

**Complete one of I or II below**

**I. I also declare that:**

- a) I have experienced financial hardship through loss of revenue of my business or building located on the property as a result of the State of Emergency declared by the Province of Nova Scotia related to COVID-19;
- b) The total taxable 2020 assessed value for the property is equal to or less than **[insert the threshold value from 4.2.1];**
- c) **[any other criteria to qualify for the program for commercial properties assessed at less than the threshold value]**

Dated this \_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Signature of owner



Enclose: [list documents and information that the owner must provide to show they meet any criteria listed in 4.2.1]

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**II. I also declare that:**

- a) I have experienced financial hardship through loss of revenue of my business or building located on the property as a result of the State of Emergency declared by the Province of Nova Scotia related to COVID-19;
- b) The total taxable 2020 assessed value for the property is greater than **[insert the threshold value from 4.2.1]**, but (*choose any of the following that apply*):
  - \_\_\_ (i) I am a tourism operator registered with the *Tourist Accommodations Registration Act* and the property is used for tourist accommodations (e.g., hotels, motels, bed and breakfasts);
  - \_\_\_ (ii) I carry on the business of an automotive or leisure/recreational vehicle dealership on the property;
  - \_\_\_ (iii) I use the property as a private or non-profit recreation facility (e.g. golf course, indoor playground, campground, racing venue);
  - \_\_\_ (iv) I carry on a business on the property in the hospitality industry (eg. bar, café, restaurant, coffee shop);
  - \_\_\_ (v) I carry on a business on the property in the service industry (eg. hair salon, nail salon, gym, tattoo parlour);
  - \_\_\_ (vi) I carry on a business on the property as a health care provider (eg. dentist, naturopath, chiropractor, physiotherapist, physician), and that business has been required to reduce hours as a result of the State of Emergency.

Dated this \_\_\_ day of \_\_\_\_\_, 2020.

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Signature of owner