

SMOKY LAKE COUNTY



Title: Tax Agreement	Policy No.: 01-01
Section: 12	Page No.: 1 of 5

E

Legislation Reference:	<i>Municipal Government Act, Section 418(8).</i>
-------------------------------	--

Purpose:	The intent of the Tax Agreement is to provide the landowner the ability to enter into an agreement to remove the property from Tax Sale.
-----------------	--

Policy Statement and Guidelines:
<p>GUIDELINES</p> <p>STEP ONE:</p> <p>The Landowner whose properties are to be sold by Tax Sale, is responsible to approach Council if payment in full amount cannot be made; and enter in a “TAX AGREEMENT”.</p> <p>STEP TWO:</p> <p>Council’s decision to execute a Tax Agreement with the Landowner; and may allow the landowner up to a maximum of 3 (three) years to make equal payments of the arrears.</p> <p>STEP THREE:</p> <p>It is the responsibility of the landowner to pay the current years taxes and remain current during the term of the agreement.</p> <p>STEP FOUR:</p> <p>Any breach of the Tax Agreement by the Landowner automatically puts the property up for tax sale; and the arrears plus penalties are payable immediately.</p>

	Date	Resolution Number
Approved	December 11, 2006	# 93-06 - Page # 8256
Amended		
Amended		



TAX AGREEMENT

MEMORANDUM OF AGREEMENT made in duplicate this ___ day of _____, 20___;

B E T W E E N:

SMOKY LAKE COUNTY
Box 310, Smoky Lake, Alberta T0A 3C0
Phone: (780) 656-3730
a Municipal Corporation in the Province of Alberta
(hereinafter referred to as the "County")

OF THE FIRST PART

- AND -

Address: _____
Phone: (780) _____ or (780) _____
(hereinafter referred to as the "Landowner")

OF THE SECOND PART

WHEREAS the Landowner is the owner of the parcel legally described as:

(hereinafter referred to as the "Lands" and,

WHEREAS the Landowner acknowledges that the Lands are in tax arrears, as property taxes have not been paid since _____, and are subject to tax recovery proceedings;
(insert date)
and,

WHEREAS, the Landowner wishes to enter into an agreement to provide for the timely payment of all tax arrears and any taxes that will be levied during the term of this Agreement; and,

WHEREAS, the Municipality is agreeable to entering into such an agreement, pursuant to Section 418(4) of the *Municipal Government Act*;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual terms, covenants, and conditions herein, the parties hereto agree as follows:

1. TERM OF THIS AGREEMENT

The term of this Agreement shall be from _____, 20___ to _____, 20___. (*NOTE: The term of the agreement can not exceed three years.*)

2. **METHOD OF PAYMENT**

- 2.1 Payment shall be made as calculated within “**Schedule A**”, hereto attached and forming part of this Agreement.
- 2.2 Payment shall be received on the _____ day of each month beginning on the _____ day of _____, 20_____.
- 2.3 The Landowner hereby acknowledges and agrees that if he fails to make payment in accordance with 2(a) above, unless prior written waiver is provided by Smoky Lake County, during the term of this Agreement, this Agreement shall be null and void, and Smoky Lake County shall be entitled to proceed with tax recovery actions in accordance with the *Municipal Government Act*.
- 2.4 Should the Landowner sell the lands at any time during the term of this Agreement, all tax arrears, penalties, and costs to which Smoky Lake County is entitled under Division 8 of Part 10 of the *Municipal Government Act* shall immediately become due and payable.

3. **MUNICIPAL RESPONSIBILITIES**

- 3.1 Smoky Lake County agrees that it shall not pursue tax recovery proceedings relating to the property while this Agreement is in effect.
- 3.2 Smoky Lake County further agrees that upon full payment of all arrears that tax recovery notification shall be removed within thirty (30) days of funds being deposited with Smoky Lake County; and this Agreement shall therefore be terminated.

4. **GENERAL**

- 4.1 This Agreement shall inure to the benefit of and be binding upon the parties hereto and, except as hereinafter may otherwise be provided, upon their executors, administrators, successors and assigns, if any.
- 4.2 This Agreement shall be interpreted and governed in accordance with the laws of the Province of Alberta and the forum of all disputes arising from this Agreement shall be the Courts of the Province of Alberta.
- 4.3 All terms, conditions and covenants within this Agreement shall be severable. Should any term, condition, or covenant herein be declared invalid or unenforceable by any court having the jurisdiction of this Agreement shall not be thereby affected and shall remain in full force and effect.
- 4.4 This Agreement may be registered as a caveat against the Lands.

5. **TERMINATION**

This Agreement shall come to an end:

- 5.1 If the Landowner fails to make a payment contemplated by the Agreement on the date it is required.
- 5.2 If the Landowner files for, or is placed in, bankruptcy.
- 5.3 Some other party takes legal proceedings in respect of the Property.

Upon termination, the full amount of the outstanding taxes (including interest) is immediately payable to Smoky Lake County.

6. **REPRESENTATIVES**

For the purpose of this Agreement, the following named individuals are the representatives of the parties to this Agreement and are hereby enabled to perform all obligations of the parties to this Agreement as contained within this Agreement:

FOR THE LANDOWNER:

SMOKY LAKE COUNTY

Name:

Reeve

Chief Administrative Officer

7. **SIGNATURE**

Witness:

Landowner:

SCHEDULE "A"

1. Description of Property

Tax Arrears Payment Calculations for

(Legal Description of Property)

2. Payment Calculation

Tax Arrears and Penalties	\$ _____
Anticipated Taxes Levied	
■ Property	\$ _____
■ Business	\$ _____
■ Other (penalty)	\$ _____
TOTAL TAX	\$ _____

3. Payment Schedule

Payment shall begin on the _____ day of _____, 20____, and shall be made: Weekly Monthly Quarterly Other _____ thereafter.

4. Payment Calculation

Total Tax \$ _____ divided by _____ (# of Payments) = \$ _____ (payment amount)