

TOWN OF VULCAN

Policy Manual

<u>POLICY NUMBER</u>			<u>TITLE OF POLICY</u>
A-05			Tax Recovery Notification and Auction
Approval	D/M/Y	Resolution #	
From: F-14&19	12/12/16	To: A-05	
Amended	12/12/16	16.370	

STATEMENT:

The Town of Vulcan requires a policy to formalize a process for setting the fees for tax recovery notification and setting the market value of a property prior to public auction.

1. Tax Recovery Notification

- 1.1** Section 413 (3) of the Municipal Government Act (MGA) states: The municipality is responsible for the payment of the costs referred to in subsection (2) but may add the costs to the taxes owing in respect of the parcels of land shown on the tax arrears list.
- 1.2** The Tax Recovery Notification Fee will be set by council from time to time as established in the rates and fees bylaw.

2. Public Auction

- 2.1** Section 418 (1) of the MGA states: Each municipality must offer for sale at public auction any parcel of land shown on its tax arrears list if the tax arrears are not paid.
- 2.2** Section 419 of the MGA states: The council must set
 - (a) for each parcel of land to be offered for sale at a public auction, a reserve bid that is as close as reasonably possible to the market value of the parcel, and
 - (b) any conditions that apply to the sale.
- 2.3** For the purpose of determining market value for a property, an appraisal will be done by a professional appraiser on the property prior to going to public auction. The appraised value shall be used by council to set the reserve bid (set by resolution).
- 2.4** The reserve bid shall be advertised.
- 2.5** Should more than one bid be received to the same value of the reserve bid or greater, the bids will be placed in an envelope and one drawn by the auctioneer.

- END OF POLICY-