REPORTS

186. From the Chief Financial Officer
Report 2002/03/27

Date of Tax Sale Number 107
File FL-2.4 (Vol. 17)

Recommending:

1. That the City of Winnipeg Tax Sale No. 107 be held on December 9, 2002, for lands which are in tax arrears for all or part of 2000, 2001 and 2002.

2. That all lands included in Tax Sale No. 107 be advertised and sold in accordance with the applicable sections of The City of Winnipeg Act and that the City of Winnipeg exercise its prior right to purchase the property advertised for sale in accordance with Section 235(5) of The City of Winnipeg Act.

Moved by Councillor Clement,
That the recommendations be concurred in and forwarded to Council.

Carried

Re: **Date of Tax Sale Number 107**

For submission to: **EXECUTIVE POLICY COMMITTEE**

Submitted by: **Chief Financial Officer**

Report date: **March 27, 2002**

In Camera Item: **No**

Recommendation(s):

That the City of Winnipeg Tax Sale No. 107 be held on December 9, 2002, for lands which are in tax arrears for all or part of 2000, 2001 and 2002.

That all lands included in Tax Sale No. 107 be advertised and sold in accordance with the applicable sections of *The City of Winnipeg Act* and that the City of Winnipeg exercise its prior right to purchase the property advertised for sale in accordance with Section 235(5) of *The City of Winnipeg Act*.

Report Summary

Key Issues:

Implications of the Recommendation(s):

General Implications

X None

ð For the organization overall and/or for other departments

ð For the community and/or organizations external to the City of Winnipeg

ð Involves a multi-year contract

Comment:

Policy implications

X No

ð Yes

Comment:

Financial Implications

ð Within approved current and/or capital budget

ð Current and/or capital budget adjustment required

Comment: There is no financial impact as the Tax Sale process is revenue neutral to the city.

Report

Recommendation(s):

That the City of Winnipeg Tax Sale No. 107 be held on December 9, 2002, for lands which are in tax arrears for all or part of 2000, 2001 and 2002.

That all lands included in Tax Sale No. 107 be advertised and sold in accordance with the applicable sections of *The City of Winnipeg Act* and that the City of Winnipeg exercise its prior right to purchase the property advertised for sale in accordance with Section 235(5) of *The City of Winnipeg Act*.

Reason for the report:

Section 230(1) of *The City of Winnipeg Act* requires a resolution of City Council to initiate the annual Tax Sale proceedings.

History:

At or about this time each year, the Chief Financial Officer forwards the above recommendations to the Executive Policy Committee requesting they be adopted and forwarded to City Council for approval.

Discussion:

Annually the City of Winnipeg conducts a Tax Sale of all properties with tax arrears for the current and preceding two years. For 2002, Tax Sale No. 107 will be for properties with tax arrears for the years 2000, 2001 and 2002.

The City of Winnipeg Act requires Council to direct the tax collector to prepare a list of lands liable to be sold for arrears of taxes up to the time of the making of the list. The list is then submitted to the Mayor who authenticates the list and signs a warrant commanding the treasurer to levy against the lands the arrears, with costs.

The treasurer then proceeds to advertise in The Manitoba Gazette the lands to be sold in Tax Sale. This advertisement is made not more than 60 days and not less than 30 days prior to the date of sale. The advertisement contains a notification that, unless the arrears of taxes and costs are sooner paid, the treasurer will proceed to sell the lands for taxes at the time and location noted in the advertisement.

Council annually exercises its authority provided in *The City of Winnipeg Act* to become the purchaser of the lands advertised for sale. In doing so, The Manitoba Gazette advertisement also includes notification that the city intends to so purchase the listed lands.

When the city purchases the lands at the time of tax sale, title to the lands do not immediately change to the name of The City of Winnipeg. *The City of Winnipeg Act* permits the owner of any land sold in tax sale to redeem the land, within one year from the date of sale, by paying to the treasurer the amount paid by the city at the tax sale, any subsequent taxes, a 10% penalty of the total amount for which the land was advertised and sold, a penalty rate per month as fixed by by-law for each month elapsed since the date of sale and a sum fixed by by-law for the notice of redemption.

In the case of Tax Sale No. 107, the above noted redemption period will expire on December 9, 2003. It is after this date that The City of Winnipeg will be in a legal position to start proceedings leading to ownership of the lands not yet redeemed.

Financial Impact Statement **Date:** March 27, 2002

No financial impact as the Tax Sale process is revenue neutral to the city.

"Original signed by Carrie Erickson"
Carrie Erickson
Manager of Finance & Administration

This Report Submitted By:

Department: Corporate Finance
Division: Taxation and Revenue
Prepared by: Robert Weselowski
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