Property Tax Installment Prepayment Plan

MUNICIPALITY OF NORTH Cowichan

Civic Address: _____ Folio No. _____

Surname: _____ First Names: _____

Mailing Address: _____ **Postal Code**: _____

Telephone No. _____ Email: _____

Provincial Homeowner Grant:

Only indicate if eligible (basic) ☐ (additional) ☐ **Year of Birth**: _____

Initial *one of the following options (see over for more information):*

OPTION 1: I choose the **Calculated Monthly Installment** ☐

OPTION 2: I choose the **Fixed Monthly Installment** ☐ Amount _____

I, the undersigned, authorize the District of North Cowichan to deduct monthly payments from my account for the prepayment of **next year's property taxes** on the first business day of each month from **August to May** (10 equal payments) per the following terms and conditions:

- The treatment of each payment shall be the same as if I had personally issued a cheque.
- I acknowledge there may be increases in the calculated monthly installment beginning in August of each year due to a difference in the annual levy. Notification of any changes will be detailed on your tax notice. By signing this application, I agree to any increased deductions for which I have received notification.
- I agree to inform the District of North Cowichan, in writing, at least 21 days before a payment date, of any change in: my monthly installment amounts, cancellation of tax installment prepayment plan, or my banking information (i.e., financial institution or bank account).
- Delivery of this authorization to the District of North Cowichan constitutes delivery by me to my financial institution.
- This authorization may be cancelled at any time upon written notice to the District of North Cowichan at least 21 days before a payment date.
- I acknowledge the right of the District of North Cowichan to cancel my participation in the payment plan if two consecutive debits are not honoured by my financial institution, or if my tax account contains taxes in arrears.
- I understand that I am governed by the "Terms and Conditions of the Tax Installment Prepayment Plan" as they exist at any given time as per the Tax Prepayment Installment Bylaw No.3127, adopted May 15, 2002.
- I certify that all information provided is accurate.
- I warrant and guarantee that all persons who signed this authorization are allowed to sign on the bank account listed.
- I agree to pay all balances owing as stated on the annual property tax notice. I acknowledge and understand that the prepayments made from August to May are for the following year's property taxes. Any outstanding taxes not covered by these prepayments must be paid by the property tax due date each year. Additionally, I must apply for the Provincial Homeowner Grant (if eligible) by the property tax due date to avoid statutory penalties.

Signature: _____ Date: _____

Signature: _____ Date: _____

Sign and return this authorization form with a ***Void Blank Cheque*** *to the District of North Cowichan*

Note: Personal information is collected by the Municipality of North Cowichan under the authority of section 26(a) & (c) of the Freedom of Information and Protection of Privacy Act for the purpose of processing and administering the Tax Instalment Bylaw 2002. Should you have any questions about the collection of this personal information, please contact the Deputy Director of Corporate Services, (250) 746-3100; 7030 Trans-Canada Highway, North Cowichan, BC V9L 6A1.

The Property Tax Installment Prepayment Plan is an optional payment plan that allows taxpayers to make monthly payments for property taxes. By completing this form and attaching a void cheque, we will process 10 equal monthly installments from August 1 to May 1. **Please note that prepayments starting in August of any given year will be applied to the property taxes for the following year.** Interest at 3% below bank prime will be added to your monthly credit balance. In May of the following year, you will receive your tax bill with the amount of your payments and interest accrued deducted from the billing. It is your responsibility to pay any outstanding balance by the due date. If you qualify for the homeowner grant, you must submit the grant application before the due date. Terms and conditions of the installment payment plan are provided below.

Tax Installment Prepayment Plan
Terms and Conditions

Eligibility Requirements
The tax account must be paid in full at the time of application and by the due date each year. The applicant must have chequing account privileges at a financial institution in Canada.

Monthly Payment
It is the owner's responsibility to ensure that any balance owing on the annual tax notice is paid by the due date to avoid penalty charges.

Option 1: Calculated monthly installment: the amount is calculated from the previous years' gross taxes, less the Homeowner Grant (if claimed), divided by 10 monthly installments, then raised to the nearest dollar. The calculated monthly installment amount is an estimate and is not a guarantee of the amount of taxes that will be levied. The calculated monthly installment will be recalculated every year.

Option 2: Fixed monthly installment: the amount of the fixed monthly installment is agreed upon between the applicant and the District of North Cowichan, at the time of application. The amount of the fixed monthly installment will not change from year to year unless a written request is submitted.

Payment Dates
Authorized prepayments will be debited on the **first day** of each month, starting in **August** and continuing until **May** of the following year, for a maximum of 10 consecutive automatic withdrawals. **No prepayments will be withdrawn in June or July.** It is the property owner's responsibility to ensure that the taxes are paid in full by the due date.

Homeowner Grant
Eligible property owners must apply for their Provincial Homeowner Grant (HOG) each year (Basic - $570 or Additional $845). If you do not apply for the Homeowner Grant by the property tax due date, you will incur a 10% penalty on your tax account. For example, if you are eligible for the basic HOG worth $570 and do not claim it by the deadline, a 10% penalty of $57 will be added to your tax account.

Requesting Changes
Written notification is required 21 days before the payment date for the following changes:
- monthly installment amounts;
- cancellation of the tax installment prepayment plan; or,
- banking information (i.e. financial institution or bank account)

Dishonored Payments
All dishonored payments will be subject to a service charge of $20.00. **The District of North Cowichan may cancel the applicant's participation in the Tax Installment Prepayment Plan if two consecutive authorized prepayments are not honored by the financial institution.**