

# Unpaid Taxes: Tax Recovery Process

1. Each year the Municipality must, not later than March 31, prepare a list of all parcels of land that are more than one year in arrears and forward to the Registrar at the Land Titles Office. A Tax Recovery Notification will be registered on the Certificate of Title.
2. Once a Tax Recovery Notification has been endorsed on the Certificate of Title, the person who is liable to pay the taxes must not remove any improvements for which taxes can be levied and for which that person is responsible without the approval of the municipality.
3. Anyone can pay the tax arrears owing against the property and the Municipality will discharge the Tax Recovery Notification.
4. If the tax arrears are not paid by March 31 of the following year, the Municipality will offer the parcel for sale at public auction and may become the owner of the parcel if it is not sold at public auction.
5. Section 326 (c) of the MGA defines "tax arrears" as "taxes that remain unpaid after December 31 of the year in which they are imposed." Taxes are in arrears if they are unpaid as of January 1 of the year following the year in which they were imposed. Section 332 states that taxes imposed are deemed to have been imposed on January 1.
6. Once the Registrar has endorsed the Tax Recovery Notification he or she must, not later than August 1, send a notice to the owner of the parcel of land, to any person who has an interest registered against the parcel, and to each owner of an encumbrance as shown on the Certificate of Title. The notice must state that if the tax arrears are not paid by March 31 of the following year the municipality will offer the parcel for sale at public auction, and the municipality may become the owner of the parcel if it is not sold at public auction.
7. The Municipality **MUST** offer for sale at a public auction any lands with tax arrears that are shown on its tax arrears list.

8. Discharge of Tax Recovery Notification will not be sent to Land Titles until the arrears and penalties are paid in full.
9. The Municipality must establish a reserve selling price before it can auction a property. The reserve bid is set at a level that is as close as reasonably possible to the market value of the parcel.
10. The Municipality must advertise the public auction in the Alberta Gazette and one local newspaper. The information in the advertisement must specify the date, time and location of the auction and a description of each parcel of land to be offered for sale. The advertisement must also include any terms and conditions of the sale.

