

**Town of Smithers
Property Tax Prepayment Installment Plan
Application/Authorization Form
NEW ACCOUNTS**

Detach here

I/We the undersigned have read and agree to the Terms and Condition of the Tax Prepayment Installment Plan as outlined on the back of this form. I/We hereby authorize the Town of Smithers to draw pre-authorized monthly payments from my/our bank account for the prepayment of taxes on the first day of each month. It is understood that the amount debited each month is for the prepayment of net taxes (including annual fees and charges on the tax notice) and not for outstanding taxes.

Effective Date: _____

Roll Number : _____

Registered Owner #1: _____

Registered Owner #2: _____

Civic Address: _____

Mailing Address: _____

Applicant's Home Phone Number: _____

Applicants Work Phone Number: _____

Initial Monthly Payment Amount : \$ _____

Name of Bank: _____

Bank Transit Number: _____

Branch Address: _____

Bank Account Number: _____

A blank cheque marked "VOID" must be attached to this application. For joint accounts all depositors must sign the application if more than one signature is required on cheques issued against the account.

Signature(s) of Property Owner (s) (and bank account holder if different from property owner):

Calculation of Initial Prepayment Instalment Amount..

A. Gross Property Taxes (including annual fees/charges) for the current year _____ (A)

B. Home Owner grant for current year (if applicable)
Basic Grant (under 65) \$770
or Basic & Additional (over 65) \$1045 _____ (B)

C. Total Net Taxes (A-B) _____ (C)

D. Add 1% to the Total Net Tax as a contingency to cover future tax/fee increases: (C) X 1.01 _____ (D)

E. Divide (D) by number of months remaining to May 1st of next year to calculate an estimated monthly installment (maximum 10 months) \$ _____ (E)

OR
F. Different Set amount that taxpayer wishes to pay monthly \$ _____ (F)

The amount shown on Line (E) or (F) is to be put as the Initial Monthly Payment Amount on the Application/Authorization Form.

For More Information...

Contact: Leslie Ford, Director of Finance/Collector
Phone: (250) 847-1600
Fax: (250) 847-1601
Box 879
1027 Aldous Street
Smithers, B.C.
V0J 2N0
www.smithers.ca



Property Tax Prepayments including the Monthly Prepayment Installment Program Information Package and Application Form

If you wish to prepay your **next year's** Property Taxes, it may be done in one of four ways:

- **Installment Plan:** The Town offers a **monthly tax prepayment installment plan which debits your bank account. More information about this plan is on the inside of this brochure.**
- **Lump Sum:** If your current property taxes are paid in full you can make a prepayment towards your next year's property taxes any time. You can pay any amount up to the estimated amount of your next year's net property taxes (including annual fees and charges such as annual water, sewer and garbage user fees).
- **Post-dated Cheques:** If the prepayment installment plan does not meet your needs, you can send the Town a series of post dated cheques.
- **On-Line Tax Payments:** You may pay you taxes through On-Line Banking Services at the BV Credit Union, Royal Bank, CIBC and Bank of Nova Scotia at any time.

THE EASY WAY TO MAKE YOUR TAX PAYMENTS...

What is it?

The Tax Prepayment Installment Plan will allow you to pay next year's taxes by automatic monthly deductions from your bank account. This plan is available on all types of property.

Why should I participate?

It's Convenient...

It will assist you in budgeting, and will eliminate the impact of one large payment in June and/or July.

It's a Good Investment....

The plan will pay prime rate minus 3% and the interest is tax-free.

It's Easy to Start....

All you have to do is complete the application form included in this information package (or pick up a separate form at the Town Office) and submit a signed application form to the Smithers Town Office along with one of your personal cheques marked "VOID", which will assist in checking the accuracy of the banking institution and the branch transit numbers.

It's Secure...

There are no cheques to get lost in the mail. Your authorization is required to participate in the plan and you can discontinue the plan at any time.

How does the Plan Work?

Ten (10) monthly payments will be collected on the first of each month, starting in August and ending in May of the year in which the taxes become due.

The amount of the initial monthly payment will be calculated by taking the current year's taxes less the Home Owner grant, if applicable, and including the annual fees and charges. This will be divided by ten to determine the initial monthly payment. Or you can decide on a specific set amount that you wish to pay (but not less than \$25 per month).

The annual tax notices, mailed at the end of May each year, will show your current year's taxes less the total prepayments (including interest earned). You are responsible for paying any differences, as well as applying for the annual Home Owner Grant, by the due date, to avoid penalties. If the prepayments (plus interest) are greater than the taxes owing, the credit will be applied to the following year's taxes (unless you write and ask for a refund of the tax credit.)

How do I apply?

Complete and sign the authorization form included with this information package and, with a personal cheque marked "VOID", mail it to the Town Office or drop it off at the Town Office in Smithers. The application form can also be downloaded from the Town's website. Faxed forms and faxed Void cheques will not be accepted, only originals. All of the required signing authorities for your bank account must sign the form. You can sign up at any time during the year.

Do I have to renew my plan each year?

You will receive a letter with your annual tax notice advising you that your prepayment plan will continue automatically, starting in August, unless you advise us otherwise. Your monthly prepayments will start up in August and end in May of the following year.

If you have taxes owing, even after making your tax prepayments, you must clear up the current balance, otherwise your prepayment plan will not be renewed for the following year.

PLEASE remember to claim your current home owner grant, either on line through the Town's website, or at the Town Office. Otherwise you will incur a penalty if there are taxes owing.

How do I withdraw from the plan or modify my plan?

You can terminate the plan by notifying the Town Collector a minimum of 10 days in advance of when you wish to discontinue. However, any prepayments will stay on the property's tax account and will not be refunded. The tax prepayments made will continue to accrue interest and will be applied to upcoming taxes.

If you wish to modify your plan you can fill out the Tax Prepayment Installment Modification Form (available at the Town Office). This form is to be completed if you change your bank, bank account, or if you wish to change your amount to be paid monthly.

If you sell your property during the year the prepayment account will stay with the property. It will be your responsibility to ensure that the conveyancing lawyer or notary provides you with a full credit of the prepayments made on your statement of adjustments.



Detach here

TERMS AND CONDITIONS OF THE PROPERTY TAX PREPAYMENT INSTALLMENT PLAN

1. To participate in the plan your tax account must be current with no outstanding property taxes owing and you must not be already paying your taxes with your mortgage (P.I.T).
2. If the estimate of the monthly payments results in an underpayment of taxes, when the taxes are calculated, the balance must be paid by the due date to avoid a 10% penalty. If the estimate results in an overpayment (credit) of taxes, the credit will automatically be applied to reduce the next year's installment amount. You may request, in writing, a refund of the current tax credit.
3. If eligible, you must claim the Home Owner Grant after receipt of the tax notice and before the due date to avoid a 10% penalty on that portion of outstanding taxes.
4. If you have any taxes remaining unpaid on your next year's taxes after next year's due date, your prepayment plan will be automatically cancelled.
5. Interest is accrued daily from the date of payment and will be applied to your account on a monthly basis. Interest will be at prime minus 3% and will be applied as a discount to your tax account.
6. Participation in the plan will automatically cease if two prepayments (not necessarily consecutive) fail to be honoured by your bank within the preauthorized payment cycle (August to May). Interest will not be accrued on payments returned by your bank and a service fee of \$25 will be charged.
7. Completion of the application for Tax Prepayment Plan together with a personal cheque marked "VOID" must be delivered or mailed to the Town Office.
8. You may terminate participation in the plan at any time upon written notice to the Collector. There will be no refund of the prepayments.
9. Property Taxes are levied each year in May and are due the first business day of July.
10. Any changes or modifications to the plan must be received 10 days in advance of the requested date of change.
11. It is the responsibility of the taxpayer to inform the Collector in writing if the property is sold, so that participation in the plan may be discontinued. Prepayments will stay with the property's tax account.
12. The information collected on the authorization/application form is collected under the authority of the *Community Charter* and will only be used for tax prepayment plan purposes by the Town of Smithers, as outlined in this brochure.