



# THE CORPORATION OF THE VILLAGE OF SLOKAN

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## **TAX SALE INFORMATION SHEET**

THE PURPOSE OF THIS INFORMATION CIRCULAR IS TO PROVIDE INFORMATION IN RESPONSE TO FREQUENTLY ASKED QUESTIONS. IT IS NOT INTENDED TO BE A COMPLETE REVIEW OF THE LAW PERTAINING TO TAX SALES. FOR MORE INFORMATION ON TAX SALES, PLEASE CONSULT THE *LOCAL GOVERNMENT ACT*.

### **1. WHAT IS A TAX SALE?**

By statute, a Collector of a municipality must offer for sale properties that have delinquent taxes outstanding. Taxes are considered to be delinquent if they are unpaid for three years.

**Current Taxes:** When taxes are originally levied against a property in the current year they are considered current taxes.

**Tax Arrears:** Any amount remaining unpaid in the first year is transferred to tax arrears on January 1<sup>st</sup> (year two) of the following year. Interest now accumulates, uncompounded, until either paid or transferred to delinquent taxes.

**Delinquent Taxes:** Tax Arrears unpaid in year two are transferred to delinquent taxes on January 1<sup>st</sup> (year three) of the following year.

### **2. WHEN IS THE TAX SALE HELD?**

Each year, if there are properties that have any amount of delinquent taxes outstanding, they must be offered for tax sale at 10:00 a.m. on the last Monday of September. If the last Monday in September is a holiday, the tax sale must be held on the next Monday that is not a holiday. There may be occasions where a tax sale is not held because all delinquent taxes have been paid.

### **3. HOW DO I ENSURE MY PROPERTY DOES NOT GO TO TAX SALE?**

To keep your property from being offered for sale by public auction, you must pay only the outstanding delinquent taxes in full prior to the tax sale date and time. It will not be necessary to pay the tax arrears or current taxes plus penalties to keep the property from being sold for taxes.

### **4. CALCULATING THE UPSET PRICE**

The upset price is the minimum bid that will be accepted at the tax sale auction. An upset price is established by statute as the following:

- a) The amount of delinquent taxes plus interest to the day of tax sale
- b) The amount of arrears taxes plus interest to the day of tax sale
- c) Current year taxes plus any penalties levied against the property
- d) Five percent (5%) of the total of items a, b, and c
- e) Filing fees under the *Land Title Act*

The upset price is the starting price, or the minimum bid that will be accepted at the tax sale auction for a particular property.

## **5. HOW IS THE TAX SALE CONDUCTED?**

Tax sales are conducted in an open public auction by the Collector or designate. A legal description, civic address, and upset price are read out loud. Bidding will start at the upset price. Bidding for properties may go well above the minimum bid.

The Village of Slocan makes no representation expressed or implied as to the condition or quality of the property(ies) being offered for sale. Prior to the tax sale date, prospective purchasers are urged to inspect the properties and make all necessary inquiries.

The highest bid above the upset price will be accepted and the auction will be conducted with three calls on the final bid.

If no bid is received at or above the upset price, the municipality is deemed to be the purchaser.

Any person, upon being declared the successful bidder, must provide their name and address and pay in CASH, MONEY ORDER, OR CERTIFIED CHEQUE in a minimum of no less than the upset price. Failure to pay this amount will result in the property promptly being offered for sale again. ANY BALANCE MUST BE PAID IN FULL BY 3:00 p.m. OF THE SAME DAY.