

POLICY 25-23		LATE TAX PAYMENT PENALTY CANCELLATION	
DATE OF ADOPTION:	October 28, 2025	MOTION NUMBER:	
DATE OF AMENDMENT:		DEPARTMENT:	Corporate Services

PURPOSE

To establish a uniform and consistent approach by which Council and Administration may waive outstanding penalties for late tax payments in accordance with the Municipal Government Act.

DEFINITIONS

Administration is the administrative Employees of the Town of Vermilion.

Application Deadline is sixty (60) days after the tax due date as prescribed in the annual Tax Rate Bylaw and as outlined on a person's combined tax and notice of assessment.

CAO is the Chief Administrative Officer for the Town of Vermilion.

Council is the municipal Council of the Town of Vermilion.

Director is a person employed by the Town of Vermilion who is in charge of an activity, department or organization, as delegated by the CAO.

Due Date is the due date as prescribed in the annual Tax Rate Bylaw and as outlined on a person's combined tax and notice of assessment.

Employee is an employee of the Town of Vermilion.

Immediate Family is a spouse, parent or child.

Member of Council is an individual elected to office pursuant to the Municipal Government Act (MGA) RSA 2000, c M-26. who serves as an elected official for the Town of Vermilion.

MGA is the Municipal Government Act, RSA 2000, c M-26, as amended from time to time.

Penalty is the penalties imposed under section 344 and 345 of the MGA and/or as prescribed in the annual Tax Rate Bylaw.

Town is the Town of Vermilion in the Province of Alberta.

SCOPE

This policy applies to All Members of Council and/or All Employees of the Town of Vermilion.

TASK	TITLE OR DEPARTMENT OF PERSON RESPONSIBLE
APPROVAL OF POLICY & AMENDMENTS	Council
HANDLING INQUIRIES & COMMUNICATING POLICY	Director of Corporate Services
MONITORING REVIEWS & IMPLEMENTATION	Chief Administrative Officer

GUIDING PRINCIPLES

- In accordance with Section 347 of the MGA, Council may cancel, reduce, refund or defer property tax if it is equitable to do so. Any person seeking to appeal their tax penalty must provide adequate documentation and evidence to support their request.
- Municipal tax relief remains at the sole discretion of Council. Any decision made by the Council for the Town of Vermilion on whether to grant or refuse the waiver of a tax penalty is discretionary. Once Council has made their decision, that decision is deemed to be final with no right to further appeal.
- Requests for municipal tax relief and tax penalty relief must be made in writing to the Director of Corporate Services for the Town of Vermilion whom will prepare the request for Council consideration.
- Provided that an application is made on or before the deadline, the following types of requests are typically supported by Council for the Town of Vermilion:
 - A death in the Immediate Family of the property owner occurred within thirty (30) days prior to the due date and payment of those taxes were made within forty-five (45) days of the due date;
 - The tax notice has been sent to an incorrect address as a result of the Town's error in recording an address change on the tax roll;
 - Instances where the taxpayer has more than one property and made a lump sum payment to the incorrect tax roll; or

- A late tax payment has been processed by a financial institution and either the financial institution or the property owner provides documentation indicating the payment was processed on or before the due date. Screenshots showing the desktop date of processing is not sufficient evidence for this purpose.
- Even if an application is made on or before the deadline, the following types of requests are not typically supported by Council for the Town of Vermilion:
 - A penalty related to the prior taxation year;
 - A penalty imposed as part of the tax recovery process;
 - A penalty related to a tax account that is in arrears;
 - A penalty imposed on a tax account where the taxpayer has already been granted a waiver under this policy in the current year;
 - A penalty imposed on a non-residential property.

ELIGIBILITY

- This policy does not apply to exempt tax accounts held under the jurisdiction of the Provincial or Federal governments.
- Requests for penalty waivers made after the Application Deadline will not be considered.
- The Town of Vermilion reserves the right to deny any request for tax relief at their sole discretion.