

**Q&A: Tax Sales and the COVID-19 Emergency Webinar – April 22, 2020**

Question	Answer
<p><b>Due to connection issues and not being able to keep Zoom connected, I missed the answer to my question. If final notices went out on March 16, 2020, do they need to be reissued when State of Emergency lifted?</b></p>	<p>The answer to your question was yes, the final notices should be reissued.</p>
<p><b>Should disclaimers be added to any notices following registration to explain the recalculated notice and/or expiry dates? What wording would you suggest?</b></p>	<p>We will need to look carefully into the wording of all of the notices to see where clarification needs to be included. We have not had an opportunity to do this thoroughly yet. The Final Notice (Form 3) requires us to put in the actual date of the termination of the one year period, so this will need to be recalculated when the emergency ends.</p>
<p><b>We mailed a tax extension agreement default notice to a property owner after March 16. We intend to execute a new agreement with them in early May. Any timelines that we should be concerned about? I should note that the property owner only had approx 3 days left in the 1 year timeline.</b></p>	<p>The extension agreement is a municipal instrument so it is not effected by 73/20 and the termination notice is fine. The one year period is automatically suspended for the duration of the emergency pursuant to 73/20 so the new extension agreement may be entered into any time up to the end of the emergency - and then the 3 days beyond that.</p>
<p><b>Does it also extend the 2 year time period for the municipality to decide if is it going vest or not, after an unsuccessful tax sale. ? thank you.</b></p>	<p>Yes, it does. So if the emergency goes on for 60 days, you'll have 2 years + 60 days to register a notice of vesting.</p>
<p><b>Does this also suspend notification timelines for Notices of Intent to Realize on Security? Better known to those of us in the Tax field as Farm Debt letter?</b></p>	<p>No, O.Reg. 73/20 does not suspend notification timelines for Farm Debt letters. That's because the these letters are sent pursuant to the Farm Debt Mediation Act, which is federal legislation, and is therefore not subject to a provincial regulation. If you have not yet sent these letters, we suggest that you do not sent them until after the emergency has been lifted. If you have sent them, we suggest that you not register tax arrears certificates until the emergency has been lifted.</p>
<p><b>is not the suspension subject to the discretion of the court?</b></p>	<p>The suspension of "any period of time within which any step must be take... including any intended proceeding" in paragraph 2 of 73/20 is subject to the discretion of the "court, tribunal OR other decision maker responsible". Our understanding is the Municipal Act, 2001 makes the treasurer the decision maker responsible for these matters. That being said, if the treasurer is exercising their decision to proceed in face of the suspension, an offended party might try to take the decision to court to have it overturned. In an effort to stay out of court and depending on the individual circumstance of the case, it might be advisable to just adhere to the suspension.</p>
<p><b>So is it an illegal tax sale if we processed with a tax sale that was after the 2nd week of advertising at March 16th?</b></p>	<p>I understand this is a sale with its own particular circumstances. We will be in touch to discuss the uniqueness of this situation with you.</p>

<p><b>Slide #6 - Mailing Notices - deadline is suspended, but can we still send them out during the emergency?</b></p>	<p>The First Notice (Form 1 O. Reg 181/03)) says in paragraph 2 that "If, at the end of the on-year period following the date of the registration of the tax arrears certificate, the cancellation price remains unpaid and there is no subsisting extension agreement, the land will be sold". The One-year period is suspended due to the emergency so, in the absence of any clarification on the Notice, the person receiving the Notice might feel misled into believing they have less time than they do. Final Notices (Form 3) require an actual date for the termination of the one year period and we do not know what this will be yet.</p>
<p><b>i missed the first slide, i am getting ready ti send out Form 1, do I continue to do this,?</b></p>	<p>No, you should not send out the Form 1's (notice of registration of a tax arrears certificate). The timeline for sending these notices has been suspended by O. Reg. 73/20. Please see the example on slide #6.</p>
<p><b>I missed slide 1, I am getting ready to submit Form 1, do I mail them or wait until Emergency is over</b></p>	<p>See above</p>
<p><b>Adding new properties to the tax sale process should be held off until after the emergency?</b></p>	<p>We believe that the safest course of action with regard to most properties is to wait until after the emergency before registering a tax arrears certificate.</p>
<p><b>We wait until properties are 3 years in arrears before starting tax sales, we sent out our farm debt notices, we could still enter into extension agreements, but if the tax payer doesn't opt for that we can't proceed until the emergency is over?</b></p>	<p>O. Reg 73/20 might not prevent you from registering a tax certificate on title but once you do, the one year period will automatically be suspended due to 73/20 and that will cause a lot of confusion as to deadlines. We would suggest the best option would be to wait to register until the emergency is lifted.</p>
<p><b>Do you recommend we receive approval from Council regarding when we should continue with the process for eligible properties that are not yet in registration. For example, final letters were sent by Municipality prior to Emergency Order. Approval from Council to commence the process 90 days after Order is listed or something similar?</b></p>	<p>The Municipal Act 2001 s. 373(1) says that after two years with arrears, the treasurer "unless otherwise dirceted by the municipality" may register on title. It does not give this authority to council at any other part along the timeline (except for extension agreements) until the a decision is to be made after an unsuccessful sale. As to municipal policy regarding how hard a line to take on collections in view of the current COCID situation, we at Realtax aren't involved in that. It will vary between municipalities.</p>
<p><b>I put a question above about final notices that went out on the 16th, do we need to reissue. It now says it was answered live but I missed it. Can it be quickly reanswered for me? Thank you</b></p>	<p>The answer to your question was yes, the final notices should be reissued.</p>
<p><b>Any new notices being sent after orders are lifted, should we include disclaimer regarding recalculation of expiry dates?</b></p>	<p>The expiry date of the "redemption" period is required for the Final Notice (Form 3) so that will need to be recalculated. First Notices (Form 1) just refer to "the one-year period following the ate of registration" You might consider some clarifying wording in there.</p>