

CITY OF FORT SASKATCHEWAN

Tax Recovery Process

The tax recovery process is described as follows:

- Taxes that are in arrears 2 years after they are imposed must be included on a tax arrears list that is submitted to the Land Titles Office by March 31 each year.
- The Registrar at the Land Titles Office registers a “Tax Recovery Notification” on the Certificate of Title for each property on the arrears list.
- The Registrar sends a notice to the owner of the property, to any person who has an interest registered against the property, and to each owner of an encumbrance as shown on the Certificate of Title stating that if the taxes are not paid by March 31 of the following year, the City will offer the property for sale at public auction, and the City may become the owner of the property if it is not sold at public auction.
- During the time between tax notification and tax sale, the City makes attempts to enter into payment arrangements with the property owner. These arrangements must pay out tax arrears over a period not exceeding 3 years. Once the tax arrears are paid the tax notification is removed from the Certificate of Title. If arrangements cannot be made, the City must offer for sale at a public auction all properties shown on its tax arrears list.
- Pursuant to the MGA, the City must advertise the public auction in one issue of the Alberta Gazette not less than 40 days and not more than 90 days before the auction date.
- A second advertisement of the public auction must appear in one issue of a local newspaper not less than 10 days and not more than 20 days before the auction date.
- Not less than 4 weeks before the auction date, the City must send the owner of each property and any other party with an interest in the property to be sold a copy of the advertisement that appeared in the Alberta Gazette.
- If tax arrears are paid at any time prior to the sale, the City files a “Discharge of Tax Recovery Notification” with the Land Titles Office. The notification is then removed from the Certificate of Title.
- City Council must approve the reserve bid for each property shown on the arrears list and set the terms of the sale.

- If a property is not sold at public auction, the City may take title to the property. The City can then sell the property at market value.
- All sale proceeds from the public auction are deposited into a separate bank account designated as tax recovery proceeds. Surplus funds are determined by paying out any remedial costs associated with the property, tax arrears, lawful expenses incurred by the City, any expenses owing to the Crown that have been charged against the property under section 553 of the MGA, and a 5% administration fee.
- The City must notify the previous owner of any surplus funds available and may pay out these funds to the previous owner. If the surplus funds are not paid out, the previous owner must be notified that he or she can apply to the Court of Queen's Bench to obtain the surplus funds. If the previous owner does not apply for these surplus funds, the City can, after a 10 year period, make use of the funds for any purpose.