

Rural Municipality of Springfield <b>POLICY AND PROCEDURE MANUAL</b>		POLICY NO: A-03
REFERENCE: <b>Administration Process</b>	ADOPTED BY: <b>Resolution # 05-114</b>	Page 1
	Date: February 22, 2005	
TITLE: TAX SALE		DATE LAST REVIEWED BY MGMT:

**PURPOSE:** To establish restrictions, rules and set standardized conditions for R.M. of Springfield municipal tax sales.

**RESTRICTIONS:**

1. The following individuals are prohibited from bidding, buying, or acting as an agent in buying property at tax sale, unless they are acting as an agent of the municipality;
  - the auctioneer
  - a member of council
  - the Chief Administrative Officer
  - a designated officer of the municipality or employee of the municipality
  - a spouse or dependent family member who resides with the auctioneer, member of council, Chief Administrative Officer or Designated Officer, or employee of the municipality
  - any individual who has a pecuniary interest with the auctioneer, a member of council, Chief Administrative Officer or Designated Officer of the Municipality or Employee of the Municipality (A pecuniary interest with another is deemed to exist when there is financial connection in the form of a fee, commission, salary, stock option, partnership, loan guarantee or credit arrangement.)
  - If there is any question as to potential conflict of interest, it must be raised at least two full working days prior to the tax sale to allow for a legal opinion to be obtained.
  
2. The municipality shall reserve the right to place a reserve bid on all properties in the amount of tax arrears, penalties and costs as posted;

**RULES:**

1. All persons present at the auction shall be required to sign that they have read the R.M. of Springfield tax sale policy;
2. All persons shall conduct themselves in an appropriate manner or they shall be removed from the tax sale location;

3. The Municipality shall assign one of its Designated Officers to act as an agent on its behalf and to participate in the bidding;

**CONDITIONS:**

1. To qualify as a bidder
  - Individuals must be physically in attendance at the location of the tax sale at least 5 minutes prior to the commencement of the auction;
  - Individuals must sign an affidavit that any bid made that ultimately becomes the highest bid shall be deemed to be a contract and as such must be fulfilled or it will be subject to the same legal recourse as a breach of contract;
2. Payment
  - The minimum payment shall be a deposit of \$1000.00 per property which shall be paid to the auctioneer immediately at the conclusion of the sale of each parcel of land being auctioned;
  - The deposit shall be paid to the municipality by certified cheque, bank draft, money order, interac payment or cash;
  - The Deposit is non refundable if the tax sale purchase is not concluded;
  - The Balance of the purchase price must be paid by certified cheque, money order, bank draft or cash within 10 working days unless other arrangements suitable to the Chief Administrative Officer or the Secretary Treasurer have been made.
  - In the event that the successful bidder does not complete the sale, then the sale will revert to the reserve bid offered by the municipality.
3. Ownership
  - A 30 day appeal period shall be allowed prior to a tax sale application being made at WLTO;
  - Once a parcel of land has been sold at auction, the successful purchaser must complete a tax sale application in form (PR6) provided by the municipality for filing with WLTO.
  - The municipality shall file an affidavit with WLTO regarding service of the First and Second Notices of Auction or of Substitutional Service
4. Surplus Funds
  - After all tax arrears and costs have been paid, the municipality is entitled to any surplus funds from the tax sale auction up to an amount of \$200. If the surplus funds exceed \$200, the property owner and each person with an interest in the property is entitled to be notified of the existence of the excess and the rights they may have to claim it;
  - Claims must be made to the Court of Queen's Bench;
  - During the 3-year period that a former property owner has available to claim the surplus, the surplus funds will be held by the municipality;

- If there is no Order for Payment by the Court of Queen's Bench within the 3-year period, the municipality shall be entitled to the revenue;

5. The bidder relies on their own inspection and knowledge of the property and the Municipality makes no representation as to the use, suitability or accessibility of the property.