



3215 Eby Street, Terrace, BC, V8G 2X8

T: 250-635-6311 | F: 250-638-4777

Email: cashier@terrace.ca

## Pre-Authorized Tax And Utility Payment Plan

TO BE COMPLETED BY NEW MEMBERS ONLY

THE CITY OF TERRACE

PRE-AUTHORIZED TAX AND UTILITY PAYMENT PLAN APPLICATION

Name: \_\_\_\_\_

Property Civic Address: \_\_\_\_\_

Roll Number: **339** \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Home Owner Grant Eligibility – Check One: Not Eligible \_\_\_\_\_ Eligible, Under 65 \_\_\_\_\_ Eligible Over 65 \_\_\_\_\_

### Bank account and payment information

A blank cheque marked "VOID" must be attached to this application.

Starting on the 17<sup>th</sup> day of \_\_\_\_\_, 20\_\_\_\_\_

Monthly debit amount \$\_\_\_\_\_ (amount is not changed and will continue in subsequent years unless a change or cancellation is made in writing).

I/We hereby authorize the City of Terrace to draw ten (10) equal payments in the amount written above to be charged against my/our account on the 17th of each month. The 10th and final payment on May 17th (being the difference between the actual amount of the current year tax bill, less the prepayments, interest earned and H.O.G., if eligible) is to be charged against my/our account, up to the monthly amount pre-authorized. If pre-payments do not cover the current year's taxes, payment of any amount remaining is due by the tax due date.

The authorization may be cancelled at any time upon written notice. Any delivery of this authorization to you constitutes delivery by the undersigned.

I have read and understood the conditions for the Pre-Authorized Pre-Payment Plan. These amounts are to be applied against property taxes and utilities covered by:

Signature(s) \_\_\_\_\_

Date: \_\_\_\_\_

Telephone # (Cell) \_\_\_\_\_

Telephone # (Home) \_\_\_\_\_

**PLEASE READ REVERSE SIDE**

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## PRE-AUTHORIZED TAX AND UTILITY PAYMENT PLAN

The City of Terrace offers a PRE-PAYMENT PLAN for taxpayers to make PRE-AUTHORIZED Tax and Utility installment payments, to avoid having to make large sum payments.

### IT'S CONVENIENT AND SECURE

The Pre-Authorized Pre-Payment Plan provides a means of budgeting Tax and Utility payments by automatic monthly withdrawal from your financial institution. It is secure in that you must authorize the Plan to start, and you may stop payment at any time you wish by notifying the City in writing or in person.

### IT'S A GOOD INVESTMENT

The Pre-Authorized Pre-Payment Plan will pay interest on your prepaid tax installments at a rate higher than you could earn from chartered banks and other financial institutions for similar deposits. Since the interest does not attract income tax, it makes the Plan even more attractive. If your pre-authorized payments are reducing outstanding taxes, you will also reduce interest being charged to your tax account.

### WHAT COULD I PAY?

If you need assistance in determining the monthly installment, please contact the tax office.

### PRE-PAYMENT DATES

Ten (10) equal payments will be withdrawn from your bank account commencing **August 17<sup>th</sup>** each year. The final or 10<sup>th</sup> payment on May 17<sup>th</sup> will be the difference between the actual amount of the current year tax bill, less the prepayments, interest earned and the H.O.G., if eligible, up to the monthly payment amount authorized. If pre-payments do not cover the current year's taxes, payment of any amount remaining is due by the tax due date.

For those taxpayers who are currently paying taxes with their mortgage payment and would like to participate, it may be possible for you to alter your mortgage payment on request to your Bank. *For more information, call City Hall Tax Department, 635-6311. Terms and conditions of the Pre-Authorized Pre-Payment Plan are on the reverse.*

**TO AVOID A PENALTY THE HOME OWNER GRANT MUST BE CLAIMED, IF ELIGIBLE, AND ANY RESIDUAL AMOUNT MUST BE PAID BY THE DUE DATE.**

### TERMS AND CONDITIONS

Prior to the property tax due date, interest on the credit balance from pre-payment installments paid to the day tax notices are issued shall be credited to the benefit of the taxpayer.

Revenue Canada's Interpretation Bulletin IT-396R states, interest earned and applied to municipal taxes is considered as a reduction of the payable and is not income for tax purposes.

The privilege of continuing in the Pre-Payment Plan will be terminated if three (3) installments fail to be honored on the due date. In the event that an installment is not honored, a charge of \$30.00 will be levied for all late or returned payments.

A participating taxpayer may, at any time, cancel this arrangement by advising the Collector in writing, but monies paid under the Plan will not be returned or refunded and the Collector shall continue to pay interest on the credit balance from monies previously paid. In the case of a sale, any credit balance will remain with the property. Conveyancers will be required to reflect the credit on the statement of adjustments.

*Personal information contained on this form is collected under the Freedom of Information and Protection of Privacy Act and will be used only for the purpose for which it was collected. If you have any questions about the collection and use of this information, contact the City's Freedom of Information Co-Ordinator at (250) 638-4721.*

Rev. July 31, 2024