

FREQUENTLY ASKED QUESTIONS

1. WHAT INFORMATION CAN BE RELEASED ABOUT TAX SALE PROPERTIES?

BESIDES ANY INFORMATION THAT WOULD NORMALLY BE AVAILABLE TO THE PUBLIC, A COPY OF THE ADVERTISEMENT IS AVAILABLE ON THE WEB SITE, BY MAIL, FAX, E-MAIL OR OVER-THE-COUNTER TO ANYONE ON REQUEST.

2. HOW IS THE UPSET PRICE CALCULATED?

THE UPSET PRICE IS CALCULATED BY ADDING TOGETHER THE OUTSTANDING DELINQUENT PLUS INTEREST, THE OUTSTANDING ARREARS PLUS INTEREST, THE OUTSTANDING CURRENT PLUS PENALTY, 5% OF THE SUM OF THE FOREGOING AND LAND TITLE FEES.

3. WHAT IF AN OWNER PRESENTS AN UNCERTIFIED CHEQUE FOR PAYMENT OF DELINQUENT TAXES?

PROCESS THE PAYMENT IN THE USUAL MANNER. HOWEVER, NOTIFY THE CLERK RESPONSIBLE FOR ADMINISTERING THE TAX SALE OF ALL PAYMENTS ON DELINQUENT TAXES.

4. IS THE TAX SALE IN EACH MUNICIPALITY HELD AT THE SAME TIME, SAME DATE AND SAME PLACE?

YES. THE LOCAL GOVERNMENT ACT REQUIRES THAT THE TAX SALE BE HELD AT 10:00 A.M. ON THE LAST MONDAY IN SEPTEMBER IN THE COUNCIL CHAMBERS OF EACH MUNICIPALITY.

5. WHO IS THE AUCTIONEER?

THE TAX COLLECTOR USUALLY ACTS AS THE AUCTIONEER. THE TAX COLLECTOR MAY DELEGATE THIS RESPONSIBILITY TO SOMEONE ELSE.

6. DO TAX SALE PROPERTIES HAVE TO BE ADVERTISED IN THE NEWSPAPER?

YES. THE LOCAL GOVERNMENT ACT REQUIRES THAT NOTICE OF THE TIME AND PLACE OF THE TAX SALE AND THE DESCRIPTION AND STREET ADDRESS OF THE PROPERTIES SUBJECT TO TAX SALE BE PUBLISHED IN AT LEAST 2 ISSUES OF A NEWSPAPER.

7. WHAT IF SOMEONE WANTS TO KNOW IF A TAX SALE PROPERTY CAN BE SUBDIVIDED, OR BUILT ON IF VACANT, OR HOW OLD THE HOUSE IS, OR IF THERE IS A BC HYDRO EASEMENT, OR IF THE PROPERTY IS IN THE FLOOD PLAIN, ETC.?

ALL QUESTIONS REGARDING THE PROPERTY MUST BE INVESTIGATED BY THE PERSON MAKING THE INQUIRY TO THE APPLICABLE MUNICIPAL DEPARTMENT (E.G. PLANNING, DEVELOPMENT, ETC) OR PROVINCIAL MINISTRY, LAND TITLES OR OTHER AGENCIES. THE MUNICIPALITY MAKES NO REPRESENTATION CONCERNING TAX SALE PROPERTIES. "CAVEAT EMPTOR - LET THE BUYER BEWARE".

8. IF SOMEONE WANTS TO BID ON MORE THAN ONE PROPERTY AT THE TAX SALE, DO THEY NEED A CERTIFIED CHEQUE FOR EACH PROPERTY?

YES. OTHER PAYMENT OPTIONS ARE CASH OR A LETTER OF CREDIT FROM THEIR BANK.

FREQUENTLY ASKED QUESTIONS (continued)

9. WHO PAYS THE PROPERTY TAXES DURING THE REDEMPTION PERIOD?

THE CURRENT OWNER IS RESPONSIBLE TO PAY THE TAXES DURING THE REDEMPTION PERIOD. HOWEVER, IF THE OWNER DOES NOT PAY THE TAXES, THE PURCHASER MAY PAY THE TAXES IN ORDER TO AVOID THE PENALTY IF THE PROPERTY IS NOT REDEEMED. THE OWNER MUST REIMBURSE THE PURCHASER FOR ANY TAXES PAID PLUS INTEREST IN ORDER TO REDEEM THE PROPERTY.

10. IF THE PROPERTY IS REDEEMED, IS INTEREST PAID ON THE AMOUNT PAID BY THE PURCHASER?

YES. INTEREST IS PAID AT THE RATE USED TO CALCULATE ARREARS/DELINQUENT INTEREST. THE RATE IS SET BY THE PROVINCE OF BC EVERY 4 MONTHS.

11. WHAT HAPPENS IF A PROPERTY IS NOT REDEEMED AND THERE IS A MORTGAGE?

THE PROPERTY IS THEN CONVEYED TO THE PURCHASER FREE AND CLEAR OF ANY MORTGAGES, CHARGES, LIENS, ETC. EXCEPT FOR CHARGES, ETC. IMPOSED BY THE PROVINCIAL OR FEDERAL GOVERNMENTS.

12. WHAT IS THE PROPERTY TRANSFER TAX?

THE PROPERTY TRANSFER TAX IS A TAX CHARGED BY THE PROVINCE OF BC ON THE TRANSFER OF REAL PROPERTY. THE TAX IS BASED ON THE FAIR MARKET VALUE OF THE PROPERTY. THE RATE OF TAX IS 1% ON THE FIRST \$200,000 AND 2% ON THE BALANCE. EXAMPLES OF EXEMPTIONS FROM THIS TAX ARE: SALE OF REAL PROPERTY TO A SPOUSE; FIRST TIME HOME BUYERS.

13. WHAT IS THE AD "LANDS TO BE SOLD" ALL ABOUT?

THIS IS A PRIVATE AD THAT HAS APPEARED IN VARIOUS FORMS IN NEWSPAPERS BY PRIVATE INDIVIDUALS IN ORDER TO SELL A PAPERBACK BOOK FOR \$25.00. THIS BOOK CLAIMS TO OFFER A "STEP-BY-STEP METHOD" OF OBTAINING TAX SALE PROPERTIES. THERE ARE ONLY A FEW PAGES OF MINIMAL INFORMATION RELATING TO GENERAL TAX SALE PROCEDURES IN BRITISH COLUMBIA. SPECIFIC PROPERTIES ARE NOT LISTED. "CAVEAT EMPTOR".

14. CAN A MUNICIPAL EMPLOYEE BID ON A PROPERTY AT TAX SALE?

THE LOCAL GOVERNMENT ACT DOES NOT RESTRICT WHO CAN BID AT THE TAX SALE. HOWEVER, WHETHER A MUNICIPAL EMPLOYEE CAN BID ON A PROPERTY AT TAX SALE DEPENDS ON THE POLICY OR CODE OF ETHICS SET BY THEIR RESPECTIVE MUNICIPALITY.