

District of Lantzville

Incorporated June 2003



Home Owner Grant Refund Program

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BACKGROUND

The District of Lantzville Council directed a Finance Systems Review. It was discovered during the review that the application of the Home Owner Grant (HOG) was incorrectly applied against certain properties.

The District did not apply the HOG to Class 9 (Farm) assessment, and did not apply the HOG to any parcel tax levies for the period 2003-2016. All folios have been reviewed and subsequently twenty-four (24) properties have been identified as not receiving the maximum HOG that was available to the individual property owner.

COUNCIL DIRECTION

The District of Lantzville Council has provided direction that the District will be refunding the owners the additional HOG that the property owner should have received had the HOG been applied fully, for the taxation years 2003-2016.

IMPACTED FOLIOS

Schedule 'A' contains a listing of impacted Folio (Roll) Numbers and Civic Address.

LEGISLATION

The *Home Owner Grant Act* sets the rules for the grant program. The legislation states that the grant applies to Class 1 (Residential) and Class 9 (Farm) properties and that the reduction to property taxes includes parcel taxes.

Sections 203-209 of the *Community Charter* provide for the creation of the parcel tax roll, and section 200 allows for a Council, by bylaw, to impose a parcel tax.

INTEREST

In accordance with section 239 of the *Community Charter* and section 1 of *B.C. Reg. 426/2003* interest will be paid on the refund of taxes.

Section 239 of the *Community Charter*

Interest on overpayment of taxes

239 (1) If a person is refunded an amount of taxes paid under this Act, the municipality must pay the person interest at the rate prescribed under subsection (2).

(2) The Lieutenant Governor in Council may prescribe a rate of interest for the purposes of this section.

The Lieutenant Governor in Council prescribed rates may be viewed at:
http://www.cscd.gov.bc.ca/lgd/infra/financial_circulars/interest_overpayment

Section 1 of *B.C. Reg. 426/2003*

Interest on overpayment of municipal taxes

1 (1) The following rules apply to interest payable under section 239 [*Interest on overpayment of taxes*] of the *Community Charter*;

- (a) the interest is payable from the later of
 - (i) September 1 of the year in which the taxes are due, and
 - (ii) if the payment is made after July 2 of the year in which the taxes are due, the 61st day after the payment is made;
 - (b) the interest rate, during each successive 3 month period beginning on April 1, July 1, October 1 and January 1 in every year, is 2% below the prime lending rate of the principal banker to the Province on the 15th day of the month immediately preceding that 3 month period;
 - (c) the interest is to be compounded monthly and calculated on the number of days since
 - (i) the last compounding of interest, or
 - (ii) if no previous compounding has occurred, the interest commencement date;
 - (d) interest stops running on the day
 - (i) an instrument capable of effecting payment of the money owed is delivered or mailed to the person to whom it is owed, or
 - (ii) payment is made.
- (2) Subsection (1) does not operate to require the payment of an amount of interest less than \$5.

PENALTY ADJUSTMENT

Penalties and related arrears and delinquent interest will be reversed if the penalty or interest was applied as a result of a late payment from an incorrectly applied home owner grant. Interest on the overpayment of municipal taxes will be added to the refund in these cases.

FUNDING SOURCE

Refunds relating to the additional home owner grant that the identified property owners did not receive shall be funded from the General Surplus.

ELIGIBILITY

To be eligible for the Home Owner Grant Refund Program, the Owner must meet all eligibility criteria as defined by the *Home Owner Grant Act* during the refund period of 2003-2016. In addition, the Owner must have applied for the grant in the taxation year or retroactively one year after the taxation year; or would have applied for the grant had the minimum tax threshold applied. Each year will be examined separately.

REFUND

All property owners, current and former must complete, sign and submit “Schedule B - Refund Request Form” and submit along with any supporting documentation as required. For current

owners, the refund will first be applied against any outstanding property taxes, with the balance distributed as a cheque to the mailing address for the folio. For former owners, the refund cheque will be mailed to the address provided on the Refund Request Form. Prior to receiving any refund (whether by credit to outstanding property taxes or refund cheque), all owners must complete and sign the District's Refund, Release and Settlement Agreement in the presence of a witness.

SPECIAL CONSIDERATIONS

CHANGE OF ADDRESS

Please include a copy of a government issued ID showing your current address. Include the dates you resided at an impacted folio on the Refund Request Form.

CHANGE OF NAME

Please include a copy of a government issued document showing the change of name, such as a marriage certificate.

DEATH OF FORMER OWNER

Please provide the District with a copy of the Death Certificate and information on the status of the estate. The District can issue a cheque to the estate of a former resident. If the estate is closed, please contact the District. In cases where a second owner was listed on title, the refund will be issued to the second owner.

DIVORCE – SEPARATION – MULTIPLE OWNERS

One refund cheque will be issued in name of all owners on title. If requested, the refund can be split equally between multiple owners and refund issued with multiple cheques. Provide a copy of a government issued document showing the change of name if applicable.

DOCUMENTATION REQUIREMENTS

If there were ownership changes after a Revised Roll was issued, the date of ownership change will need to be proven.

ADVERTISEMENT OF REFUND PROGRAM

The HOG Refund program will be advertised through the following locations:

- District of Lantzville Website: <http://www.lantzville.ca/>
- Through social media, including the District's Twitter and Facebook accounts
- Newspaper advertisements
- Press release
- Letters to impacted current residents
- On the District's notice board

REQUIRED ACTION

Prior to December 31, 2017

- Complete Refund Request Form (Appendix B)
- Complete Home Owner Grant Refund, Release and Settlement Agreement (Appendix C)

CONTACT INFORMATION

The Refund Request Form, along with supporting documentation can be dropped off or mailed to:

District of Lantzville
7192 Lantzville Road
PO Box 100
Lantzville, BC, V0R 2H0

Documents may also be emailed to finance@lantzville.ca

Questions regarding the Home Owner Grant Refund Program can be directed to:

Ms. Jeannie Beauchamp, CPA, CGA, MBA
Director of Financial Services
(250) 390-4006
Jeannie@Lantzville.ca

Personal information collected or provided on the Request for Refund Form or the Refund, Release and Settlement Agreement, is collected to assist in the Home Owner Grant Refund Program under the general authority of the *Community Charter* and will only be used for purposes related to your application for a refund. The personal information will be protected in accordance with the access and privacy provisions of the *Freedom of Information and Protection of Privacy Act*. If you have any questions, please contact the Director of Corporate Administration at 250.390.4006.

SCHEDULE 'A' – IMPACTED RESIDENTS

<u>Folio</u>	<u>Civic Address</u>
350 07663.000	6577 PHANTOM RD
350 07663.688	13 7018 ARBUTUS CRES
350 07666.139	7096 BLACKJACK DR
350 07666.145	15 7116 BLACKJACKDR
350 07666.266	7747 CLARK DR
350 08026.075	2 7098 LANTZVILLE RD
350 09600.117	8030 SYWASH RIDGE RD
350 09660.000	7110 EBY RD
350 09732.300	7023 PETERSON RD
350 09725.095	6966 PETERSON RD
350 09807.040	7646 HARLEY DR
350 09811.005	7619 LANTZVILLE RD
350 09948.940	7560 FERNMAR RD
350 10007.000	7705 SUPERIOR RD
350 10489.100	7777 SUPERIOR RD
350 10505.040	8082 NORTHWIND DR
350 10505.050	6 8076 NORTHWIND DR
351 09995.300	8227 ISLAND HWY N
351 09996.000	8226 SABRE RD
351 09996.190	8346 BAYVIEW PARK DR
351 09998.200	8386 RUMMING RD
351 09998.450	8392 BAYVIEW PARK DR
351 09999.000	8410 RUMMING RD
351 10623.017	8510 LISA LANE

SCHEDULE 'B' – REFUND REQUEST FORM

A. PROPERTY INFORMATION

Folio:	Civic address:
Ownership Dates:	
From:	To:

B. OWNERSHIP INFORMATION *(as registered on title at time of ownership)*

OWNERS NAME <i>(as registered on title at time of ownership)</i>	ADDRESS FOR REFUND

C. NAME CHANGE *(provide documentation)*

Name on title:	Name change:
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D. DEATH OF FORMER OWNER *(provide death certificate)*

Refund payable to Estate of: <i>Owners name as registered on title</i>
Refund payable to “OTHER” <i>Documentation required</i>

E. RECEIPT OF REFUND *(select one option)*

Option 1: One cheque to include 100 % of refund payable all owners on title	<input type="checkbox"/>
Option 2: Individual cheques with proportional refund payable to each owner	<input type="checkbox"/>

F. SUBMITTED BY *(one owner may request refund on behalf of all owners)*

Name:	
Signature:	Date:
Email:	Phone:

SCHEDULE 'C' – HOME OWNER GRANT REFUND, RELEASE AND SETTLEMENT AGREEMENT

BETWEEN:

THE DISTRICT OF LANTZVILLE (the “District”)

AND:

OWNER #1 NAME: _____

OWNER #2 NAME (if applicable): _____ (the (“Owner(s)”))

Background

From approximately 2003 to 2016, the District incorrectly applied the Home Owner Grant (“HOG”) against certain properties. The *Home Owner Grant Act* set the rules for the HOG program. The legislation states that:

- *the grant applies to Class 1 (Residential) and Class 9 (Farm) properties*
- *the reduction to property taxes includes parcel taxes.*

From approximately 2003 to 2016, the District did not apply the HOG to Class 9 (Farm) assessments, and did not apply the HOG to parcel tax levies (the “Incorrect Applications”). Because of this, some properties did not receive the maximum HOG available under the *Home Owner Grant Act*. The District has reviewed all folios, and has identified twenty-four properties that did not receive the maximum HOG that was available to the property owner (the “Affected Property Owners”).

After conducting a Finance Systems Review, the District identified the Incorrect Applications and District Council determined that the Affected Property Owners should be refunded for the overpayment of property tax arising from the Incorrect Applications (the “Refund”).

The Owner(s) has/have been identified as one of the Affected Property Owners who is eligible for the Refund.

The parties have agreed to the Refund by the District to the Owner(s) on the terms and conditions of this Settlement Agreement.

IN CONSIDERATION OF THE PROMISES AND THE COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES AND PAYMENTS IN THIS AGREEMENT, THE PARTIES COVENANT AND AGREE AS FOLLOWS:

1. The Owner(s) and District agree that the District will pay the Owner(s) \$_____ in full and final satisfaction of any and all claims, actions, suits, liability(ies), costs, debt, or damages, howsoever and whensoever arising as a result of or in connection with the Incorrect Applications or the Refund (collectively, “Claims”).
2. The Owner(s) hereby waive(s), discharge(s), and release(s) the District from any and all manner of Claims, including, without limitation, any legal proceedings against the District concerning the: Refund, or the administration of the HOG program during the period of the Incorrect Applications.
3. The promises, obligations and covenants in this Agreement bind and inure to the benefit of the parties hereto, as well as anyone claiming by or through either of the parties, including without limitation their insurers, successors, heirs, beneficiaries, executors, administrators, trustees, assigns, employees, directors, officers, shareholders, and receivers.

4. Nothing in this Agreement shall be construed as an admission of liability of wrongdoing of any kind, by either party.
5. This Agreement is a binding contract and not a mere recital or expression of understanding.
6. This Agreement may be validly executed in counter-parts.
7. This Agreement contains the entire agreement between the parties, and supersedes the terms of any previous agreements, understandings, or communications between them.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as indicated below.

<p>OWNER #1</p> <p>_____</p> <p>Owner #1 Name (please print)</p> <p>_____</p> <p>Owner #1 Signature</p> <p>_____</p> <p>Owner #1 Current Mailing Address</p> <p>_____</p> <p>Address (continued)</p> <p>_____</p> <p>Owner #1 Telephone and Email</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>WITNESS</p> <p>SIGNED, SEALED AND DELIVERED in the presence of:</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>Occupation</p> <p>_____</p> <p>Date Witnessed</p>
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<p>OWNER #2</p> <p>_____</p> <p>Owner #2 Name (please print)</p> <p>_____</p> <p>Owner #2 Signature</p> <p>_____</p> <p>Owner #2 Current Mailing Address</p> <p>_____</p> <p>Address (continued)</p> <p>_____</p> <p>Owner #2 Telephone and Email</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>WITNESS</p> <p>SIGNED, SEALED AND DELIVERED in the presence of:</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>Occupation</p> <p>_____</p> <p>Date Witnessed</p>
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THE DISTRICT OF LANTZVILLE by its authorized signatory (no witness required):

(Print Name and Title)

(Signature)