

When Can I Apply for TIPP?

You can apply for TIPP up to June 1st for the current year's taxes. If your application is received after January 1st of the current year, **you will be requested to make an initial payment equal to the total of the missed instalments for the current year.**

HOW DO WE APPLY FOR TIPP?

- Complete and sign the TIPP Pre-authorized Debit Application form at the Town Office.
- Attach a VOID cheque or Direct Debit form from your banking institution.
- Present two pieces of ID to show your name matches the name on the bank account provided.
- Submit lump sum payment for missed instalments if applying later than January in the tax year.

WITHDRAWAL OR CANCELLATION:

To withdraw from the program give written notice not less than two weeks before the next scheduled debit payment date.

What happens if my banking information changes?

Use our change of banking information form available at the Town Office to notify us of the new banking information. Again, proof of ID with the name matching the bank account name must be verified.

* Dishonored Debit transactions due to Non-sufficient Funds or invalid banking information are subject to a service charge by the Town of Sundre.

Example of a Monthly Tax

Payment Plan:

Based on Previous Tax Year: \$2,500.00

January through May payments

\$2,500/ 12 payments = \$ 208.34

Tax Notice/Bill (current Year) = \$2,600.00

Less payments (Jan-May) = (\$1,041.70)

Balance (after May Debit) = \$1,558.30

June through December

\$1,558.30/7 months = \$ 222.62

\$222.62 x 7 months = (\$1,558.34)

Balance on December 31st = (\$0.04)

*Credit or debit balance at December 31st will be brought forward to the next tax year added to the credit balance received between January-May

For Further Information Contact:

SUNDRE TOWN OFFICE

Phone: 403-638-3551

E-mail address: townmail@sundre.com

**717 Main Ave. West, Box 420, Sundre, AB
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www.sundre.com

TAX INSTALMENT PAYMENT PLAN (TIPP)



WHAT IS TIPP?

TIPP is the Tax Instalment Payment Plan by which taxpayers pay their property taxes in monthly instalments by a pre-authorized transfer of funds from their bank, rather than one single tax payment each year.

WHY SHOULD YOU USE TIPP?

- TIPP breaks the annual tax payment into 12 monthly payments to make budgeting easier.
- Regular payments are assured. If you are away on vacation, working out of town or sick, your payment will be made on time.
- It's a convenient and reliable payment method.
- TIPP is not subject to discount or late penalties if each payment is received as scheduled.
- There is no extra administration fee to apply.

WHO CAN USE TIPP?

All taxpayers are eligible providing all previous years taxes are paid and any missed instalments are received when starting the program.

HOW DOES TIPP WORK?

A monthly instalment amount is calculated by the Town Office using the most current tax levy available and divide it by 12 monthly payments.

To participate you must agree to Pre-authorized Automatic withdrawals from your bank account on the 20th day of each month.

Instalment amounts are re-calculated twice a year, once in June and again in January to distribute payments evenly as possible across the tax year and end the year with taxes paid in full.

FREQUENTLY ASKED QUESTIONS?

Are there any administration fees or costs to join TIPP?

No, there is no fee to administer this program.

Do I need to sign up each year?

No, once you have enrolled a property on TIPP, your participation in TIPP automatically continues from year to year.

Are the payments I have made by TIPP transferrable to another property?

No. The TIPP amounts and payments received must stay with the property identified when your TIPP agreement was started.

I owe taxes from previous years. Can I use the TIPP program to make a payment arrangement for tax arrears?

No, prior year's tax arrears plus penalty fees or miscellaneous charges owing on the tax account must be paid up to date to be eligible for a TIPP agreement.

Can I select my desired withdrawal date for my instalment payments?

Individual circumstances make it difficult to accommodate convenient withdrawal dates for every property owner and be fair to everyone.

The program satisfies a preference to budget for tax payments instead of one lump sum mid-year. It also saves taxpayers the time to physically attend our office or the bank to submit their payments.

Setting one consistent date allows us to send one electronic bank file each month to process all debit payments saving participants user fees for this service.

I am enrolled on TIPP. Why do I get a property tax bill with an Amount Due?

The Town of Sundre is legislated to mail an annual property tax notice (statement).

As a TIPP participant, your notice will include monthly instalment payment adjustments or changes you need to know. The tax bill notifies property owners of changes to the assessed value, new tax rates and re-calculated instalment amounts related to the current tax year.

Why does my monthly instalment amount change?

As property assessment values and tax rates both change each year, the total taxes you owe must be re-calculated to achieve a zero balance owing by December 31st of each year.

Can I change the amount of my monthly Instalment payment, if I'm not sure I can afford the TIPP payment?

The program does not allow monthly payment amounts to be calculated based on an individual's affordable amount. If a participant feels they cannot afford the payment amount we calculated, they should cancel the TIPP agreement and make their payments voluntarily each month towards the tax account by alternative payment methods. If the annual taxes are not received in full by June 30th, the late penalty fees are applicable.

What Happens if I sell my Property?

Provide written notice to the Sundre Town Office at least two weeks before your next scheduled withdrawal date to cancel the TIPP agreement..