

THE CORPORATION OF THE CITY OF NORTH BAY

BY-LAW NO. 21-82

BEING A BY-LAW TO PROVIDE FOR THE RATE OF INTEREST TO BE CHARGED ON OVERDUE PAYMENTS IN RESPECT OF ALL TAXES.

WHEREAS the Municipal Interest and Discounts Rates Act, 1981, Statutes of Ontario, 1981, Chapter 26, provides a formula for the fixing by By-law of a maximum interest charge on all overdue payments in respect of municipal related levies calculated at the prime lending rate of a designated Chartered Bank of Canada plus One and One-Half Per Cent (1½%) per annum, such rate to be simple interest, not compounded interest;

AND WHEREAS section 3 (1) of the Municipal Interest and Discounts Rates Act, 1981, provides that a municipality may, by by-law, provide that the interest charge payable on such overdue payments as aforesaid shall be set by by-law and shall not exceed the prime rate of the Chartered Bank of Canada that has the highest prime rate on the day the by-law is passed plus One and One-Half Per Cent (1½%) per annum;

AND WHEREAS section 3 (3) of the Municipal Interest and Discounts Rates Act, 1981 provides that where a municipality is authorized by any general or special Act to fix a monthly interest rate to be added to such overdue payments as aforesaid for each month or fraction of a month during which payments remain due and unpaid, the interest rate specified in the by-law shall not exceed one-twelfth (1/12) of the prime rate percentage on the day the by-law is passed plus one-eighth (1/8) of one percent (1%) per month;

AND WHEREAS section 5 (2) of the Municipal Interest and Discounts Rates Act, 1981, provides that a municipality may, by by-law, impose a percentage charge as a penalty for non-payment of taxes or any class or instalment thereof not exceeding one-twelfth (1/12) of the prime rate percentage on the day the by-law is passed plus one-eighth (1/8) of one percent (1%), and the by-law shall provide that the percentage charge shall be imposed on the first day of default and on the first day of each calendar month thereafter in which default continues but not after the end of the year in which the taxes were levied;

AND WHEREAS the highest rate on the date of the passing of this by-law is Sixteen and One-Half per cent (16.5%) at the Royal Bank of Canada;

AND WHEREAS by virtue of subsections (1) and (3) of section 3 and subsection 2 of section 5 of the Municipal Interest and Discounts Rates Act, 1981, the maximum monthly interest in respect of overdue payments, as computed, on the aforesaid prime percentage, is One and One-Half per cent (1½%) per month;

AND WHEREAS Council deems it desirable that the formula for overdue payments owing to The Corporation of the City of North Bay as herein expressed be adopted and implemented;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF NORTH BAY HEREBY ENACTS AS FOLLOWS:

1. In this By-law, the expression "overdue payment" includes any payment to be made to The Corporation of the City of North Bay in respect of,
 - (a) overdue taxes owing to the municipality,
 - (b) overdue amounts owing to the municipality pursuant to a levy or requisition made by that municipality upon another municipality,
 - (c) overdue amounts owing to the municipality by another municipality to be applied towards outstanding indebtedness of the municipality, and

- (d) overdue amounts owing to the municipality by another municipality for the supply of water or some other service by the first mentioned municipality to the other municipality.
2. There shall be added to all overdue payments owing to The Corporation of the City of North Bay, interest at the rate of One and One-Half Per Cent (1½%) per month for each month or fraction thereof.
 3. The interest charge on overdue payments provided for in section 2 hereof shall remain in force and effect only until the 31st day of March, 1983 or until a by-law is enacted establishing a new rate of interest, whichever comes first.
 4. There shall be imposed as a penalty for non-payment of Real Property taxes or any class thereof on the due date or interim due date as specified by by-law a percentage charge of One and One-Half Per Cent (1½%) on the first day next after the appropriate due date, which shall be the first day of default and an additional penalty of one and One-Half Per Cent (1½%) shall be added on the first day of each calendar month thereafter in which default continues, but in no event shall any penalty be added under this clause after the year 1982.
 5. There shall be imposed as a penalty for non-payment of the business taxes on the due date or interim due date as specified by by-law, a percentage charge of One and One-Half Per Cent (1½%) on the first day next after the appropriate due date, which shall be the first day of default and an additional penalty of One and One-Half Per Cent (1½%) shall be added on the first day of each calendar month thereafter in which default continues but in no event shall any penalty be added under this clause after the year 1982.
 6. By-laws 149-81 and 150-81 being by-laws to establish the rate of interest on the tax arrears be and the same are hereby repealed.
 7. That this by-law shall come into force and effect as of the 1st day of March, 1982.

READ A FIRST TIME IN OPEN COUNCIL THE 1st DAY OF FEBRUARY , 1982.

READ A SECOND TIME IN OPEN COUNCIL THE 1st DAY OF FEBRUARY , 1982.

READ A THIRD TIME IN OPEN COUNCIL AND FINALLY ENACTED AND PASSED THIS 15th DAY OF FEBRUARY , 1982.



MAYOR



CITY CLERK