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# **PROPERTY TAX AND WATER BILLING**

## **Questions & Answers for Buying and Selling Your Home**



# PROPERTY TAX

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## **When should I receive a tax bill and when are taxes usually due?**

The Interim Tax bill is mailed out the first week in February with taxes usually due the first week in March and May. The Final Tax bill is mailed out the first week in July with taxes usually due the first week in August and October.

## **What should I do if I did not receive a tax bill?**

Property owners may call the Revenue Division to request a duplicate interim or final tax bill for a fee if they have not received one. Please ensure the Revenue Division has your correct mailing address. If the mailing address has changed please complete a change in mailing address form, which can be found on our website. If payment is not made because the bill was not received by the owner, penalties will not be cancelled.

## **When I buy my home, how does the ownership information get updated for property tax purposes?**

The Land Registry Office will send the in new ownership information to MPAC, who will then send the information to the Revenue Division.

## **I just purchased my home. Should I wait for a tax bill before making a tax payment?**

No. The Municipality's responsibility is to forward the tax bill to the property owner and address on record as of the date the tax bills are issued. Penalty/interest charges will apply on late payments regardless of any change in ownership or address. Failure to receive a tax bill does not excuse a taxpayer from responsibility for payment nor relieve the assessed owner of liability for penalty due to late payment. If the tax bill has already been issued to the previous owner, you can either request the original tax bill from the previous owner or email a copy of the land transfer to the Revenue Division and request a copy of the tax bill.

## **I just purchased a home and my taxes are being paid through my mortgage. Do I need to contact the Revenue Division?**

You should always check with your mortgage company to verify when they will start paying your taxes. If you purchase your home close to an installment due date, often, you are responsible for paying the installment.

## **What are the penalties and interest charges?**

There is a 1.25% penalty calculated on the installment amount due and not paid, the day after the due date and penalty/interest charges of 1.25% calculated on the outstanding balance of taxes due and not paid on the first of every month. Penalty/interest charges are set by by-law under the authority of The Municipal Act and cannot be waived or cancelled.

**I have sold my property but since selling it, I have received a tax bill. What should I do with the tax bill?**

You should forward the tax bill to your lawyer so that they can forward the tax bill to the current owner.

**I pay my tax bills through the bank (internet or ATM). If I buy or sell a home do I need to make any changes to my banking information?**

Yes. Update your new seventeen digit tax roll number if you bought a home and remove your old tax roll if you sold a home.

**My tax bills are paid by automatic withdrawal from my bank. If I purchase a new home will the pre-authorized payment plan be transferred from my old home's tax account?**

No. Your Pre-authorized Payment Plan does not move with you to your new property. You should contact the Revenue Division to cancel your Pre-authorized Payment Plan on the property you are selling to ensure payments do not continue to be withdrawn after the sale of the property and you must sign up for the Pre-authorized Payment Plan on your new property.

**I have multiple properties with the same mailing address. If I sell the property that my other property tax bills are being mailed to, do I need to contact the Revenue Division?**

Yes. The mailing addresses of the properties that you still own, will only be changed upon written request by the property owner. You can find our change in mailing address form on our website.

**Where can I find more information on tax bills?**

Call the Revenue Division to obtain further information or visit the city's website.

**Who determines the assessed value (i.e. CVA) of my property?**

MPAC is responsible for determining the CVA and tax class for all properties in Ontario for municipal and education taxation.

**How do I change the current school support on my tax bill?**

Taxpayers can change the direction of their school support online by visiting MPAC's website at [MPAC.CA](http://MPAC.CA)

## **What is Current Value Assessment (CVA)?**

The CVA of a property represents an estimated market value, or the amount that the property would sell for in an open market, arm's length sale between a willing seller and a willing buyer at a fixed point in time.

For further information about assessment, please visit the MPAC website at [mpac.ca](http://mpac.ca) or call MPAC's toll free number at 1-866-296-6722

## **When will the next reassessment occur?**

The province-wide property reassessment occurred in 2016 for the 2017 to 2020 tax years. The Province postponed the most recent property tax reassessment, therefore the 2021, 2022 and 2023 property assessment continues to be based on a January 1, 2016 valuation date.

## **What is an assessment "phase in"?**

MPAC's province-wide reassessment in 2016 has a four-year update cycle. It phases in any increases in the assessment value over four years commencing in 2017. If the assessment value decreased, the decrease was effective immediately.

2021, 2022, 2023 assessment continues to be the fully phased - in January 1, 2016 CVA.

## **I disagree with the assessed value for my property, what should I do? Or, I appealed my assessed value, what happens next?**

You may find information about the assessment appeal process on the MPAC website at [mpac.ca](http://mpac.ca). If you have filed a RFR with MPAC and you are awaiting the decision on your assessment appeal, MPAC will review your request and notify you of the results in writing. If adjustments to your assessed value are approved, MPAC will also notify the City and your property taxes will be adjusted accordingly. If, after MPAC notifies you of its decision, you still disagree with the assessed value, you have 90 days to file an appeal with the Assessment Review Board (ARB).

If you filed an appeal with the ARB and are awaiting the outcome of their decision, information is available by emailing [ARB.Registrar@ontario.ca](mailto:ARB.Registrar@ontario.ca) the ARB or visiting [tribunalsontario.ca](http://tribunalsontario.ca) If other information on your Notice of Assessment is inaccurate, such as the assessed owner, location or property description, etc. you may contact MPAC at 1-866-296-6722 (toll free) to verify details about your property.

## **I recently received a Property Assessment Change Notice from the Municipal Property Assessment Corporation (MPAC). What is it and what happens next?**

A Property Assessment Change Notice is issued by MPAC when there has been a change to a property during the current taxation year due to a change in property classification, an addition, renovation or new construction. This is a supplementary assessment change.

Property Assessment Change Notices are also issued when the current value assessment for an improvement (e.g., a new home or addition) was not previously recorded on the annual assessment roll. This type of change may apply to the current year and, if applicable, for any part or all of the previous two years. This is an omitted assessment change. The City of Thunder Bay will use the information from the Property Assessment Change Notices to issue tax bills. It is important to note that if this is a new property such as a condominium, the first regular bill you receive from the City may only be for a portion of the assessment for your unit. Tax bills will be issued for Omitted Assessments for the current and up to two prior years. Supplementary/omitted tax bills are due in one installment only regardless of the number of years for which you are receiving bills.

## **If the total of all assessment values for all properties in Thunder Bay increases, does that mean that the City will have more tax funding available?**

All property in Ontario is assessed by the Municipal Property Assessment Corporation. The effect of reassessment, at the municipal level, is “revenue neutral” and does not generate any additional revenue for the City. With a reassessment, the City adjusts the tax rate to remain revenue neutral, so no new funding comes to the City of Thunder Bay as a result of property valuation changes. If your property value increases at a rate less than the City average, your property tax will decrease due to the reassessment. If your property value increases at a rate more than the City average, your property tax will increase due to reassessment. The City may need to increase taxes due to its budget requirements; however, this is separate and not related to reassessments.

# **WATER BILLING**

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## **I have bought an existing home, what do I need to do on the closing date?**

On the closing date, call the Revenue Division to provide a water meter reading to ensure we receive a final reading to prepare a final water bill for the previous owner.

## **I have bought an existing home, how do I sign up for water?**

Property owners must call the Revenue Division prior to the closing date to provide the legal names of the owners, mailing address for the and a phone number. You will be given your new eight digit water account number and water billing information. The latest water rates and billing information may be viewed on our website.

## **What if the home I am purchasing will be rented to tenants? Who is responsible for the water?**

The water account will remain in the name of the legal owners. Responsibility for water and sewer charges, including arrears remains with the property. Water charges form a lien on the property if not paid.

If you are a landlord, you may request the water bills be mailed to the tenant, "C/O Occupant" at the property address and provide your residence mailing address to receive arrears notices if the account balance is overdue.

## **I have built a home or bought a home newly-built, how do I sign up for water?**

Property owners are required to contact the Revenue Division to provide the legal names of the owners, mailing address for bills and contact phone number. You will be provided with billing and meter reading submission information. Additional billing information can be found on the city's website at [thunderbay.ca/waterbilling](http://thunderbay.ca/waterbilling). Your new 8 digit water account number will be on your first bill. If the Plumbing Inspector from the Building Division has approved the service and you have provided us with billing information, we will advise Sewer and Water staff to contact you to arrange for your meter to be installed and the water turned on. If the Plumbing Inspector has not yet approved your service, we must wait until approval is sent to the Revenue Division before we can advise Sewer and Water staff to proceed with the installation and activation of service.

## **My water bills are paid by automatic withdrawal from my bank. Will the Pre-authorized Payment Plan be transferred from my old home's water account to my new home's water account?**

No. Your automatic withdrawal is cancelled on your old home's water account when we receive a request for a final water bill on your old home. You must sign up for a Pre-authorized Payment Plan on your new property. Please note final water bills are not processed through automatic withdrawal. Final bills may be paid using one of the other alternatives.

**I pay my water bills through the bank (internet or ATM). If I buy or sell a home do I need to make any changes to my banking information?**

Yes. Update your banking information to your new eight digit water account number if you bought a home and remove your old water account if you sold a home.

**What are the late payment charges?**

A 5% one-time penalty is charged if payment is not received by the due date.

**The previous owner did not pay the final water bill. What should I do?**

The current owner is responsible for the final water balance if not paid by the previous owner. We suggest you contact your lawyer.

In accordance with our City of Thunder Bay Water By-law 068-2018 section 3.19, water arrears remain a lien against the property and will become the responsibility of the purchaser in accordance with the Municipal Act, 2001.

Lawyers may order a Water Certificate from the City prior to the closing date to ensure there are no accumulated arrears. This Water Certificate is not the final balance owed, as it is produced prior to the final bill. The Water Certificate requests the lawyer who is acting on behalf of the vendor to ensure a final reading is provided to the Revenue Division. Lawyers or new owners may contact the Revenue Division to confirm if the final bill has been sent out and if it has been paid.

**I received an arrears notice before my first bill. What should I do?**

New owners may contact the Revenue Division at to confirm if the final bill has been paid. If it is unpaid, we suggest you contact your lawyer.

**There is a balance forward on my first bill. What should I do?**

New owners may contact the Revenue Division to confirm if the final bill has been paid. If it is unpaid, we suggest you contact your lawyer.

**When should I receive a water bill and when are they usually due?**

The water billing will be every three months, and the due date will be on or around the 15th of the second month following the three month billing period. Please refer to your bill for the due date before payment is due. To set up reminders by text, phone or email for your bill due dates, please go to [thunderbay.ca/remindme](http://thunderbay.ca/remindme) the Revenue Division.

**What should I do if I did not receive a water bill?**

Property owners may call or email the Revenue Division to request a duplicate water bill for a fee if they have not received one. Please ensure the Revenue Division has your correct mailing address. If the mailing address has changed please complete a change in mailing address form, which can be found on our website. If payment is not made because the bill was not received by the owner, penalties and notice fees will not be cancelled.

**What if there are payments on my water bill that I did not make?**

Contact the Revenue Division to advise of the misapplied payment and confirm with staff what amount on the bill should be paid by you by the due date. The Revenue Division will research the payment, apply the payment to the correct account and remove the payment from your account. The previous owner may be continuing to pay on the water account number in error. They may have forgotten to change their banking information to their new water account number. The Revenue Division attempts to contact the previous owner to advise them to change their banking information.

**Are my water meter readings obtained by the City for every billing?**

No. Your water meter is located inside your home and you are responsible to submit meter readings to us every three months. To set up reminders by text, phone or email for you readings please go to [thunderbay.ca/remindme](http://thunderbay.ca/remindme) or call the Revenue Division.

**Why is it important to submit my water meter readings to the City?**

Water meter readings ensure your bill is based on actual consumption. When readings are not provided, water consumption is estimated and you may be over or under billed. Actual bills can help identify plumbing leaks early and save you money!

**When do I submit my water meter reading?**

Every three months we count on you to provide your water meter reading. The water bill you receive indicates the month that we require your next meter reading. You may provide your reading anytime during that month between the 1st and the 21st. Please look for the "IMPORTANT NOTICE" section on your quarterly water bill.



### **Where can I find more information on water bills?**

For answers to frequently asked questions, a detailed list of rates and fees, a change of address form, or to use the online calculator to estimate water bills for single family households, please visit our website or call the Revenue Division.

### **I have sold my home, what do I need to do?**

Call the Revenue Division to provide your closing date and forwarding address. On the closing date, call the Revenue Division to provide a final meter reading. Your final water bill will be mailed to you at the forwarding address approximately one week after receiving the final reading. It is important to call in your final meter reading on the closing date so we can finalize your billing accurately and timely. If no reading is obtained from either you or the new owner, we will finalize the account with an estimated reading.

### **I did not receive my final water bill. What should I do?**

If you have not received your final water bill within ten days after the closing date please contact the Revenue Division. A final water bill should be received within this time frame if you have provided a final water meter reading at the time of closing and a forwarding address.

### **My water bills are paid by automatic withdrawal from my bank.**

#### **Will my final bill payment be withdrawn from my bank account?**

No. Your automatic withdrawal is cancelled when you request a final water bill. You may pay your final water bill using one of the other payment alternatives.

### **I have a large final water bill. May I make a payment arrangement with the City?**

No. Payment must be made in full. An arrears notice is sent to the new owner if any balance is not paid. The new owner's first bill will show a balance forward for any unpaid amount.

### **The house sale date changed or was cancelled. What do I do?**

Please have your lawyer contact the Revenue Division to advise us of the changed date or cancelled sale. If there is a cancelled sale and you were on automatic withdrawal, please contact Revenue Division to request your automatic withdrawal be reinstated (automatic withdrawal is cancelled when a final sale request is received).

## **TAX AND WATER PAYMENT OPTIONS:**

### **Automatic Withdrawal**

To sign up call (807) 625-2255 or download the form at [thunderbay.ca/revenue](http://thunderbay.ca/revenue) for tax  
[thunderbay.ca/waterbilling](http://thunderbay.ca/waterbilling) for water

### **Internet Banking**

Pay from your bank account using the internet or your touchtone phone. Use your seventeen digit tax roll and eight digit water account number to set up internet banking or contact your bank.

### **Pay in Person**

Pay in person at most Canadian Financial Institutions

### **Mail Cheque**

City of Thunder Bay, Revenue Division  
P. O. Box 800  
Thunder Bay, ON P7C 5K4

### **Pay Online by Credit Card**

Plastiq, an online third party payment service provider, allows you to use your credit card to make payments through their secure online system for a convenience fee. We do not accept credit card payments made in person.  
Visit [plastiq.com](http://plastiq.com)

### **Put Your Cheque in our Payment Drop Off Box**

In Victoriaville Mall outside the Civic Centre  
(Food Court side)



**CORPORATE SERVICES  
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