

What if an adjustment is made to my taxes?

Adjustments to your taxes can be made during the year due to a decrease or increase in your assessed value.

Current year tax decrease

Your monthly installment continues until your account is paid in full, which may be before Dec.1. Your payments resume Jan.1.

Current year tax increase

Your monthly installment will be adjusted automatically and you will be notified.

Supplementary taxes and TIPP

A supplementary tax bill is issued when a new building or an addition to an existing building is completed during the calendar year.

If you are a current TIPP participant, your installment is recalculated when the supplementary tax is billed. The revised payment and the start date of that new payment is shown on your supplementary tax bill.

To join TIPP you need to:

- Agree to the terms and conditions of the plan.
- Complete and return your application no later than the "return by" date shown
- Be sure to include a void cheque with your application.

To obtain an application

Website: calgary.ca/propertytax

Email: property.tax@calgary.ca

Phone: 3-1-1 or (403) 268-CITY (2489)

Fax: (403) 268-3550

Visit: 3rd Floor

Calgary Municipal Building

800 Macleod Tr. S.E.

Our hours for walk-in service are

8 a.m. – 4:30 p.m., Monday through Friday.

TIPP

Tax Installment Payment Plan



2007-2513

What is TIPP?

The Tax Installment Payment Plan (TIPP) is a popular program which allows you to pay your property taxes on a monthly basis instead of one payment in June.

Your payment automatically comes out of your chequing account the first day of every month, making budgeting easier and helping you avoid the risk of a 7% penalty.

How does TIPP work?

Each year property taxes are billed in May, due at the end of June and cover the period from Jan.1 to Dec.31.

If you pay through TIPP you don't need to worry about the June due date or late payment penalties. Your taxes are spread over 12 months, starting Jan.1, with your account being paid in full after your Dec.1 installment.

Your monthly installment amount is calculated by dividing your current annual tax levy by 12, rounded up to the nearest dollar. This amount is paid through automated monthly withdrawals from your bank account the first day of each month.

When you receive your annual tax bill in May your installment will be adjusted to reflect the actual tax levy. This ensures your account is paid in full by year-end.

Your bill will show:

- The TIPP credit to-date.
- The new installment amount for the remainder of the year.
- The date we will start withdrawing the new installment amount.

Payment example starting Jan. 1

Previous year's taxes \$1,200.00

$\$1,200.00 \div 12 = \100.00 monthly installment

Current year tax levy \$1,275.60

Less TIPP Credit To-date: -\$500.00 (\$100 X 5 months Jan. – May)

Balance remaining \$775.60

after annual billing
to be paid June – Dec.

Adjusted monthly installment $\$775.60 \div 7 = \111.00
rounded up to the nearest dollar; June 1 to Nov. 1

Dec. 1 installment = \$109.60 to bring the tax account to a zero balance.

At year-end

- TIPP automatically continues from year to year.
- In December all installment amounts are reviewed.
- If an adjustment is made to your installment amount you will be notified.

When can I join? Is there a charge to join?

TIPP spreads your taxes over 12 months, with the first withdrawal on Jan.1.

You may join at any time during the year. However, if you join after **Jan.1**, there is a filing fee of 2% of the missed installments.

You will need to make an initial payment equal to the missed installments from Jan. 1, plus the filing fee at the time of application.

Note: If you pay principal, interest and taxes (PIT) through your mortgage holder, please check with your financial institution prior to joining TIPP.

Written notification is required **two weeks before** your next payment to:

- **Change banking information.** Please provide a void cheque for your new bank account.
- **Terminate** your TIPP participation **for any reason, including selling your property.** This is to ensure your bank account is not debited for the next installment.

NOTE: When you join TIPP, you are paying taxes through the plan for a **specified** property. TIPP **does not** follow you to your next property or automatically start on any additional properties you may purchase.

To join TIPP for your new property you need to request an application for that address. If you own more than one property you must complete an application of each location.

If you are purchasing a property already on TIPP, you can assume the TIPP payments by submitting an application.

TIPP payments are non-refundable and non-transferable to other property tax accounts.

Terminating your participation and penalties

If you terminate your TIPP participation, all unpaid taxes are due and subject to penalties in accordance with Penalty Bylaw 8M2002.

Non-payment and service charges

- If any payment is missed, The City of Calgary may cancel the agreement, making all unpaid taxes due and subject to penalties in accordance with Penalty Bylaw 8M2002.
- Dishonoured payments will be subject to a service charge of \$25 (subject to change).
- Dishonoured payment made by a single withdrawal for multiple properties is subject to an additional service charge of \$5 per property.