

## What is T.I.P.?

- T.I.P. is an automatic bank withdrawal payment plan established by By-Law 6416 by which taxpayers may make consecutive monthly payments for property taxes rather than a single annual payment.

## Why should I use T.I.P.?

- Many people find it difficult to make a single large tax payment that becomes due once a year. Automatic bank withdrawals would break this large payment into monthly installments making budgeting for expenses easier.

## Who can use T.I.P.?

You can join T.I.P. if...

- your tax account is paid in full at the time of application;
- you have chequing privileges at a financial institution (bank, trust company or credit union);
- you do not presently pay your taxes through a mortgage company (P.I.T.)
- your application is received prior to June 15<sup>th</sup> and any monthly payments previous to June 15<sup>th</sup> are paid in full.

## How does T.I.P. work?

- Your monthly payment amount is calculated by dividing your most recent annual tax levy into 12 installment payments.

## Example

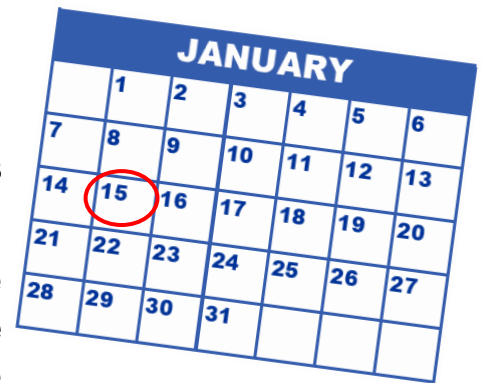
Preceding year's tax bill	\$	3,000.00
January through May monthly payment required ( $\$3,000 \div 12$ )	\$	250.00
Current year's taxes	\$	3,250.00
Less: Jan to May payments	\$	1,250.00
Balance owing at June 15	\$	2,000.00
Monthly payment required June through December ( $\$2,000 \div 7$ )	\$	285.71
Rounded to the nearest dollar	\$	286.00



- The recalculated amount of \$286.00 would continue through to May of the following year at which time a recalculation would be done.

## Payment Details

- Payments are made by automatic withdrawal from an account with chequing privileges at a financial institution. The withdrawals take place on the fifteenth day of the month. You must give written permission before the withdrawals begin. This authorization is required only once. The deductions will continue until cancelled by either yourself or the City. The City of Brandon does not charge for this service; however, normal bank service charges may apply.
- When you join, you must pay for the previous months in that calendar year when you were not a T.I.P member.
- Neither pre-payment discounts nor late payment penalties apply to payments made while using this plan.
- In May, at the time of the annual tax billing, you will be notified of i) the total amount of installments paid to date ii) the actual taxes payable for the current year, and iii) the revised monthly payment which will begin June 15.



## Withdrawal/Nonpayment

- You may withdraw from the plan by giving written notice at least two weeks before the next payment date.
- If three payments are not honoured by your Financial Institution in a calendar year, the City of Brandon will cancel the agreement and request payment of the total outstanding balance. Please note returned payments are subject to a \$20 returned payment fee.
- NOTE: If you withdraw or your plan is cancelled, all unpaid taxes become payable on the original due date, and are subject to penalties in accordance with the Penalty By-Law No. 6658.

## Change of Account

- If you change your chequing account, please advise the Finance Department by providing a new VOID cheque or Pre-Authorized Debit form from your bank, at least two weeks before the next payments is due.

## What happens if I sell my property during the year?

- When your property is sold, T.I.P. participants are requested to inform the Finance Department in writing at least two weeks in advance of the next payment in order to stop the payments.
- If you sell your property, your solicitor may be advised of the most recent tax levy and the total T.I.P. payments made to date on the tax certificate that is usually requested when a property is sold. Your solicitor should take these facts into consideration when making the final adjustment to the transfer of funds between you and the purchaser.

**SOLD!**

## How do other property tax adjustments affect my T.I.P. payments?

- If, for any reason, charges are added to your property tax account, you will be notified in writing of the addition, which will have to be paid outside the scope of the Tax Installment Plan. Failure to pay the addition by the due date will result in removal from the program.
- The monthly T.I.P. amount does not include payment of any Supplementary tax bill that you may receive. Supplementary tax bills must be paid separately from the TIPS program. TIP amounts will not be adjustment for Supplementary bills until the following January. You will be notified in writing of the new monthly T.I.P. amount.

## How do I apply for T.I.P.?



- To apply for T.I.P., go online to [onlineservices.brandon.ca/updateinfo.aspx](https://onlineservices.brandon.ca/updateinfo.aspx) and complete the Account Change Form. Select “Apply for Tax Installment Plan (TIP)” and fill out the required information. You will be required to attach a void cheque or pre-authorized debit form to the application.
- Once the application has been received, you will receive an email from our Tax department advising of the details regarding your program application.
- Alternatively, you can apply in person at City Hall. We will require a printed copy of the void cheque or pre-authorized debit form when applying in person.
- If you have any questions regarding the Tax Installment Plan, please reach out at the below information:

**CITY OF BRANDON**  
**FINANCE DEPARTMENT**  
**CITY HALL**  
**410 – 9<sup>TH</sup> STREET**  
**BRANDON, MB R7A 6A2**

