Policy Number: 2010 – 30

Policy Subject: Tax Arrears Allowance Policy

Policy Objective

To establish an allowance based upon generally accepted accounting principles. The method of calculation should reasonably reflect the exposure of the Town to the tax arrears that may prove to be uncollectable.

Policy

1. For business occupancy, invalid assessments and owner unknown properties – 100% allowance at year end..

2. For residential and commercial properties;
   a) Above $3,000.00 in arrears for Mobile Homes – Individual assessment
   b) Above $5.,000.00 in arrears for all other – Individual assessment
   c) Less than $5,000.00 in arrears
      5% on Year 1
      10% on Year 2
      20% on Year 3
      50% on Year 4
      80% on Year 5
      100% on Year 6

3. The tax arrears allowance determined for the year will be reviewed for reasonableness and compared to allowances in previous years.

Annotation's For Official Policy Book

Date of Council members Review October 14, 2010

Date of Passage of Current Policy: November 4, 2010

I certify that this Policy was adopted by Council as indicated above.

Sheldon G Vorey — November 5, 2011

CAO / Clerk — Date