

THE CORPORATION OF THE CITY OF NORTH BAY

BY-LAW NO. 149-81

BEING A BY-LAW OF THE CORPORATION OF THE CITY OF NORTH BAY TO PROVIDE FOR THE RATE OF INTEREST TO BE CHARGED ON OVERDUE PAYMENTS OWING TO THE CORPORATION OF THE CITY OF NORTH BAY IN RESPECT OF ALL TAXES DUE AND UNPAID FROM THE 31ST DAY OF DECEMBER IN THE YEAR IN WHICH THE TAXES WERE LEVIED UNTIL THE TAXES ARE PAID.

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 remains 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 the highest rate on the date of the passing of this by-law is Twenty-Two and One-Quarter per cent (22¼%) at the Royal Bank of Canada.

AND WHEREAS by virtue of subsections (1) and (3) of Section 3 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 1.89 percent (1.89%) 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" shall mean:
 - (1) all taxes due and unpaid from the 31st day of December in the year in which the taxes were levied until the taxes are paid; and
 - (2) overdue amounts owing to The Corporation of the City of North Bay by another municipality for the supply of services by the City of North Bay to the other municipality.
 - (3) That there shall be added to all overdue payments owing to The Corporation of the City of North Bay, interest at the rate of 1.89 percent (1.89%) per month for each month or fraction thereof.
 - (4) That 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, 1982 or until a by-law is enacted establishing a new rate of interest, whichever comes first.
 - (5) That By-law 194-79, being a by-law to establish the rate of interest on tax arrears, be and the same is hereby repealed.
 - (6) That this by-law shall come into force and take effect as of the 1st day of November, 1981.

READ A FIRST TIME IN OPEN COUNCIL THE 21ST DAY OF SEPTEMBER , 1981.
 READ A SECOND TIME IN OPEN COUNCIL THE 21ST DAY OF SEPTEMBER , 1981.
 READ A THIRD TIME IN OPEN COUNCIL AND FINALLY ENACTED AND PASSED THIS
 21ST DAY OF SEPTEMBER , 1981.



 MAYOR



 CITY CLERK