

## Department of Finance

### Property Tax Equalized Payment Plan (EPP) Frequently Asked Questions (FAQs)

#### 1. What is the Property Tax Equalized Payment Plan (EPP)?

The EPP is a convenient voluntary payment plan that allows eligible homeowners to pay their annual property tax in twelve equal monthly payments without incurring a penalty. Monthly payments are automatically withdrawn from the homeowner's chequing account from March to February, instead of a single annual payment. There is no administration fee to join the plan.

#### 2. Who can participate in the EPP?

Homeowners can participate in the EPP providing the following conditions are met:

- the property must be their principal residence.
- the property must be in receipt of the Provincial Residential Property Tax Credit (full or partial).
- the property tax account must be paid in full (no tax arrears) at the time of application.
- the applicant must complete an EPP Application Form ([Link](#)) for direct withdrawal (in Canadian funds) from a chequing account at a Canadian bank or financial institution.
- the property taxes are not being paid by a mortgage company or financial institution.

#### 3. How can I register for the EPP?

EPP Application Forms ([Link](#)) will be available at all Service New Brunswick centres, online at [www.snb.ca](http://www.snb.ca) or [www.qnb.ca](http://www.qnb.ca) (keyword: Finance), as well as through the Department of Finance, by calling 1-800-669-7070.

Submit a completed application form along with a void cheque to:

Department of Finance  
Revenue Administration Division  
P.O. Box 3000,  
Fredericton, N.B.  
E3B 5H1

You can also drop off your completed application (with a void cheque) at the nearest Service New Brunswick office.

#### **4. Can I apply on-line?**

You will find an application form online at [www.snb.ca](http://www.snb.ca) or [www.gnb.ca](http://www.gnb.ca) (keyword: Finance) which can be printed and mailed to:

Department of Finance  
Revenue Administration Division  
P.O. Box 3000,  
Fredericton, N.B.  
E3B 5H1

#### **5. Is there a deadline to apply?**

Yes. Applications for the 2018 taxation year will be accepted until May 31, 2018.

#### **6. When will I be notified that my application has been approved?**

If you qualify for the program and you apply before December 31<sup>st</sup> the confirmation of your participation in the EPP will be reflected on your Assessment and Tax Notice issued in March and you will not receive any other notification. If you apply after January 1<sup>st</sup> you will receive confirmation in a separate notification.

#### **7. What is the initial payment?**

EPP payments typically begin in March for each taxation year. Your current property tax year's payments are divided equally over 12 months beginning in March, with the account being paid in full after your February payment. However, depending on when your application is received, you may be required to make an initial payment equal to the missed payments up to the time your application is processed and the first payment is withdrawn from your bank account. If an initial payment is required, the amount will be calculated and you will be notified of the initial payment amount and the date it will be withdrawn from your account.

#### **8. Can I use a void cheque from a credit line?**

No, we cannot withdraw funds from a credit line account.

#### **9. When will the payments be taken from my account?**

Once you are a participant in EPP, your monthly property tax payments will be automatically withdrawn from your bank account on the date you select between the 15th and the end of the month. (Note: If the designated withdrawal date falls on a holiday or weekend, the payment will be withdrawn on the next business day.)

**10. How is the monthly payment calculated?**

Your monthly payment amount is calculated by dividing your total current tax amount, minus credits on your account, by 12 (rounded to the nearest cent). This amount will be paid through automated withdrawals from your bank account each month.

**11. Do I have to apply for the EPP each year?**

No. Once you are registered in the plan it remains in place until you contact us in writing to cancel. The annual Assessment and Tax Notice you receive in March will reflect the change in the monthly payments and the withdrawals will be adjusted accordingly.

**12. What do I do if my EPP payment has been returned?**

Should your monthly EPP payment be returned by your financial institution as NSF (or any other reason), the missed monthly payment will be added to the following month's payment and there will be a service charge of \$25.00.

**Note:** Your participation in the EPP will be automatically cancelled if you have two consecutive returned monthly payments. If you wish to participate in the EPP in the following year, you are considered a new applicant and must complete and submit a new application. You cannot reapply in the same year you have two consecutive returned monthly payments.

**13. I'm paying my property taxes through my mortgage company or financial institution. Can I switch to the EPP?**

If you are currently paying your taxes through your mortgage company or financial institution, you have to cancel this arrangement before joining EPP.

**14. Is there an administration fee or any other charges associated with the plan?**

There is no administration fee associated with the plan. However, should your monthly EPP payment be returned by your financial institution as NSF (or any other reason), there will be a service charge of \$25.00.

**15. Is there a penalty and interest charge on my property tax account if I participate in the EPP?**

No. Your property account does not incur penalty or interest while you are registered in the EPP. However, if your EPP participation is cancelled for any reason, including sale of the property, all unpaid taxes become due and payable and are subject to penalties and interest.

## **16. What happens if I sell my property?**

If you sell your property, you will need to request the EPP be cancelled. We must receive written notice **at least 30 days prior to the next withdrawal date** in order to ensure your bank account is not debited for the payment amount.

All unpaid taxes become due and payable and are subject to penalties and interest.

## **17. Is the EPP transferable?**

No, the EPP is not transferable. When you join the EPP you are making monthly property tax payments on a specific property. The EPP does not automatically transfer to another property. You will need to submit a new application to participate in the EPP for your newly acquired property.

## **18. I changed my banking information, how do I change the bank account for the EPP?**

You must provide a letter with your name, property address, daytime phone number, effective month, and new bank account information (void cheque), **at least two weeks prior to the next withdrawal date**, to our office:

Department of Finance  
Revenue Administration Division  
P.O. Box 3000,  
Fredericton, N.B.  
E3B 5H1

You can also drop off your letter and void cheque at the nearest Service New Brunswick office.

## **19. How do I cancel my participation in the EPP?**

To cancel your EPP participation for any reason, including sale of the property, you must provide written notification (including your name, property address, daytime phone number, effective cancellation month, and reason for cancellation) **at least 30 days prior to the next withdrawal date** in order to ensure your bank account is not debited for the payment amount.

Mail to: Department of Finance  
Revenue Administration Division  
P.O. Box 3000,  
Fredericton, N.B.

E3B 5H1

You can also drop off your letter at the nearest Service New Brunswick office.

If you cancel your EPP participation for any reason, including sale of the property, all unpaid taxes become due and payable and are subject to penalties and interest.

**Note:** Your participation in the EPP will be automatically cancelled if you have two consecutive returned monthly payments.

**20. Can I register more than one property in the EPP?**

No, only your principal residence in receipt of the Provincial Residential Property Tax Credit can be registered in the EPP.

**21. I have a credit on my tax account due to a reassessment. How will that affect my payments under the EPP?**

If you have a credit on your account, you have the option of adjusting your monthly EPP payment to distribute the credit over the remaining monthly payments; having a refund issued; **or** you can leave the credit on your account and it will be automatically included in the calculation of your monthly EPP payment amount for the following tax year. You may call 1-800-669-7070 to discuss these options and advise the Department of Finance of the option selected.

**22. Where can I call for information?**

You may call 1-800-669-7070 for information on this new payment plan.