



**Ministry of Housing and
Municipal Affairs**

Local Government Infrastructure
and Finance Branch
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CIRCULAR

Circular No. 25:10

June 18, 2025

To: All Municipal Financial Administrators

Re: GUIDE TO ISSUING NOTICE IN ADVANCE OF TAX SALE UNDER SECTION 647.1 OF THE *LOCAL GOVERNMENT ACT*

The notice of tax sale will serve as an individual warning to a property owner in advance of the event that their property will be offered at the tax sale unless delinquent taxes are paid. The legislation responds to a recommendation made by the Office of the Ombudsperson following an investigation of the annual municipal tax sale system and vulnerable people¹. The Ombudsperson recommended amending the LGA to include a notice requirement for a pending tax sale. Other non-legislative recommendations, including the development of best practices, were accepted by the Ministry of Housing and Municipal Affairs and have been implemented.

Section 647.1 is provided in full below, with bullets inserted to provide guidance. Associated sections of legislation are also provided. This section of legislation is in effect and notices must be sent for properties that are subject to tax sale in 2025. [Section 647.1 - Local Government Act](#)

Please contact me if you have any questions.

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Owners must be given notice before tax sale

647.1 (1) *At least 30 days before the date of the annual tax sale, the collector must, in relation to a property subject to tax sale, give written notice to a person registered in the land title office as an owner of the fee simple of the property.*

- The 30-day period need not include the deemed receipt period in subsection (6). It is not necessary to calculate a 37-day period to take the deemed receipt period into account

¹ BC Office of the Ombudsperson, [A Bid For Fairness: How \\$10,000 in Property Tax Debt Led to a Vulnerable Person Losing Their Home](#), Victoria, BC Office of the Ombudsperson, 2021



- “Subject to tax sale” mean all properties with delinquent taxes at the time of notice production as these are the properties that will be “subject to tax sale” on the last Monday in September.

(2) A notice under subsection (1) must include the following:

(a) the time and place of the annual tax sale;

- This is stated in legislation as 10 a.m. on the last Monday in September, at the council chambers.

(b) the legal description and street address, if any, of the property subject to tax sale;

(c) the amount of the delinquent taxes calculated in accordance with section 246 [delinquent taxes] of the Community Charter and a statement that, if the amount of delinquent taxes is not paid before the annual tax sale, the collector will offer the property for sale by public auction at the time and place stated in the notice;

- The amount should be the total amount of delinquent taxes, including interest at least to the date of notice production. However, given that interest will continue to accrue until payment or tax sale, best practice may be to calculate an estimate of delinquent taxes with interest to the date of tax sale so that a payment based on information in the notice is sure to recover delinquent taxes and remove the threat of tax sale.
- Delinquent taxes are those property taxes that were levied two calendar years prior to the years of tax sale, penalty on those taxes and accrued interest. For example, property taxes levied in 2023 are delinquent as of January 1, 2025. Delinquent taxes may also include amounts transferred to property taxes from unpaid utility bills.

(d) a statement that, if the property is sold at the annual tax sale, a right of redemption will remain in the owner of the fee simple, or a person registered in the land title office as an owner of a charge on the property, until the end of the redemption period;

- The redemption period is one year from the date of the tax sale at which the property is sold unless the municipality becomes the purchaser of the property at the tax sale. Then a council may, by bylaw, increase the redemption period to two years.

(e) a statement that the amount payable to redeem the property after the annual tax sale will be greater than the amount of delinquent taxes.

- The intent of this requirement is to inform a property owner that it will be less costly to pay delinquent taxes prior to the tax sale than to pay the redemption cost after the sale.

(3) Subject to any regulations, a notice under subsection (1) must be given to the owner of the fee simple at the address of the owner set out in

(a) the most recent revised assessment roll, as defined in section 1 (1) of the Assessment Act, or

(b) the records of the land title office.

- If a property changes ownership at any point during the process and this change is not yet reflected in the assessment roll or land title office records, the notice requirement is still satisfied by giving notice as described.

(4) A notice under subsection (1) must be given to the owner of the fee simple by one of the following



methods:

- (a) by personal service;*
- (b) by sending the notice by ordinary mail, registered mail or courier;*
- (c) by sending the notice by another method prescribed by regulation.*

(5) If a notice under subsection (1) is given by a method other than sending by registered mail, the collector must create a record of

- (a) the method by which the notice was given,*
- (b) the date and time the notice was given and, if applicable, the place of mailing, and*
- (c) an acknowledgement, if any, of receipt of the notice by the owner of the fee simple.*
- The phrase “if any” is meant to clarify that the acknowledgment is not required but, if received, should be recorded.

(6) A notice given in accordance with this section, unless received earlier, is conclusively deemed to be received as follows:

- (a) if given by sending the notice by ordinary or registered mail or courier, on the seventh day after it is mailed or received by the courier, as applicable;*
- (b) if given by sending the notice by another method prescribed by regulation, on the seventh day after it is sent.*
- Note that deemed receipt does not arise in the case of personal service. If a notice is mailed or couriered to a deceased individual, a dissolved corporation or a person who lacks capacity, a municipality may rely on deemed receipt. However, if personal service is used, the municipality may risk that they are serving a corporation that was dissolved at the time or are serving an individual who lacks capacity.

(7) The collector must retain a copy of each notice under subsection (1).

(8) For the purposes of subsections (3) and (4), the Lieutenant Governor in Council may make regulations in relation to a notice under subsection (1) as follows:

- (a) specifying alternative addresses or locations at which the notice may be given;*
- (b) establishing alternative methods of giving the notice;*
- (c) establishing restrictions and conditions on the use of alternative addresses, locations or methods.*

Section 657 (3) is amended by adding "and section 647.1 [owners must be given notice before tax sale]" after "set out in subsection (1)".

- This subsection clarifies that the responsibility of the collector and municipality to notify a property owner about a tax sale is to provide the notices before and, if necessary, after the sale as described in sections 647.1 and 657.

Section 666 (2) (c) is amended by striking out "section 657 [notice of tax sale and redemption period]" and substituting "section 647.1 [owners must be given notice before tax sale] or 657 [notice of tax sale and redemption period]".



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- The collector must provide notice under both sections 647.1 and 657, if necessary. Failure to do either of these, if required, creates an opportunity for action to have the tax sale set aside after it has occurred.
 - The legislation does not provide for withholding a property from tax sale if the requirement for notice before the tax sale is not met. If staff recognize that the requirement in 647.1 wasn't met, the collector must offer the parcel for sale and may then request council cancel the tax sale for manifest error under section 668. Announcing at the tax sale that staff consider the sale to be invalid and destined for cancellation due to non-compliance with section 647.1 is very discouraging of bids. Municipal staff may prefer to wait a few months to see if the property is redeemed before recommending that council cancel the tax sale before the end of the redemption period. However, this allows the purchaser to accrue more interest than if the sale was cancelled earlier.
 - If the property is not redeemed after a tax sale when the requirement for notice under section 647.1 was not met, the original owner or chargeholder may claim indemnity for their loss under section 669 (3) for one year after the redemption period. If this circumstance of inadequate notice and subsequent tax sale arises, it becomes more important that municipality make sure that the persons who may claim indemnity are made aware of the tax sale during the redemption period so that the right of indemnity or compensation is removed under section 669 (4)(b).