

## TO ALL PURCHASERS AT TAX SALE

The real property you purchased was sold by the Minister of Finance pursuant to the provisions of the *Real Property Tax Act and Regulations* thereunder, to satisfy taxes and penalties assessed against the property. As a purchaser, the *Real Property Tax Act and Regulations* provides you with the following rights and liabilities.

### TAX SALE CERTIFICATE

You have been issued a receipt for the purchase price by Service New Brunswick. This information together with other details of the sale will be forwarded to the Department of Finance, Revenue Administration Branch, and P. O. Box 3000, Fredericton, N. B. E3B 5G5 for inclusion on the "Tax Sale Certificate". It is important that you advise officials at the sale of name(s) of the purchaser, the correct mailing address, including postal code plus the occupation of the purchaser(s) to ensure the accuracy of the information on the Tax Sale Certificate. Also, please advise of your telephone number (s).

### EFFECT OF TAX SALE CERTIFICATE

The Tax Sale Certificate is your proof of ownership of the property as far as is necessary to protect the property until the expiration of the redemption period. It must be noted that the property is subject to the right of redemption within a ninety (90) day period from the date of the tax sale.

### USE OF PROPERTY

You, as Purchaser, are entitled to only a qualified ownership to the property for a period of ninety days. Subsection 12(9) of the *Real Property Tax Act* provides in part that you "may collect rents on the real property and use it, but shall not commit waste". Waste, is a technical term, but to illustrate the point, you cannot cut standing timber, you cannot demolish or remove buildings from the property, and if for example there should be found an excellent supply of raw materials such as gravel, you cannot sell this material. You cannot subdivide or sell any portion of the property.

Generally, waste will be anything which will reduce the value of the property; however, you are not liable for damages done to the property without your knowledge. To ensure that the property is not subjected to waste you may:

- insure the property
- spend sums for necessary repairs to protect the property, and
- spend sums for necessary services to protect the property.

### REDEMPTION

Pursuant to Section 13 of the *Real Property Tax Act*, where, within ninety (90) days from the date of the sale, the person entitled to redeem the property pays to the Minister:

- the sum paid at the sale
- 15% of such sum
- any taxes, tax arrears and penalties remaining unpaid on such real property
- all sums paid for insurance premiums to insure your interest in the property
- sums paid for necessary repairs
- sums paid for necessary services

LESS:

- sums received as rents or other income from the property

You, as Purchaser at the sale, cease to have any further rights to the real property and the sums so certified will be refunded to you. Under redemption, receipts must be submitted to substantiate all expenses incurred.

### TAX DEED

If the property is not redeemed within ninety (90) days from the date of the sale, a "Tax Deed" will be prepared by the Minister of Finance, reviewed and executed by the Office of Attorney General. This process may take up to 60 days to complete (**following the 90 day redemption period**). Once completed the Department of Finance will request funds from purchaser for Registration and Transfer Tax to register said Deed. Upon receipt of monies from the purchaser to cover the registration of the (Deed Registration and Transfer Tax fees, plus any taxes levied subsequent to the sale and still outstanding) the Minister of Finance will forward the Tax Deed to the applicable Service New Brunswick office. The Department of Finance will subsequently forward the registered Tax Deed to the purchaser. The Deed is conclusive evidence that all provisions of the *Real Property Tax Act* with respect to:

- taxation on such real property for which such real property was sold, and
- the proceedings for the sale of the real property mentioned in the Deed have been complied with and that every act necessary for the perfecting in law of such taxation and sale has been performed.

Subject to subsection 14(3) of the *Real Property Tax Act*, the Deed vests in the grantee the fee simple absolute to such real property freed of all claims and encumbrances whatsoever including all claims of dower arising prior to the delivery of the Deed.