

**TOWN OF MORDEN**  
**POLICY & PROCEDURES MANUAL**

<i>Reference</i>	Finance & Administration	<i>Classification</i>	Policy
<i>Subject</i>	Penalties on Accounts	<i>Pages</i>	1
<i>Authority</i>	Council	<i>Effective Date</i>	November 18, 2003
<i>Approved</i>	November 18, 2003 #11	<i>Index</i>	F/A – 005

Purpose:

The purpose of this policy is to establish a consistent and fair penalty schedule for all outstanding monies owed to the Town of Morden.

Policy Statement:

The Council wishes to ensure that penalties are applied in a fair and consistent manner for outstanding taxes and various types of invoicing pertaining to Municipal business.

Procedure:

1. The rate for penalties on outstanding tax accounts and invoices shall be calculated at a rate of 1.25% per month (15% annually) compounded on December 31<sup>st</sup> of each year for tax accounts.
2. Penalties shall be added as follows:
  - ❖ Taxes – On the 1<sup>st</sup> day of each month immediately following the due date.
  - ❖ Invoices – On the 1<sup>st</sup> day of each month immediately following the due date.