

<b>Disposition of Lots Acquired by the Department through Tax Sale Proceedings</b>	Policy	L2
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**What is the policy?**

Residents of communities have limited exposure to information concerning the liabilities of holding real property. Tax sales have been the result. In most communities, surveyed lots are in short supply and there is a need to make land sold for taxes available. An attempt must be made to deal fairly with people who have lost title through tax sale proceedings.

It is the policy of the department that people who have lost their property in tax sale or who are living on the land be given the first option to purchase the land and buildings. Applications have been received from persons wishing to acquire these lots for residential or commercial purposes. The following outlines circumstances of the applications in order of priority and the related conditions attached:

**An applicant who lives on the property or uses it for some purpose and who formerly held title.**

Occupants who owned the property when it went into tax sale pay either the full amount of back taxes, penalties, legal and transfer costs, or \$100, whichever amount is greater.

**An applicant who lives on the property, but who has not formerly held title.**

Occupants who did not own the property when it went into tax sale pay the pro-rated amount of taxes owing (an amount proportionate to the length of residence on the lot) as well as, any development costs incurred by the Crown, or \$100, plus survey costs, whichever amount is greater.

**A former title holder or relative who no longer occupies the property, but wishes to redeem it for a new purpose.**

Previous occupants who owned the property when it went into tax sale should be treated as new applicants and pay the normal Crown lands and department costs.

**An applicant who has no former connection with the property.**

New applicants should pay the normal Crown lands and department costs.

**Department responsibilities**

- A person wishing to purchase a vacant lot on which he/she is not living pays the normal Crown lands and department costs.

- Where there are buildings located on the lot applied for, and which were part of the tax sale proceedings, the department after consultation with the community council, may have these buildings appraised and tendered, or removed from the lot.
- Proceeds resulting from the sale of the land and buildings will become part of the Northern Affairs Fund and may be returned to the community at the minister's discretion.