

## Preauthorized Withdrawal Service (PAWS) for Tax/Utility Payments

The City of Parksville recently changed the format of the program which allows taxpayers to contribute a fixed monthly payment towards their taxes and/or utilities based on an estimate of future invoice amounts. The program is now referred to as PAWS or Preauthorized Withdrawal Service (previous program was TIPS or Tax/Utility Instalment Payment Service). PAWS is used to prepay future tax and/or utility charges.

The program is available to taxpayers when taxes are not being paid through a bank or mortgage company and when there is no outstanding balance. In some circumstances, it may be difficult for residents to make a single large tax or utility payment and budgeting is often easier when done with monthly pre-payment amounts.

How does PAWS work?

- Only one authorization is required after which monthly payments will be withdrawn automatically. Payments are processed on the 15th of each month except for June when no payment is processed.
- The annual tax notices and semi-annual utility notices will state the current levy less the total prepayments to date including interest earned. Residents are responsible to pay any outstanding tax account balance and if eligible, apply for the Provincial Home Owner Grant. Due dates, interest charges and tax penalties, as stated on the tax notice, still apply.
- Residents may request tax payments (not utilities) remain at a fixed amount from year to year, otherwise all payments are recalculated once a year (end of March for utilities and end of May for taxes) and the new payment amount is printed on the notice.

PAWS accounts receive interest calculated from the date of payment until the tax notice/utility bill is produced, based on the daily prepaid balance at an interest rate 2.50 percentage points less than the prime lending rate at the City's bank.

For existing participants making pre-payments to their utility accounts, the program will now take payments in the month of April so that utility account pre-payments will be spread over 11 months of the year with no payment in June which makes the PAWS program the same as the property tax payment months. Participants making utility pre-payments will be advised on their next utility notice of their new payment amount to take effect April 15, 2015.

The program is detailed on the City's website [\[City Hall/Finance/Tax-Utility Instalments\]](#). Residents wishing additional information should contact the City, either by phone 250 248-6144 or in person.

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**For more information:**

Finance Department, 250 248-6144