

# Background and Previous Council Direction

## Background

In 1975, City Council approved Bylaw 104/75 which identified that The City impose interest charges at a prescribed rate on all general accounts payable to The City of Calgary that remain unpaid thirty days after the date of mailing of the invoice.

In 2022, the Province of Alberta passed legislation introducing new payment requirements for the prompt payment of invoices related to the supply of materials and services for land improvement projects, including the issuance and payment of invoices, the adjudication of disputes, and timelines for issuing liens. This legislation also introduces payment terms outside of the standard 30 days after the date of the mailing of the invoice as identified in Bylaw 104/75. Bylaw 104/75 conflicts with current provincial legislation to which The City must adhere.

## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
1975/06/23	City Archives unable to locate	Being a Bylaw of the City of Calgary to Fix an Interest Charge on Unpaid General Accounts  NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY ENACTS AS FOLLOWS: 3. There shall be imposed an interest charge of one and one- half percent (1 ½ %) per month on all general accounts payable to the Municipality which remain unpaid after thirty (30) days from the date of the mailing of the invoice.