

REGIONAL MUNICIPALITY OF WATERLOO

**POLICY ON TAX RELIEF FOR ELIGIBLE LOW INCOME SENIORS
AND LOW INCOME DISABLED PERSONS**

(Regional Municipality of Waterloo By-law 98-048)

POLICY OBJECTIVE:

The purpose of this policy is to relieve financial hardship through the provision of tax relief to eligible low income seniors and low income disabled persons for assessment related tax increases on property in the residential/farmland property class.

LEGISLATIVE AUTHORITY:

This policy has been developed in accordance with Section 373 of the *Municipal Act* and regulations thereto.

APPROVAL:

Tax relief for low income seniors and low income disabled persons was approved by Regional Council on April 29, 1998 and this policy was subsequently approved by Regional Council on June 24, 1998 and amended June 27, 2001.

ADMINISTRATION:

The administration of this policy is the responsibility of the Treasurers of the Area Municipalities within the jurisdiction of the Regional Municipality of Waterloo.

1) GENERAL PRINCIPLES

1) Persons Eligible for Tax Relief

- a) Persons eligible for tax relief are low-income seniors, low-income disabled persons or the spouse of such eligible persons owing and occupying property in the residential/farm property class;
- b) For the purposes of this policy, a low-income senior is a person who is 65 years of age or older and in receipt of an increment paid under the Guaranteed Income Supplement Program (GIS) as established under Part II of the Old Age Security Act (Canada);
- c) For the purposes of this policy, a low-income disabled person is a person in receipt of an increment paid under the Ontario Disability Support Program Act (ODSP) [formerly known the *Family Benefits Act (Ontario)*];
- d) Tax relief for eligible low income seniors and low income disabled persons applies to tax increases on residential property owned and occupied by the eligible person;
- e) Tax relief is provided upon each reassessment after 1998 and the amount of tax relief will be determined in accordance with Section 4 of this policy;
- f) For the purposes of this policy, owner means a person assessed as the owner of residential real property and includes an owner within the meaning of the *Condominium Act*;
- g) No tax relief shall be allowed to an eligible owner in respect of residential real property for more than one (1) single family dwelling unit in a given year
- h) For properties which are jointly held or co-owned by persons other than spouse, the co-owners must qualify under applicable eligibility criteria in order to receive tax relief;
- i) For residential properties of more than one unit and less than seven units, tax relief will be granted on a prorated basis for the unit occupied by the eligible owner only;
- j) For the purposes of this policy, “spouse” means a person
 - i) to whom the person is married, or
 - ii) with whom the person has cohabited for at least one year, or
 - iii) with whom the two are together the parents of a child, or
 - iv) with whom the two have together entered into a cohabitation agreement under Section XX of the *Family Law Act*
- k) Tax relief amounts are not transferable to deceased owners.

2) **Form of Tax Relief**

Tax relief shall be in the form of a **deferral** of the annual eligible amount provided that:

- a) such eligible owner or the spouse of such owner or both occupies or occupy the property for which the relief is requested as his, her or their principal residence;
- b) such eligible owner or the spouse of such owner or both has or have been assessed as the owner of the property for which the relief is requested for a period of not less than one year immediately preceding the date of application for relief;

Tax relief granted in this policy will not be subject to interest charges.

Tax relief applies to current taxes only, not tax arrears. Tax relief amounts will not be deferred until payment is received in full for any current or past years amounts payable.

3) **Repayment of Tax Relief (Deferral)**

Annual eligible amounts shall be deferred until the property is sold or transferred, at which time the total amount deferred, including any part year portions, becomes a debt payable to the applicable Area Municipality.

If at any time, an eligible person for which tax relief has been granted in accordance with this policy, ceases to be an eligible person, all tax relief ceases and all amounts previously deferred, including any part year portions, become a debt payable to the applicable Area Municipality.

4) **Amount of Tax Relief (Deferral)**

Tax deferrals for low income seniors and low income disabled persons apply to tax increases on property in the residential/farm property class as follows:

- a) tax relief is provided in each year of reassessment following 1998;
- b) the first 3.0% of tax increases are the responsibility of the property owner;
- c) for tax increases greater than 3.0%, applications will be accepted for deferrals where the impact exceeds \$50.00;
- d) tax increases are the difference between the total taxes levied on the property in the year preceding reassessment and the total taxes levied in the year of a reassessment.

II) APPLICATION PROCEDURE

Eligible low income seniors and low income disabled persons must apply for tax relief as follows:

- a) applications for tax relief will be accepted and processed by the Area Municipality in which the individual resides;
- b) applications will be addressed to the Treasurer of the Area Municipality;
- c) applications must be submitted on or before November 1st in the year for which the application applies;
- d) applications must include documentation establishing that the applicant is an eligible person and that the property for which the application is made is an eligible property;
- e) by signing the application form, it is assumed that the applicant has read and understands the Region's policy on tax relief to low income seniors and low income disabled persons;
- f) applications must be made **annually** to the Area Municipality to establish continued eligibility;
- g) verification of documentation provided with an application may be carried out independently, at the discretion of the area municipality.