

THE REGIONAL MUNICIPALITY OF HALTON

BY-LAW NO. 56-08

A BY-LAW TO PROVIDE PROPERTY TAX DEFERRALS FOR LOW-INCOME SENIORS AND LOW-INCOME PERSONS WITH DISABILITIES WHO ARE OWNERS OF REAL PROPERTY IN THE REGION OF HALTON AND TO REPEAL AND REPLACE BY-LAW NO. 118-98, AS AMENDED.

WHEREAS Section 319(2) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended (herein referred to as the “Municipal Act”), requires the Council of The Regional Municipality of Halton (herein referred to as “Regional Council”) to pass a by-law providing for relief in respect of all or part of tax increases on property in the residential property class for owners who are, or whose spouses or same sex partners are, low-income seniors or low-income persons with disabilities as defined in the by-law;

AND WHEREAS it is deemed desirable to continue the property tax deferral program established by By-law No. 118-98, as amended by By-law No. 64-06, By-law No. 67-04 and By-law No. 71-01, and further to repeal and replace the original by-law and amendments to provide a consolidated current by-law.

NOW THEREFORE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF HALTON HEREBY ENACTS AS FOLLOWS:

A. Definitions

1. THAT in this by-law:

- (a) “Combined Family Income” means the total income from all sources as set out in the Notice of Assessment prepared by Revenue Canada for any and all Eligible Persons residing in an Eligible Property;
- (b) “Eligible Person” means a Low-Income Person with Disabilities, a Low-Income Senior or the spouse or same sex partner of such person;
- (c) “Eligible Property” means residential real property in the Region of Halton that:
  - i. is owned by an Eligible Person; and
  - ii. is lived in by and is the principal residence (as defined in the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.)), as amended, of the owner or the spouse or same sex partner of the owner;

- (d) “Local Treasurer” means the person appointed as the Treasurer of a Local Municipality situated within the Region of Halton from time to time, or his or her designate;
- (e) “Low-Income Person with Disabilities” means a person who, in the taxation year for which the application is requested and every year thereafter, is in receipt of assistance paid under the *Ontario Disability Support Program Act, 1997*, S.O. 1997, c. 25, Schedule “B”, as amended, or in receipt of a disability benefit paid under the *Canada Pension Plan Act*, R.S.C. 1985, c.8, as amended, and whose Combined Family Income does not exceed for a property tax deferral in the 2008 taxation year and subsequent taxation years, an upset limit of \$40,500;
- (f) “Low-Income Senior” means a person who is 65 years of age or older as of December 31<sup>st</sup> of the taxation year for which the application is requested and whose Combined Family Income does not exceed for a property tax deferral in the 2008 taxation year and subsequent taxation years, an upset limit of \$40,500;
- (g) “Regional Treasurer” means the person appointed as the Regional Treasurer from time to time by Regional Council, or his or her designate; and
- (h) “Tax Increase” is the difference between the total annual taxes for municipal and school purposes in the taxation year for which the application is requested and the total annual taxes for municipal and school purposes in the preceding year.

B. Application For Deferral

- 2. THAT the Regional Treasurer may designate such persons as may be necessary to implement the provisions of this by-law.
- 3. THAT for consideration for a property tax deferral of the Eligible Amount for the current taxation year, Eligible Persons shall, on or before 45 days after the date of mailing of their final property tax bill, make application to the respective Local Treasurer.
- 4. THAT all applications for property tax deferral must be in writing and on the form prescribed by the Regional Treasurer from time to time for this purpose.
- 5. THAT applications shall be submitted to the Finance Department of the Local Municipality within which the property for which a deferral is sought is located.

6. THAT applications must include documentation in support thereof to establish that the applicant is an Eligible Person and that the property with respect to which the application is made is Eligible Property. Without limiting the generality of the foregoing, applications shall include:
  - (a) a list of all residential properties in the Region of Halton owned by the applicant or the spouse or same sex partner of the applicant, or both;
  - (b) proof of age (if applicable);
  - (c) proof that the applicant is in receipt of assistance and/or a disability benefit as set out in Paragraph 1(e) hereof (if applicable); and
  - (d) the Notice of Assessment prepared by Revenue Canada for any and all Eligible Persons residing in the Eligible Property for the year previous to the year in which an application for a property tax deferral under this by-law is made, or proof that the applicant is currently in receipt of the federal government's Guaranteed Income Supplement.
7. THAT applications must include an authorization signed by the applicant and by the applicant's spouse or same sex partner and any joint owners and co-owners (if applicable) authorizing the release by third parties of all information the Regional Treasurer or Local Treasurer may require to verify the accuracy of any information submitted with the application.

C. Evaluation of Application

8. THAT upon receipt of the application for deferral, the Local Treasurer shall review the application and determine whether or not the applicant and the property are eligible for a property tax deferral under this by-law.
9. THAT questions as to the application of this by-law may be referred to the Regional Treasurer, whose determination shall be final.
10. THAT the Local Treasurer or Regional Treasurer may, at any time, request the applicant to provide such additional information and/or documentation as he or she may require to evaluate the application and the application shall not be further processed until satisfactory information and/or documentation has been received.
11. THAT in the event that an applicant fails to provide the information requested by the Local Treasurer or the Regional Treasurer within one month of the date of the request, the application shall be deemed to have been abandoned and shall not be further processed.

D. Granting of Tax Relief

12. THAT upon the determination by the Local Treasurer that the applicant and the property meet all the requirements set forth in this by-law, tax relief shall be granted in accordance herewith.
13. THAT tax relief granted pursuant to this by-law shall be in the form of a property tax deferral of the Eligible Amount.
14. (a) THAT payment of annual Eligible Amounts, plus accumulated interest thereon and the charges related to the registration of the lien as set out in Paragraph 24 hereof, shall be deferred until:
  - i. the property which previously qualified as Eligible Property is sold; or
  - ii. the property which previously qualified as Eligible Property is no longer the principal residence of the Eligible Person; or
  - iii. the person who previously qualified for the property tax deferral no longer qualifies as an Eligible Person;

at which time, the deferral period ends and the total deferred property taxes, plus accumulated interest thereon and the charges related to the registration of the lien as set out in Paragraph 24 hereof, become a debt payable to The Regional Municipality of Halton and the Local Municipality in which the property is situated.
- (b) THAT a person who is in receipt of a property tax deferral pursuant to this by-law, or his or her estate, is required to give notice to the Local Treasurer within 60 days of any of the situations in Paragraph 14(a)i, ii or iii hereof arising.
15. THAT the amount of deferred property taxes, plus accumulated interest thereon and the charges related to the registration of the lien as set out in Paragraph 24 hereof, shall not exceed 75% of the Current Value Assessment placed on an Eligible Property in any given taxation year.
16. THAT the amount of deferred property taxes, plus accumulated interest thereon, be shown on tax certificates in accordance with Section 319(8) of the Municipal Act.
17. (a) THAT notwithstanding anything herein to the contrary, where an applicant and the applicant's spouse or same sex partner each owns an

Eligible Property, tax relief pursuant to this by-law shall be limited to a property tax deferral on only one of the Eligible Properties. Where an applicant and the applicant's spouse each owns an Eligible Property, the applicant and the spouse or same sex partner shall be required to select which one of the Eligible Properties they wish to designate as the one to which the property tax deferral shall apply.

- (b) THAT where a selection has been made under Paragraph 17(a) hereof, the selection shall not be changed without the consent of the Local Treasurer, which consent may be withheld for any reason.
18. THAT notwithstanding anything herein to the contrary, where a Low-Income Person with Disabilities or a Low-Income Senior who is in receipt of a property tax deferral pursuant to this by-law dies, the spouse or same sex partner of such person shall be deemed to continue to be the spouse provided that the total of his or her Combined Family Income plus the total income from all sources of any future spouse does not exceed the upset limit as set out in Paragraph 1(e) or 1(f), as applicable, in the year previous to the year in which an application for a property tax deferral under this by-law is made.
19. THAT notwithstanding anything herein to the contrary, where Eligible Property is jointly held or co-owned by persons other than spouses or same sex partners, both or all joint owners or co-owners must qualify as Eligible Persons in order to receive tax relief pursuant to this by-law.

E. Interest

20. THAT deferred property taxes for taxation years before 2001 shall bear interest, compounded annually, at a rate equal to the prime rate as at July 1<sup>st</sup> of each year for that taxation year.
21. THAT for the purposes of calculating the interest payable with respect to property taxes deferred pursuant to this by-law during the deferral period, interest shall be calculated from the date the property taxes would, in the absence of the deferral, otherwise be due, up to and including the last day of the deferral period.
22. (a) THAT a part payment of deferred property taxes shall firstly be applied to outstanding accrued interest, secondly to the charges related to the registration of the lien as set out in Paragraph 24 hereof, and thirdly to the deferred property taxes.
- (b) THAT where deferred property taxes plus accumulated interest thereon and the charges related to the registration of the lien as set out in Paragraph 24 hereof become payable under Paragraph 14 hereof and are

not immediately repaid, such amounts shall be subject to interest and penalties in accordance with the Local Municipality's tax collection by-laws.

F. Distribution of Funds

23. THAT where property taxes are deferred pursuant to this by-law, adjustments shall be made between The Regional Municipality of Halton, the Local Municipalities and the school boards in accordance with Sections 319(6) and 319(7) of the Municipal Act.

G. Lien Upon The Lands

24. THAT the amount of deferred property taxes plus accumulated interest thereon shall represent a lien against the respective property in accordance with Sections 319(14) and 349(3) of the Municipal Act. Any charges related to the registration of the lien on title shall be added to the amount of the property tax deferral.

H. Integrity Provision

25. THAT notwithstanding anything herein to the contrary, every person who contravenes any provision of this by-law or files a false application or fails to fully disclose his or her financial situation:
- (a) is guilty of an offence and, upon conviction, is liable to a fine not exceeding the maximum as set out in the *Provincial Offences Act*, R.S.O. 1990, c. P.33, as amended;
  - (b) is ineligible for tax relief pursuant to this by-law for such period of time as the Local Treasurer may determine; and
  - (c) shall immediately repay all property taxes previously deferred which he or she was not, or is no longer, eligible to have deferred, plus accumulated interest thereon and the charges related to the registration of the lien as set out in Paragraph 24 hereof.

I. General

26. THAT if any paragraph or paragraphs of this by-law or parts thereof are found by any court to be illegal or beyond the power of Regional Council to enact, such paragraph or paragraphs or parts thereof shall be deemed to be severable and all other paragraphs and parts of this by-law shall be deemed to be separate

and independent therefrom and continue in full force and effect unless and until similarly found and this by-law shall be enacted as such.

27. THAT this by-law comes into force on the day it is passed.

READ and PASSED this 7th day of May, 2008.

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REGIONAL CHAIR

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REGIONAL CLERK

Report No. CS-18-08