

The Corporation of the City of Kawartha Lakes

By-Law 2019-xxx

A By-law to Provide Tax Relief To Certain City of Kawartha Lakes Property Owners Who Are Low Income Elderly Persons, Low Income Persons Between The Ages Of 55 And 64, Low Income Disabled Persons Or Ontario Disability Support Program Recipients.

Recitals

1. Section 319 of the *Municipal Act, 2001*, S.O. 2001, c.25, provides that for purposes of relieving financial hardship, a municipality may pass a by-law providing for deferrals or cancellation of, or other relief in respect of all or part of a tax increase for 1998 and subsequent years on property in the residential property class for persons assessed as owners who are, or whose spouses are, (a) low-income seniors as defined in the by-law; or (b) low-income persons with disabilities as defined in the by-law.
2. Section 365 of the *Municipal Act, 2001*, S.O. 2001, c.25, provides that the council of a local municipality may, in any year, pass a by-law to provide for the cancellation, reduction or refund of taxes levied for local municipal and school purposes in the year by the council in respect of an eligible property of any person who makes an application in that year to the municipality for that relief whose taxes are considered by the council to be unduly burdensome, as defined in the by-law.

Accordingly, the Council of The Corporation of the City of Kawartha Lakes enacts this By-law 2019-xxx.

Section 1.00: Definitions and Interpretation

1.01 **Definitions:** In this by-law,

“City”, “City of Kawartha Lakes” or “Kawartha Lakes” means The Corporation of the City of Kawartha Lakes and includes its entire geographic area;

"City Clerk" means the person appointed by Council to carry out the duties of the clerk described in section 228 of the *Municipal Act, 2001*;

“Council” or “City Council” means the municipal council for the City;

“Manager of Revenue and Taxation” means the person within the administration of the City which fulfills the function of the Tax Collector or his or her delegate(s), as required by the *Municipal Act, 2001* or, in the event of organizational changes, another person designated by Council.

“Assessment Related Property Tax Increase” is the increase in property taxes attributed directly to an increase in the assessed value of the eligible property

“Low-income Senior” means:

- i. Who has owned and occupied, as the principal residence, the eligible property for a period of not less than one year immediately preceding the date of application for the rebate;
- ii. a person who attained the age of 65 years as of December 31st of the previous year and is in receipt of benefits paid under the Guaranteed Income Supplement (GIS) program, as established under The Old Age Security Act (Canada);
- iii. a person aged 55 to 64 years of age as of December 31st of the previous year whose taxable income, as reported on Line 260 of the Income Tax Notice of Assessment, is less than or equal to, the allowable amount deemed by the government as low income in the tax year the credit is applied for. This amount will be specified on the application for each year.

“Low-income person with disabilities” means a person who is in receipt of benefits paid under the Ontario Disability Support Program Act, 1997; or a disability amount paid under the Family Benefits Act (Ontario); or a Canada Pension Plan Disabilities Pension, and be eligible to claim a disability amount as defined under the Income Tax Act (Canada).

“Eligible person” means a “low-income senior” or a “low-income person with disabilities” or the spouse of such eligible person whose name also appears as a registered owner of the property.

“Eligible property” means residential property located in the City of Kawartha Lakes that is utilized as a principle residence and must be solely owned (with their spouse, if applicable) and occupied by the eligible person(s) as of January 1st of the year for which a tax credit is being applied.

“Owner” means a person assessed as the owner of residential real property, and includes an owner within the meaning of the *Condominium Act*.

“Tax increase” means the difference between current year tax on assessment and the previous year tax on assessment – excluding tax increases resulting from an assessment increase from new construction and/or improvements to a property.

“Eligible amount” means for

- (i) Low Income Senior as defined in section 1.01 (c) (i) and Low income person with disabilities, a combined amount totaling \$175 that first addresses the assessment related increase for the eligible property, and if the assessment related increase is less than \$175, the balance of the \$175 is related to taxes considered to be unduly burdensome.
- (ii) Low Income Senior as defined in section 1.01 (c) (i) and Low income person with disabilities, where the taxes have decreased from previous tax year, an amount equivalent to

the difference between the \$175 and the amount of the total property tax reduction.

- (iii) Low Income Senior aged from 55 to 64 the amount of the property tax increase assessment related property tax increase to a maximum of \$175 per year, with a minimum rebate of \$25, if there is an increase in property taxes from the previous year.

The tax relief applies only to increases in tax based upon assessment values and does not apply to any additional charges that may be levied against the property, including but not restricted to local improvement charges, or any other miscellaneous types of charges added to the Tax Roll for collection purposes.

The tax relief amount shall be prorated from the date of ownership to December 31st, if the applicant subsequent to January 1st of the year for which the relief is sought purchases the property.

1.02 **Interpretation Rules:**

- (a) The Schedules attached to this by-law form part of the by-law, and are enforceable as such.
- (b) The words “include” and “including” are not to be read as limiting the meaning of a word or term to the phrases or descriptions that follow.

1.03 **Statutes:** References to laws in this by-law are meant to refer to the statutes, as amended from time to time, that are applicable within the Province of Ontario.

1.04 **Severability:** If a court or tribunal of competent jurisdiction declares any portion of this by-law to be illegal or unenforceable, that portion of this by-law shall be considered to be severed from the balance of the by-law, which shall continue to operate in full force and effect.

Section 2.00: Tax Relief Provisions

2.01 Tax relief granted pursuant to this by-law shall be in the form of an outright cancellation of the annual eligible amount, provided that:

(a) the Owner, or the spouse of such Owner, or both, occupies or occupy the property in respect of which real property taxes are imposed, as his, her or their principle residence;

(b) the Owner, or the spouse of such Owner, or both, have been or has been the assessed owner of the residential real property in the City on or before January 1st of the year for which they are applying for the credit

2.02 No tax relief granted pursuant to this by-law shall be allowed to an Owner in respect of more than one (1) single family dwelling unit in any year and the residence must be solely classified in the Residential tax classification.

- 2.03 Tax relief shall be granted, pursuant to this by-law, to only one eligible person per household.
- 2.04 Applications for the property tax rebate must be in writing on a form prepared by the City for this purpose and must be submitted to the City of Kawartha Lakes on or before June 30 of each taxation year for which the property tax rebate is sought.
- 2.05 The application must be submitted to:
- Manager of Revenue & Taxation
P.O. Box 696
26 Francis St.
Lindsay ON K9V 4W9
- 2.06 Applications must include documentation in supporting the applicant is an eligible person and that the property with respect to which the application is made is an eligible property.
- 2.07 Successful applications will result in a credit applied to the eligible property tax account to be deducted from the final tax installment for the year.
- 2.08 Credits will not be refunded but will be applied to future property taxes.

Section 3.00: Administration and Effective Date

- 3.01 **Administration of the By-law:** Manager of Revenue and Taxation is responsible for the administration of this by-law is responsible for the administration of this by-law.
- 3.02 **Effective Date:** This By-law shall come into force on the date it is finally passed.

By-law read a first, second and third time, and finally passed, this [redacted] day of [redacted], 201[redacted].

Andy Letham, Mayor

Cathie Ritchie, City Clerk