

Policy: **Low Income Tax Exemption**

Date Approved: November 24, 2005

Motion: *That Council approve Policy # 2005 – 22 ‘Low Income Tax Exemption’ as presented; and*

Further that this policy become effective immediately

Date Amended: November 24, 2011

Motion: *That Council approve Policy # 2005 – 22 ‘Low Income Tax Exemption’ as amended and presented; and*

Further that this policy become effective immediately

Proposed Amendments Presented: April 12, 2018

Date Amended: April 26, 2018

This Policy is current as of: April 26, 2018

Policy Number: 2005 – 22

Policy Subject: Low Income Tax Exemption

Policy Objective

The objective of this policy is to establish guidelines for granting an exemption from tax for a person whose income is below a specified amount.

Policy

Definitions

1. In this Policy:
 - a. “Family” includes persons related by blood or marriage, common law spouses and persons related through adoption
 - b. “Income” means a person’s total income from all sources for the calendar year preceding the fiscal year of the Town excluding any allowances paid pursuant to the *War Veterans Allowance Act* (Canada) or pension paid pursuant to the *Pension Act* (Canada) or the Child Tax Benefit or the GST rebate, and includes the income of all members of the same family, except those attending school on a full-time basis, residing in the same household.
2. “Owner” includes:
 - a. the person assessed for the property;
 - b. a person who holds title including a part owner, joint owner, tenant in common, or joint tenant of the property;
 - c. a person having the care or control of the property through adverse possession; and
 - d. a person with a life interest in the property.
3. “Taxes” has the same meaning as in the *Municipal Government Act* and, to the extent permitted by-law, includes all rates, charges or taxes of the Town prescribed by Statute as a lien on real property.

Exemption

4. Subject to the other provisions of this Policy, the Town hereby grants, on a yearly basis, an exemption from taxation, operating as a reduction in the taxes otherwise payable to the Town in respect of a property in the following amounts for owners of property whose income is less than the prescribed amount in the following table:

	Income	Exemption
Family	Less than \$24,000.00	\$250.00

5. The exemption shall only apply to owners who occupy the property as that owner's principal residents.
6. Where a property is assessed to more than one owner, other than persons whose income is included in the calculation of income pursuant to this Policy, any of them who is entitled to an exemption may receive only the portion of the exemption equal to that person's share of the assessment for the property, but where the different interests are not separate, then to that portion determined by the Treasurer, whose determination is final.
7. In order to be eligible for an exemption the applicant property owner shall submit to the Treasurer an affidavit in the form of the draft affidavit attached hereto or such other form as may be specified by the Treasurer, by the second Friday in May, of the fiscal year for which the exemption is sought.
8. The Treasurer may ask for documentary verification of income from any source or confirmation of income from third parties and may reject an application which, in the Treasurer's opinion, is not adequately verified or substantiated. As an example the treasurer may request the applicants most current Notice of Assessment from Revenue Canada.

Enforcement Charges Not Exempt

9. Notwithstanding any other provisions of this Policy, no exemption is conferred from obligations to remedy unsightly or dangerous premises or any other infractions against a statute, regulation or by-law, and any charges imposed upon a property arising from enforcement of such provisions shall not be subject to a tax exception pursuant to this Policy.

General Information

10. Town staff shall annually send out a reminder letter and an affidavit form to all persons who receive the exemption the previous year.
11. The operational budget shall make allowance for this exemption on a yearly basis.
12. Should a person's total tax bill for that year be less than the exemption for that year, then the exemption will be equal to the full amount of the tax bill for that year.
13. The deadline for applications and any other pertinent information shall be advertised, at least once, in the local paper.

Clerk's Annotation for Official Policy Book

Date of Notice to Council Members of
Intent to consider: November 10th 2011

Date of Passage of Current Policy: November 24, 2011

I certify that this Policy was adopted by Council as indicated above.

CAO / Clerk

Date

The Town of Stewiacke

IN THE MATTER OF:

AND

IN THE MATTER OF:

_____, Property

STATUTORY DECLARATION

I, _____ of _____, County of Colchester,
in the Province of Nova Scotia, do solemnly declare and say that:

- 1. I have legal title to and reside in the property at the above civic address for which a tax exemption is being claimed.

OR (Choose # 1 or # 2 then cross out the paragraph that does not apply)

- 2. I claim ownership of the property by fact of my possession and use of the property for _____ years and I am unaware of any other person claiming or holding an ownership interest in the property. I understand that the Town has not investigated my claim of ownership, including any claim related to possession, and is evaluating my application based upon the information that I am providing.
- 3. I consent to the Town of Stewiacke carrying out such inquiries as it deems necessary in order to assess my claim and I agree that the Town has my authorization and consent to obtain information from any third party source whatsoever and I will execute any necessary documentation required in order to disclose information to the Town for the purpose of this application
- 4. The total family income of the members of my family residing in my household, excluding income earned under the *War Veterans Allowance Act (Canada)* or pension paid pursuant to the *Pension Act (Canada)* is less than \$ _____, for the year _____.
- 5. The only family members, including spouses, common-law spouses, registered domestic partners, persons related by blood, marriage or adoption, residing in the property are:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. My income and the total income of the persons listed in paragraph 5, except for those individuals who are attending school on a full-time basis, is set out as follows:

Statement of Income for the calendar year ending December 31, _____

	Applicant Name	Other names **	Total
Employment Income			
*Canada Pension Plan Income			
* Old Age Security, Interest Income (Bank, Bonds, etc)			
Rental Income			
Business Income (specify)			
*Other Pension Income (specify)			
Other Income			
Total Yearly Income			

* Do not include *War Veterans Allowance Act* income or income from the *Pension Act (Canada)*. The *Pension Act (Canada)* is not the Canada Pension Plan or Old Age Security but is a pension for members of the armed forces who have been disabled or have died as a result of military services and their dependants.

** Do not include family members who are attending school on a full time basis.

7. I make this Declaration conscientiously believing the same to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

SOLEMNLY DECLARED)
 Before me at, _____, in the County of)
 Colchester, Province of)
 Nova Scotia this ____ day of)
 _____, _____.

 A Commissioner of Oaths in and for the) Name _____
 Province of Nova Scotia or a member)
 of the Council of the Town of Stewiacke)
) Address _____
)