

THE CORPORATION OF THE CITY OF PETERBOROUGH

BY-LAW NO. 06-075

BEING A BY-LAW TO PROVIDE TAX RELIEF TO CERTAIN CITY OF PETERBOROUGH 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.

WHEREAS 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;

WHEREAS 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.

THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF PETERBOROUGH HEREBY ENACTS AS FOLLOWS:

1. In this by-law:
 - (a) “City” means the Corporation of the City of Peterborough.
 - (b) “Low-income Senior” means:
 - (i) a person who attained the age of 65 years as of December 31st of the previous year and is in receipt of benefits paid:
 - (a) under the Guaranteed Income Supplement (GIS) program, as established under *The Old Age Security Act (Canada)*; OR
 - (b) under the Guaranteed Annual Income System (GAINS) as established under the *Ontario Guaranteed Annual Income Act*;
 - (ii) a person between the ages of 55 to 64 years of age as of December 31st of the previous year whose combined taxable income, with their spouse (if applicable), as reported on Line 260 of the previous year’s Income Tax Notice of Assessment, is less than *a set amount as determined annually by Council*.
 - (c) “Low-income person with disabilities” means a person who is in receipt of benefits paid under the *Ontario Disability Support Program Act*, 1997; or in receipt of a disability amount under the *Guaranteed Annual Income System (GAINS) for the disabled*, and be eligible to claim a disability amount as defined under the *Income Tax Act (Canada)*.
 - (d) “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.
 - (e) “eligible property” means residential property located in the City of Peterborough 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 May 1st of the year for which a tax credit is being applied.
 - (f) “Owner” means a person assessed as the owner of residential real property, and includes an owner within the meaning of the *Condominium Act*.

- (g) "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.
 - (h) "eligible amount" means that part of the "tax increase" in excess of the lesser of the prescribed maximum percentage increase amount payable for that particular taxation year OR the current year's maximum credit allowable based on the outcome of the final budget document for that year. For the 2006 taxation year, this is calculated as the amount required to limit the 2006 property tax amount payable to no more than 2% more than the 2005 property tax amount paid (including any 2005 credit), to a maximum credit of \$530.
 - (i) The tax relief applies only to increases in tax on assessment and does not apply to any additional charges that may be levied against the property, including but not restricted to: local improvement charges, building department recoveries, Peterborough Utility Services charges, NSF fees, Statement of Account charges or any other miscellaneous types of charges.
 - (j) 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.
2. 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) such 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) such 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 *May 1st* of the year for which they are applying for the credit
 3. 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.
 4. Tax relief shall be granted, pursuant to this by-law, to only one eligible person per household.
 5. No tax relief shall be granted to those owners who may be in receipt of tax relief under the Heritage Tax Credit program.
 6. An application for cancellation must be made each taxation year and such application must be in writing, on a form prescribed by the City for this purpose, and must be submitted to the Tax Collector of the City on or before the established deadline date. 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 an eligible property. In the event the current value assessment of an eligible property is reduced subsequent to the granting of a cancellation during a particular year, the amount cancelled will be adjusted accordingly.
 7. Owners receiving a cancellation of taxes through this program, who subsequently sell their property, are required to reimburse the City for the unused portion of the annual amount for the year in which the sale took place.
 8. By-laws 03-149, 03-150 & 03-151 are hereby repealed.

9. This by-law shall come into force and take effect on the day of the final passing thereof.

By-law read a first, second and third time this 23rd day of May, 2006

(Sgd.) Sylvia Sutherland, Mayor

(Sgd.) Nancy Wright-Laking, Clerk