

**THE CORPORATION OF THE CITY OF CORNWALL**

**By-law #142-2006**

A by-law to establish tax deferral eligibility for Low Income Seniors and/or Low Income Persons with Disabilities and to repeal By-law No. 058, 2003

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**WHEREAS** By-law No. 058, 2003 is hereby repealed and replaced with By-law No. 142-2006 as penalty and interest charges are no longer applicable to taxes that are deferred; and

**WHEREAS** annual applications shall be accepted from eligible property owners in the residential tax class;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF CORNWALL ENACTS AS FOLLOWS:**

1. That the municipality may provide for the deferral of the annual increase in taxes on property in the residential property class for low income persons who are seniors or disabled.
2. That for the purposes of this program, a low income senior is a person who is 65 years of age or older as of January 1<sup>st</sup> in the year of application (Provincial Senior Citizen Card is required) and in receipt of either the Federal Guaranteed Income Supplement (GIS) or the Ontario Ministry of Community and Social Services Guaranteed Annual Income System (GAINS).
3. That for the purposes of this program, a disabled low income person is one who meets the Provincial eligibility requirements for a disability pension under the Family Benefits Act (FBA) or the Ontario Disability Support Program (ODSP) or be in receipt of benefits under the Canada Pension Plan Act.
4. That an annual tax increase of less than \$100.00 shall for the purpose of this program not be deferred.
5. The tax relief granted pursuant to this by-law shall be in the form of a deferral of the annual eligible amount, provided that:
  - a) is owned by a low income senior, low income person with disabilities or the spouse or partner of such person, and;
  - b) is lived in by and is the principal residence of the owner or the spouse or partner of the owner;
  - c) a spouse is a person as defined in the Income Tax Act;
  - d) such owner or the spouse of such owner or both must have been the owner for at least one year preceding the date of application;
  - e) in the case of multiple owners, all owners must meet eligibility requirements.

6. That an annual application shall be submitted to the office of the City Collector for consideration for a property tax deferral for the current taxation year, no later than 45 days after the date of mailing of the final property tax bill.
7. That for the purposes of the said program tax relief only to those properties with a current assessed value of less than \$100,000.
8. That the total household income from all sources is \$30,000.00 or less.
9. That tax relief approved under this program shall apply to current taxes and only be deferred when payment in full is received for any current or past year's amounts payable.
10. The tax relief amounts under this program are only deferred after payment in full is received for any current or past year's amounts payable.
11. The amount to be deferred will be shared proportionately with the applicable school board.
12. That the amount of deferred property taxes related to lien registration, cannot exceed 75% of the current value assessment of the property.
13. That upon request of a tax certificate of the property for which taxes have been deferred, said certificate shall show the amount of the deferred taxes.
14. The deferred taxes form a priority lien on the property and shall become payable when:
  - a) the subject property is transferred, sold, bequeathed or otherwise disposed of;
  - b) the subject property is no longer the principal residence of the low income senior, low income person with disabilities or the spouse or partner of such person, or;
  - c) the person who previously qualified for the property tax deferral no longer qualifies as a low income senior, low income person with disabilities or the spouse or partner of such person.
14. Where an amount deferred becomes payable and the amounts due are not immediately repaid, said amounts shall be subject to interest and penalties in accordance with the applicable tax collection by-laws.
15. That the Minister of Finance may make regulations determining the amount of tax increases beginning in a year subsequent to the taxation year.

**READ a First, Second, Third and Final Time, Signed and Sealed in Open Council this 10<sup>th</sup> day of July, A.D., 2006.**

  
Mayor Phil Poirier

  
Clerk, Denise Labelle-Gelinás