



POLICY FS- 28: Property Tax Assistance Program for Low-Income Property Owners

Financial Services

Approval Date: May 24, 2016

**Approval Authority: May 24, 2016 Council Meeting approved May 17, 2016
Council-In-Committee Resolution No. 19**

Effective Date: May 24, 2016

Revision Date/s:

Purpose:

Norfolk County has developed a Property Tax Assistance Program for Low-Income Property Owners. This is an application based program available for qualified property owners. Please note that this is a loan program, not a rebate or tax write off.

Policy Statement:

The Property Tax Assistance Program for Low-Income Property Owners (hereinafter referred to as The Program) is designed as an option to assist low income property owners in addressing payment of property taxes. The Program provides a Tax Assistance Loan (Tax Loan) to the property owner which may allow the property owner to continue living in their home without threat of a tax sale.

Participation in the Program requires that the property owner complete an Application for Property Tax Assistance for Low-Income Property Owners (the Application) on an annual basis and meet certain qualifications. Qualified persons may defer some or all property taxes levied on the primary residence (in residential and/or farm tax class) until the property is sold or ownership is transferred.

General Program Eligibility Requirements

- The applicant must be a registered owner of the property.
- The applicant must occupy the property as their primary residence.
- The property must be in the residential or farm tax class.
- Qualifying income must include total household income – all co-owners must meet qualifications.

Implementation Procedure

- Upon approval of the Application, a lien will be registered on title of the property indicating that taxes and interest are owed to the County.

- The applicant will reimburse the County directly for all costs associated with registration and discharge of the lien. Failure to do so may result in disqualification of the application.
- Applicants approved for participation are required to pay an annual administration fee.
- The property owner is required to submit an Application for the Program each year.
- The applicant must provide Norfolk County with proof of income.
- The applicant must provide proof of current property insurance coverage with the Application.
- The maximum total amount advanced for property taxes and interest is 45% of the current assessed value as provided by the Municipal Property Assessment Corporation (MPAC).
- The Tax Loan is not transferable to another person.
- The Tax Loan is for taxes levied only – it will not include other charges added to the account such as WSIB or water/sewer arrears.
- Any charges added to the tax account not related to the Program must be paid separately. Failure to do so may result in disqualification from the program.
- Interest on the deferred amount will be charged based on the County's average rate of return for short-term investments and will be updated in January for the life of the loan.
- Low-income criteria will be based on the most recent Low Income Cut Offs (LICO) as determined by Statistics Canada.
- Notwithstanding the aforementioned criteria, Norfolk County reserves the right to disqualify any Application where continuance is not in the County's best interests.

Repayment of Low-Income Tax Assistance Loan

Full or partial payments of the outstanding Tax Loan may be made at any time.

The balance of the Tax Loan becomes due and payable, in full at the earliest of the following dates:

1. The date the real property with respect to which the Tax Loan has been granted is sold or transferred; or
2. The date the applicant who applied for the Tax Loan dies unless the applicant is survived by a spouse or co-applicant who continues to qualify and who shall thereafter be deemed to be the applicant who applied for the Tax Loan.
3. The Tax Loan provided is not transferable (including to the estate of deceased owners) except as in # 2 above.

Attachments:

[Application for Property Tax Assistance for Low-Income Property Owners](#)