

# Corporation of the County of Grey

## By-Law 5112-21

### A By-law to Provide for the Cancellation of Tax Increases for the Purposes of Relieving Financial Hardship

WHEREAS the Corporation of the County of Grey is required to have a tax relief program of deferrals or cancellation or other relief to relieve financial hardship in respect of property that is in the residential property class for persons assessed as property owners who are, or whose spouses are, low income seniors or low-income persons with disabilities, pursuant to s.319 of the *Municipal Act, 2001*, S.O. 2001, as amended (hereinafter referred to as the “Act”);

AND WHEREAS the Council of the Corporation of the County of Grey deems it appropriate to enact this by-law for the purposes of establishing a tax relief program to be administered by its lower-tier municipalities;

NOW THEREFORE the Council of the Corporation of the County of Grey enacts as follows:

### Definitions

1. In this by-law:

“base year” means the taxation year immediately preceding the taxation year in respect of which an application is made under this by-law;

“eligible increase” means the portion of any increase in municipal and school taxes levied on an eligible property for the subject year over the annualized taxes levied on a property in the base year as determined under section 10;

“eligible person” means the assessed owner of an *eligible property* who meets the eligibility requirements established in section 3 of this by-law:

“eligible property” means property within the County of Grey that is classified in the residential property class;

“local municipality” means any lower-tier municipality within the County of Grey, including the City of Owen Sound;

“low-income person with disabilities” means a person who during the subject year is or was in receipt of assistance paid under the *Ontario Disability Support Program Act, 1997*, as amended;

“low-income senior” means a person who is at least 65 years of age and who during the subject year is or was in receipt of payments under one or both of

- a. the Guaranteed Income Supplement (GIS), as established under Part II of the *Old Age Security Act* (Canada), as amended, and
- b. financial assistance under the *Ontario Works Act, 1997*, as amended;

“subject property” means the property in respect of which an application is made under this by-law;

“subject year” means the taxation year in respect of which an application is made under this by-law; and

“treasurer” means the treasurer of a local municipality including a person delegated the treasurer’s powers and duties under subsection 286(5) of the *Act*.

## Administration

2. The administration in each local municipality of the tax cancellation program established by this by-law is hereby delegated to the treasurer of that local municipality and is subject to the procedures and requirements set out herein.

## Eligibility Criteria

3. Relief may only be provided under this by-law, and/or in regard to circumstances contemplated in this by-law, if an applicant is able to establish and document that they meet both of the following criteria:
  - a) The applicant is, or has a spouse who is, a low-income senior or a low-income person with disabilities; and
  - b) The applicant is making an application in regard to an eligible property that is their principal residence as defined in the *Income Tax Act* (Canada).

## Applications

4. All applications made under this by-law shall be made to the treasurer of the local municipality in which the eligible property is located in accordance with the following:
  - a) All applications shall be made in a form as set out by the local treasurer and must be received by the local treasurer no later than December 31<sup>st</sup> of the *subject* year;
  - b) Applications shall include supporting documentation to establish the eligibility of the person seeking the cancellation;
  - c) Applicants shall, in writing, authorize third parties to release to the treasurer all information the treasurer may require to verify the accuracy of the information submitted by the applicant.
5. The Treasurer may, at any time, request the application provide such additional information and documentation as the treasurer may require in order to evaluate the

application.

6. An application shall be deemed abandoned and no relief will be provided in respect of the subject year if the treasurer has requested that the applicant provide any of the following and the applicant has not satisfied that request within 60 days of the making thereof;
  - a) Information, authorizations, or documents required to fulfil the minimum application requirements set out under section 4; and
  - b) Any additional information or documentation requested by the treasurer under section 5.
7. Any request made by the treasurer in respect of an application made under this by-law shall clearly state the deadline for response and the date on which the application will be deemed abandoned under section 6 of this by-law.

## Determination of Eligibility

8. The treasurer, upon receipt of an application meeting all criteria set out in section 4 of this by-law and any information requested under section 5 of this by-law shall make the following determinations:
  - a) Is the subject property an eligible property;
  - b) Was there an eligible increase in the subject year; and
  - c) Is the applicant an eligible person.

## Amount and Form of Relief

9. The amount of relief granted to an eligible person in respect of an eligible property for any taxation year shall be the lesser of the following amounts:
  - a) The amount of Subject Year Taxes for that property minus the amount of Base Year Taxes for that property, both as defined in Section 10 ; and
  - b) Five-hundred dollars (\$500.00).
10. For the purposes of determining any eligible increase amount:
  - a) the Base Year Taxes are, in respect of a property:
    - i) The actual taxes levied for the year, exclusive of any credit or adjustment made under Section 319 of The Act and this by-law; or
    - ii) If the taxes for the year were adjusted under any authority other than Section 319 of The Act and this by-law, the amount of taxes that would have been levied if the adjustment(s) had applied for the entire taxation year; or

- iii) If the assessment for the subject year is updated as of roll return, or subsequent to roll return to reflect a change in the state use or condition of the property, the taxes that would have applied for the base year if a corresponding change had been made for that year; and
  - b) the Subject Year Taxes are, in respect of a property:
    - i) The total taxes originally levied for the year as at final billing; or
    - ii) The total adjusted and annualized taxes for year if an increase or decrease is made to the assessed value or classification of the property subsequent to the return of the assessment roll for the subject year, or if a tax adjustment is made under any authority other than Section 319 of the Act and this by-law.
11. For greater clarity, base year taxes used to determine eligible increases shall not be adjusted for any amount of relief granted under this by-law in respect of that taxation year.
  12. Where the treasurer has determined that an applicant and the property meet the requirements of this by-law, and that there has been an eligible increase, the applicant shall be granted relief in the amount determined in section 9 and the tax amount cancelled
  13. Any taxes cancelled under this by-law shall be shared by all levying bodies in the same proportion as those levying bodies share in the taxes levied against the subject property.
  14. The local municipality may waive interest and penalties on amounts that were not paid when they were due and that, as a result of the cancellation are no longer owed.
  15. Any credits applied against a tax account under this by-law shall be treated in the same manner as a payment and shall be applied first to any outstanding penalty and interest, then to any outstanding tax amounts in the order in which those amounts were imposed. Only in the event that no amounts remain outstanding will any credit applied under this by-law result in a refund being paid directly to the applicant.

## Recalculation of Taxes – Assessment Roll Changes

16. In the event that the tax liability of a subject property must be recalculated to reflect a change in the assessed value and/or classification of a subject property, the local municipality may re-evaluate determinations of eligibility and/or relief amounts previously made under this by-law and incorporate any revised determinations in the final tax adjustments.

17. Where a local municipality makes an adjustment in accordance with section 16, a corresponding adjustment must be made in regards to the proportional shares originally determined and administered under section 13.

## Integrity Provisions

18. No person shall submit an application with intent to fraudulently obtain relief under this by-law.
19. Every person who makes an application for relief under this by-law shall fully disclose their financial circumstances in support of that application.
20. Every person who has made an application and who has not been notified by the treasurer that the application has been approved or denied shall advise the treasurer of a change in their financial circumstances as disclosed in that application.
21. Every person who contravenes any of the following provisions of this bylaw is guilty of an offence:
  - a) Section 16;
  - b) Section 17, and
  - c) Section 18.
22. Every person who is guilty of an offence under this by-law is liable upon conviction to a fine as provided for under the Provincial Offences Act, R.S.O. 1990, Chapter P.33, as amended.
23. Every person who is guilty of an offence under this by-law is liable, in addition to the fine established under sections 22, to a special fine pursuant to section 429(2)(d) of the Act in the total amount of any relief granted to that person in respect of the matter for which they have been convicted. Any amount collected by the County of Grey on account of such special fine shall be paid to the local municipality which granted the corresponding relief as if it was an amount on account of a fine imposed under a by-law of that local municipality.

## General

24. Nothing in this by-law derogates from any tax cancellation or other relief granted under any predecessor to this by-law, or from any tax lien arising under any predecessor to this by-law.
25. If a Court of competent jurisdiction declares any provision, or any part of a provision, of this by-law to be invalid, or to be of no force and effect then it shall be severable herefrom, and it is the intention of Council in enacting this By-Law that each and every provision of this By-Law authorized by law, be applied and enforced

in accordance with its terms to the extent possible according to law.

26. By-law 3886-2001 is repealed.

27. This by-law comes into force on July 1, 2021.

ENACTED AND PASSED this 27<sup>th</sup> day of May, 2021.

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WARDEN: Selwyn Hicks

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CLERK: Heather Morrison