

INFORMATION MEMORANDUM

TO: Mayor and Council
FROM: Shelley Rector CPA, CMA - CFO
DATE: April 4, 2019
SUBJECT: Tax Reduction Policy

Background

The tax reduction policy provides an exemption from taxes of \$450.00 for people who have an income level below \$25,000.

Discussion

Per section e) of the policy, in order to qualify for the reduction the owner must have paid the previous years' rates and taxes. The way the policy currently reads, there is no reduction for owners with low incomes who are in payment arrangements and have consistently made the agreed upon payment for their taxes.

There are currently owners who meet the low-income threshold who have made the effort to consistently follow the payment arrangements they have made regarding their tax arrears. It would benefit them greatly to receive the low-income tax reduction.

The attached red-lined version of the policy has a proposed change to allow for those owners who meet the low-income threshold and have consistently paid their agreed amount per their Payment Arrangement for at least twelve consecutive months to qualify for the tax reduction of \$450 annually.

Council will be asked to make a decision in this regard as part of the budget process.