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**DEPARTMENT:** CORPORATE SERVICES**TITLE:** **TAX REDUCTION POLICY**

Minutes reference date:	19 December 2005	Revision date: 24 April 2006	Revision date: 18 April 2008
	Revision date: 28 May 2009	Revision date: 24 May 2011	Revision date: 23 May 2012
	Revision date: 30 April 2014	Revision date: 21 May 2015	Revision date: 25 May 2016
	Revision date: 23 May 2017	Revision date: 23 May 2018	

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**PURPOSE:**

To establish a policy to determine the reduction in taxes for a person (s) whose income from all sources for the calendar year preceding the fiscal year of the Town of Amherst is below the amount set out in this policy AND to determine the reduction in taxes for the owner(s) of a building which has been completely or partially destroyed.

**POLICY STATEMENT (1): LOW INCOME**

It shall be the policy of the Amherst Town Council that an exemption from taxes will be granted, pursuant to Section 69(2) (a) of the Municipal Government Act, according to the following income levels and amounts:

- Less than \$25,000 - a credit of \$450

The following conditions will apply:

- a) That the exemption be granted to every person assessed with respect to taxable property in the Town of Amherst, who is a resident of the Town of Amherst, and whose total household income from all sources for the calendar year preceding the fiscal year of the Town of Amherst must be \$25,000 or less, including the income of all other members of the same family residing in the same household but does not include allowances paid pursuant to the War Veterans Allowance Act (Canada) or pension paid pursuant to the Pension Act (Canada);
- b) That the exemption shall only be available for residents where the property is their primary residence occupied by him/her year-round;
- c) That, where two or more persons, one or more of whom are entitled to an exemption, are the owners of taxable property together, the person(s) is entitled to that portion of the amount of the exemption that the amount of his/her assessment bears to the whole property assessment;
- d) That the person applying for the exemption provide a copy of their Notice of Assessment from Revenue Canada for the prior year and make an affidavit regarding his/her income for that period and return such affidavit to the Town Office not later than September 30 of the year in which the taxes are payable.
- e) To qualify for the exemption, a property owner's previous year's rates and taxes must be paid in full at the time of their application. In the case of an owner with taxes in arrears, the owner

can qualify if they have a Payment Arrangement Agreement and have made at least twelve consecutive payments of at least the agreed upon amount.

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## **POLICY STATEMENT (2): BUILDING DESTROYED**

In accordance with Section 69(A) of the Municipal Government Act, that where a building(s) situate on a property has become permanently unlivable or unusable due to fire and the current assessment of the property does not reflect that the building (s) has been destroyed, it shall be the policy of the Amherst Town Council to permit the reduction or rebate of property taxes on the building(s) alone for the balance of the taxation year under the following conditions.

- a) The taxpayer shall apply in writing to the Clerk asking for a reduction or rebate of property taxes.
- b) The Clerk shall ask the Building Inspector to confirm the complete destruction of the building(s).
- c) The Clerk shall ask the Regional Assessment Office to determine the following years assessment value before any subsequent rebuilding or construction.
- d) Upon receipt of the Building Inspectors and Provincial Assessments report, the Clerk shall authorize the Treasurer to reduce the amount of the taxes on the building(s) by pro rating the same over the balance of the taxation year from the date of destruction.
- e) This policy section shall be made retroactive to April 1, 2005; provided that if, as a result of this policy being made retroactive, it results in property taxes being rebated such sums shall be paid without interest.
- f) If the owner of the property in question is found guilty of arson, either civilly or criminally, the Clerk shall not rebate any taxes. In the event that taxes have already been rebated, then that rebate shall be void ab initio, and the taxes with interest accrued thereon will become immediately due and payable, it being the overriding policy of the Town of Amherst that a person shall not benefit from his or her own wrongdoing.