



AMHERST TOWN COUNCIL

RFD#

Date: May 21, 2019

TO: Mayor Kogon and Members of Amherst Town Council

SUBMITTED BY: Shelley Rector, CPA, CMA – Chief Financial Officer

DATE: May 21, 2018

SUBJECT: Tax Reduction Policy

ORIGIN: Annual review of Tax Reduction Policy in relation to 2019/20 budget.

LEGISLATIVE AUTHORITY: MGA 69 (2) *The council may, by policy (a) grant an exemption from taxation, in the amount or to the extent set out in the policy, for a person whose income is below the amount set out in the policy;*

RECOMMENDATION: That Council approves amendments to the Tax Reduction Policy 03800-02 to reflect 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 to be applied against the current outstanding tax amount due.

BACKGROUND: The Tax Reduction Policy tries to ensure fair and equitable treatment of taxpayers on low or fixed incomes who are challenged to pay their property taxes.

DISCUSSION: With the proposed policy amendments, owners shall be eligible for an annual property tax rebate 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 to be applied against the current outstanding tax amount due.

FINANCIAL IMPLICATIONS: The approximate financial impact to the 2019/20 fiscal year with these changes is estimated to be minimal but the budget has been increased by \$2,200.

COMMUNITY ENGAGEMENT: We advertise annually in the local newspaper and on the Town of Amherst website. We also notify by letter the taxpayers who received the reduction in the previous year. In addition to this, we will also begin this year to advertise through social media.

ENVIRONMENTAL IMPLICATIONS: There are no environmental implications with this policy.

ALTERNATIVES:

1. Do not make any changes to the policy
2. Repeal the policy and do not provide any tax relief to low income taxpayers
3. Make further changes to the policy



ATTACHMENTS:

Tax Reduction Policy – 03800-02 with proposed changes.

Report prepared by: Shelley Rector, Chief Financial Officer

Report and Financial approved by: