

# Municipality of Cumberland Policy 08-01

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## Policy To Amend Policy 01-02 the Low Income Tax Exemption Policy (Consolidated)

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Section 69 of the Municipal Government Act allows Council to establish a Policy for granting an exemption from tax for a person whose income is below a specified amount. This policy will establish the amount of the tax exemption, who is eligible and the process for applying for the exemption.

“Income” means a person’s total income from all sources for the calendar year preceding the fiscal year of the Municipality, and includes the income of all other members of the same family residing in the same household, but does not include an allowance paid pursuant to the *War Veterans Allowance Act* (Canada) or pension paid pursuant to the *Pension Act* (Canada)

1. **Amount of Exemption**

When the income of the person, spouse and other household members combined is less than \$15,600 the exemption shall be \$125.

When the income of the person, spouse and other household members combined is between \$15,601 and \$17,700 the exemption shall be \$75.

2. **To Qualify for the Exemption**

The exemption shall apply only to property of a ratepayer occupied by him or her as his or her principal residence.

The applicant shall complete the affidavit regarding the household income for the previous calendar year. A Councillor, a Commissioner of Oaths or the Municipal Clerk must witness the applicant’s signature on the affidavit.

3. **To receive the Exemption**

An application for a fiscal year shall be submitted by December 31<sup>st</sup> of that fiscal year.

**General**

(1) County Staff shall annually send out a reminder letter and an affidavit form to all persons who received the exemption the previous year.

(2) The operating budget shall make allowance for this exemption on a yearly basis.

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- (3) Should a person's total tax bill for that year be less than the exemption for that year, then the exemption will be equal to the full amount of the tax bill for that year.
- (4) The Municipality may ask for verification of income prior to approving an application.
- (5) The deadline for applications and any other pertinent information shall be advertised, at least once, in the local paper.

<u>Clerk's Annotation for Official Policy Book</u>	
Date of Notice to Council Members of Intent to Consider (7 days minimum):	<u>March 5, 2008</u>
Date of Passage of Current Policy	<u>March 12, 2008</u>
I Certify that this Policy was adopted by Council as indicated above.	
_____	_____
Clerk	Date

Policy 03-02- Low income Tax Exemption Policy as amended by Policy 07- 03 and Policy 08-01.