



**Town of Shelburne**  
Staff Report to Council – Low Income Property Tax  
Exemption Policy  
General Operating Budget Meeting (February 26, 2020)

**General Overview:**

The purpose of this report is to advise Council of proposed changes to the Low-Income Property Tax Exemption Policy for the 2020/21 Fiscal Year.

**Background:**

The Town now offers Low Income Property Tax Exemptions to taxpayers with a total household income of \$34,464.00 or less with the following tiers –

- Total household income of \$22,976 or less qualifies for a rebate up to \$611.73
- Total household income of \$22,977 to \$28,720 qualifies for a rebate up to \$305.87
- Total household income of \$28,721 to \$34,464 qualifies for a rebate up to \$152.93

**Analysis:**

For the 2019/20 fiscal year the Town received a total of fifty-three (53) applications, of which two (2) did not qualify due to income over the threshold. There were numerous calls regarding the program after the program was closed due to budget being met.

Breakdown of applications are as follows –

Twenty-Four (24) @ \$611.73

Fourteen (14) @ \$305.87

Thirteen (13) @ \$152.93

**Financial:**

The 2019/20 budget amount set for the Low-Income Property Tax Exemption was \$20,000 and was reached in October, 2019 at which time Council closed the program. The numerous applications and budget being met speaks to the ongoing need for this program in assisting taxpayers with low income to pay their taxes each year.

**Recommendations:**

Due to current financial constraints, I am recommending the following changes to the Low-Income Property Tax Exemption in order to meet the needs of more taxpayers while still offering assistance at a reduced budget level –

- Budget cap from 20,000 to 15,000
- Deadline for applications as of November 30<sup>th</sup> of each to be adhered to, in the past any late submissions were accepted if the budget had not been met
- Graduated rebates to be reduced as follows-
  - Total household income of \$22,976 or less will qualify for a rebate of \$400.
  - Total household income of \$22,977 to \$28,720 will qualify for a rebate of \$200.
  - Total household income of \$28,721 to \$34,464 will qualify for a rebate of \$100.

**THAT Council approve the recommended changes to the Low-Income Property Tax Exemption for the fiscal year 2020/21.**

Respectfully submitted,  
Jane Crowell, Finance Manager