

## VILLAGE OF CHESTER PROPERTY TAX EXEMPTION POLICY

The Municipal Government Act, Section 69 permits a Municipality to grant a tax exemption for low income earners.

### **1.0 Scope**

It shall be the policy of the Village of Chester to have clear terms and conditions to provide annual partial property tax relief for low income property owners.

**1.1** Income means a person's total income (total income before deductions) from all sources for the calendar year preceding the fiscal year of the Village of Chester, excluding any allowances paid pursuant to the War Veterans Allowance Act (Canada) or Pension paid pursuant to the Pension Act (Canada) and includes:

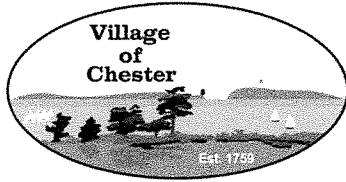
- i) The income of all assessed owners, their spouse(s), including common law spouses who occupy the property as their principal residence;
- ii) The income from members of the same family residing in the same household, who contribute to the household expenses; and
- iii) Those who hold an interest in the property and contribute to the household expenses.

**1.2** Owner and those who hold an interest in the property includes:

- i) The person assessed for the property;
- ii) A person who holds title including a part owner, joint owner, tenant in common, or joint tenant of the property; and
- iii) A person with a life interest in the property; and
- iv) A person with a matrimonial interest.

Not included are those with a leasehold interest and those with an interest under an agreement of purchase and sale.

**1.3** Principal Residence is the ordinary place of residence for a greater part of the year of an owner as well as an owner in a hospital or nursing care facility, unless that person has not slept at the property for a period of two (2) years or more, or unless the property has been rented to paying tenants, in either of which event, the property shall be deemed to cease being the owner's ordinary place of residence.



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1.4 Same family in section 1.1(ii) defined as including, but not limited to children, or stepchildren connected to at least one of the legally married or common-law couples included in 1.1(i).

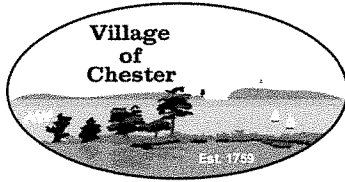
2.0 The Director of Finance of the Municipality shall grant an exemption as follows:

- (i) For owners with an income Level of \$16,159 or less the exemption shall be the lesser of \$500.00 or the tax on the Village of Chester area rate only.
- (ii) For owners with an income Level of \$16,160 to \$20,160 the tax exemption shall be the lesser of \$350.00 or the tax on the Village of Chester area rate only.
- (iii) For owners with an income Level of \$20,161 to \$27,123 the tax exemption shall be the lesser of \$250.00 or the tax on the Village of Chester area rate only.

3.0 A person or persons applying for an exemption must:

- (i) Make an affidavit:
  - a) Regarding his/her income from all sources in the calendar year preceding the Municipal taxation year for which the exemption is sought.  
Satisfactory verification of income must be presented to substantiate the exemption. Exemption form attached as Schedule "A".
  - b) Verify that any person who either holds an interest in the property or are family members residing in the same household, whose income is not included in household income pursuant to clause 1.1 (ii), does not contribute to paying household expenses.
  - c) Provide satisfactory verification of income to substantiate the exemption.  
Satisfactory evidence includes a CRA notice of assessment, GST/HST credit notice, and copy of tax return prepared by a third-party tax preparer.
- (ii) Apply for the exemption each year prior to March 31<sup>st</sup> of the Municipal taxation year.

4.0 The exemption shall only apply to a property where at least one of the assessed owners occupies it as his/her principal residence.



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- 5.0 Prior to an exemption being granted, all outstanding debts to the Municipality, which are not a lien on the property, shall be paid in full. This would include any fees such as building permit fees, landfill tipping fees, recreation fees, etc.
- 6.0 A refusal to grant an exemption pursuant to this Policy may be appealed to Village Commission.
- 7.0 Annually, tax exemption income levels and the exemption amounts will be adjusted as follows:
- (i) Annual adjustments in the income levels, below which an exemption for taxation is granted, will be adjusted by either the annual increase in CPI for Nova Scotia or to the extent that village commission considers appropriate.
  - (ii) Annual adjustments in the scale of exemption amounts granted will be adjusted by either the annual increase in the average residential tax bill for the general tax rate, and waste collection and disposal area rate, and the tax on the Village of Chester area rate, or to the extent that village commission considers appropriate.

Approved: July 8<sup>th</sup>, 2020

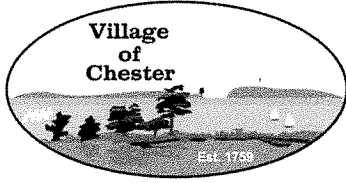
Motion # 20-230

Amended: September 24<sup>th</sup>, 2020

Motion # 20-259

Amended: October 13<sup>th</sup>, 2021

Motion # 21-132



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### SCHEDULE "A" AFFIDAVIT

YEAR	DISTRICT	ACCOUNT	EXEMPTION	NUMBER
2021/22				

I/We, \_\_\_\_\_ & \_\_\_\_\_, property owners of \_\_\_\_\_ in the County of Lunenburg, Province of Nova Scotia, and is our principal residence, make oath and say as follows:

1. That the total income before deductions of all assessed owners, their spouses (including Common Law Spouses) who occupy the property as their principal residence, family members residing in the same household, who contribute to household expenses and those who hold an interest in the property and contribute to household expenses, was as follows during the calendar year 2019. Any Allowance paid pursuant to the War Veterans Allowance Act (Canada) or pension paid pursuant to the Pension Act (Canada) is not to be included in a person's total income for this purpose.

Combined income was \$16,207 or less; **OR**  
 Combined income was between \$16,208 and \$20,220; **OR**  
 Combined income was between \$20,221 and \$27,203 **AND**

2.  Verification Provided of combined income of \$\_\_\_\_\_. Check one of the following:  
 Notice of Assessment,  GST/HST Credit Notice,  Copy of tax return.

**NOTE – THIS IS A LEGALSWORN AFFIDAVIT AND THE APPLICANTS SIGNATURE(S) ENDORSRSED BELOW ARE VERIFICATION THAT THE INFORMATION PROVIDED IS TRUE IN ALL RESPECTS.**

THE AMOUNT OF EXEMPTION GRANTED WILL BE DETERMINED **AFTER** THE FINAL TAX BILL IS PRODUCED AND WILL BE LIMITED TO THE GENERAL RESIDENTIAL TAX AND WASTE COLLECTION AND DISPOSAL AREA RATE PORTION OF THE OVERALL TAX BILL AND THE VILLAGE COMM – RESIDENTIAL TAX RATE. (i.e. DOES NOT INCLUDE OTHER AREA RATES).

Sworn to at \_\_\_\_\_ in the County of Lunenburg, Nova Scotia on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Staff Signature

\_\_\_\_\_

\_\_\_\_\_  
A Commissioner of Oaths **or**  
A Municipal Councillor

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