

PROPERTY TAX ASSISTANCE FOR LOW INCOME SENIORS

Recommendation

The Commissioner of Finance & Corporate Services recommends:

That direction to increase the City of Vaughan property tax rebate to qualifying seniors from \$225 to \$250 in 2005 be considered.

Purpose

The purpose of this report is to bring forward to the Budget Committee for discussion the possibility of increasing the property tax assistance grant provided to qualifying seniors from \$225 to \$250 for 2005.

Background - Analysis and Options

Councillor Ferri has requested that staff provide a report on the implications of increasing the City of Vaughan grant to low income seniors by \$25.00.

Since the mid 1970's the City of Vaughan has provided a property tax grant to low-income seniors. The amount of the grant was fixed at \$100 from inception until 2001 when the grant was increased to \$200. The amount was increased again in 2004 to \$225.

The current criteria for qualifying seniors is as follows:

- (a) Owner or spouse must occupy the property as their personal residence;
- (b) Owner or spouse must be 65;
- (c) Owner or spouse must receive the Guaranteed Income Supplement from the Federal Government; and
- (d) The applicant must have owned for a minimum of one year.

In 2003 there were approximately 680 approved applicants at a cost of \$136,000. In 2004, with the increased amount, there were 843 approved applicants at a cost of \$189,675. The increase in the number of applicants was due to a growing population and an extended deadline in 2004.

Based on the proposed 2005 Operating Budget the tax increase represents approximately \$50.00 for a home assessed \$320,000. Increasing the grant from \$225 to \$250 would have the following impact. Based on 850 qualifying applicants, and a grant amount of \$250, the cost of the program for 2005 would be approximately \$212,500, an increase of \$22,825.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

The City has an existing assistance program. An increase in the amount of the property tax grant for qualifying low income seniors from \$225 to \$250 will increase the cost of the program by approximately \$22,825 for 2005.

Attachments

None

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Respectfully submitted,

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