

REQUEST REGION OF YORK INTRODUCE PROPERTY TAX GRANT PROGRAM FOR QUALIFYING SENIORS

Recommendation

The Commissioner of Finance & Corporate Services recommends:

That the following resolution be approved.

Whereas there are many seniors on fixed incomes;

Whereas a number of seniors receive financial assistance through the federal governments Guaranteed Income Supplement program;

Whereas a seniors primary investment is often their home;

Whereas, as a society it is desirable for seniors to remain in their homes as long as possible;

Whereas the annual cost of property taxes places a significant burden on seniors on fixed incomes;

Whereas the City of Vaughan has recognized this burden and has for several years provided a grant to qualifying seniors; and

Whereas it is the intention of the City of Vaughan to continue this grant.

Now therefore be it resolved that the Region of York be requested to consider a similar grant program in relation to their portion of the property taxes;

And that a copy of this resolution be forwarded to the Regional Municipality of York and all municipalities within the Region of York.

Economic Impact

There is no additional economic impact to the City of Vaughan.

Purpose

To advise the Region of York that the City of Vaughan has a property tax grant program for qualifying seniors and to encourage them to introduce a similar program.

Background - Analysis and Options

At the February 18, 2007 Budget Committee meeting staff were requested to prepare a resolution regarding the City's property tax grant program for qualifying seniors with the purpose of requesting the Region of York and the Province of Ontario to consider similar programs.

The Province of Ontario currently provides a property tax credit up to \$1,000 for seniors administered as part of the Provincial income tax system. Since this is currently in place, staff have only referred to the Region of York in the above resolution.

For several years the City of Vaughan has recognized the impact that property taxes can have on seniors who are on fixed incomes. In response the City provides a property tax grant to seniors who qualify for the Guaranteed Income Supplement (GIS) provided by the federal government. The City's grant program utilizes the federal governments GIS program as a key criteria. The GIS program has an established administrative structure that takes into account all income and it avoids the municipality from requesting sensitive personal information.

In 2006 the grant was \$250 and it is indexed with the City's annual property tax increase. In 2006 the average home in Vaughan was assessed at \$412,000. The City's portion of the property taxes on the average home was \$1,007. The grant to qualifying seniors represented a reduction of approximately 25% in the City's portion of the property taxes. There were 1100 seniors who applied and qualified for the grant in 2006.

Relationship to Vaughan Vision 2007

Pursue excellence in service delivery.

Conclusion

The City introduced the grant program for qualifying seniors several years ago. It is appropriate for the Region to consider a similar program in relation to their portion of the property tax bill. If the Region wishes to proceed they could simply determine the amount of the grant annually and the City could administer the total amount of the grant under the existing grant program. There would be no administrative cost to the Region.

Attachments

None

Respectfully submitted,

Clayton D. Harris, CA
Commissioner of Finance & Corporate Services