
**TOWN OF BRIDGEWATER
POLICY
LOW INCOME TAX EXEMPTION**

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| Policy No. 57 |
| Approved: June 14, 1999 |
| Revised: June 11, 2001 (01-204) |
| Revised: June 28, 2004 (04-144) |
| Revised: May 29, 2006 (06-168) |
| Revised: May 14, 2007 (07-139) |
| Revised: July 14, 2008 (08-192) |
| Revised: March 25, 2019 (19-056) |
| Revised: June 28, 2021 (21-131) |
| Revised: June 13, 2022 (21-149) |
| Revised: May 8, 2023 (23-104) |

1. Purpose:

1.1 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.

2. Definitions:

2.1 **“Family”** includes persons related by blood or marriage, common law spouses, registered domestic partners and persons related through adoption;

2.2 **“Income”** means a person’s total income from all sources for the calendar year preceding the fiscal year of the Municipality, unless the Town has some evidence to the contrary, it shall rely on line 15000 of the assessed owner’s Canada Revenue Agency Notice of Assessment as the assessed owner’s income. This includes the income of all other members of the same family residing in the same household;

2.3 **“Owner”** 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;

- iii. a person having the care or control of the property through adverse possession; and
 - iv. a person with a life interest in the property.
- 2.4 **“Principal Residence”** includes the ordinary place of residence of an owner who is in a hospital or nursing care facility, unless that person has not slept at the property for a period of 2 years or more, or unless the property has been rented to paying tenants, in either of which events, the property shall be deemed to cease being the owner’s ordinary place of residence;
- 2.5 **“Taxes”** has the same meaning as in the Municipal Government Act and, to the extent permitted by law, includes all rates, charges or taxes of the Town of Bridgewater prescribed by Statute as a lien on real property;
- 2.6 **“Treasurer”** includes persons authorized by the Treasurer.

3. Exemption:

3.1 Subject to the other provisions of this Policy, the Town of Bridgewater hereby grants on an annual basis an exemption from taxation, operating as a reduction in the taxes otherwise payable to the Town of Bridgewater in respect of a property in the following amounts for owners of property whose income is less than the prescribed amount in the following table:

| Income | Tax Exemption |
|---------------------|---------------|
| \$0 - \$20,000 | \$800 |
| \$20,001 - \$25,000 | \$500 |
| \$25,001 - \$30,000 | \$300 |
| \$30,001 - \$35,000 | \$100 |
| over \$35,000 | \$ 0 |

- 3.2 The exemption shall only apply to owners who occupy the property as that owner’s principal residence.
- 3.3 Notwithstanding any other provision of this Policy, no exemption shall exceed 50% of the taxes payable on any property.

- 3.4 In order to be eligible for an exemption, the applicant property owner shall submit to the Treasurer an Application for Residential Property Tax Exemption in the form as specified by the Treasurer and a copy of their Canada Revenue Agency Notice of Assessment for the immediately preceding calendar year by August 31 of the fiscal year for which the exemption is sought, but no later than March 31 of that fiscal year.
- 3.5 The Treasurer may ask for additional documentary verification of income from any source or confirmation of income from third parties and may reject an application which, in the Treasurer's opinion, is not adequately verified or substantiated.
- 3.6 Town Staff shall annually send out a reminder letter and an application form to all persons who received the exemption the previous year.
- 3.7 The operating budget shall make allowance for this exemption on a yearly basis.

4. Enforcement Charges Not Exempted

- 4.1 Notwithstanding any other provision of this By-Law, no exemption is conferred from obligations to remedy unsightly or dangerous premises or any other infractions against a statute, regulation or by-law, and any charges imposed upon a property arising from enforcement of such provisions shall not be subject to a tax exemption pursuant to this By-Law.