



## Residential Property Tax Deferral and Deferral of Local Improvement Charges 2011-2012

HALIFAX  
REGIONAL MUNICIPALITY

PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Halifax Regional Municipality can help homeowners pay their property tax through a payment plan, a property tax rebate, or a deferral of property tax (payment is put off to a later date). A homeowner with a local improvement charge can also apply for a deferral of these charges. This newsletter lists the types of assistance and how to apply.

**Deadline for applications March 30<sup>th</sup>, 2012.**

### Application Check List

Your application must be complete to be processed. Make sure to include the following:

- Proof of household income from Canada Revenue Agency (Notice of Assessment) and business tax statement, if applicable.
- Proof of rental income/expenses not claimed on personal income tax.
- Application signed by the owner(s) who have title to the property.
- Proof of power of attorney, executor, guardian, trustee, or living interest must be included unless you have previously submitted this to HRM.
- Letter from school regarding enrollment. This applies to students over the age of 18 with income.



Please be advised that Regional Council has approved an amendment to By-law T-700, the Property Tax Deferral By-law effective April 1, 2007. The By-law was amended with the addition of an interest rate on deferred property taxes in the amount of Prime -2% for qualifying applicants and Prime +2% for customers who have not applied to the program in the last year, or no longer qualify for the deferral program within HRM.

## Choose the Option(s) that Fits Your Needs

Each homeowner's needs are different; it is important that you know what options are available.

- A payment plan: rather than two large payments you can pay in smaller monthly amounts.
- A rebate: if your household income is less than \$30,000. The amount of rebate varies with income and residential tax.
- A rebate and a deferral: after the rebate has been applied to your tax account you can postpone payment of all or a portion of the balance. Interest is charged on the deferred tax amount. The rate of interest is set by Regional Council. For 2010-11 the interest rate is Prime -2% for customers in the program and Prime +2% for customers whose income now exceeds the limits and must start a repayment plan.
- A deferral of local improvement charges: you can postpone payment of all or a portion of your local improvement charge.

You can also combine different options to meet your needs such as:

- A rebate + A payment plan to pay the balance in monthly amounts.
- A rebate + A deferral of the full balance.
- A rebate + Deferral of only part of the balance.
- A rebate + A deferral of the balance of tax due + A deferral of local improvement charges.

## How to Apply for Help in Paying Property Tax

Application forms and newsletters are available each May from HRM Customer Service Centres, the HRM Call Centre, HRM Financial Services, and the HRM web site at [www.halifax.ca](http://www.halifax.ca). A newspaper advertisement will be posted to inform the public when the program is open for applications.

**The deadline for applications is March 30<sup>th</sup>, 2012.**

To be eligible to apply for a tax rebate, tax deferral, or deferral of local improvement charges the application form must be completed in full and sent with proof of household income before the deadline of March 30<sup>th</sup>, 2012.

HRM uses last year's gross household income (before deductions) and this year's tax bill to calculate eligibility. The gross household income - the earnings of all people living on the premises aged 18 or over - cannot exceed **\$30,000**.

*Note: The Income Tax Notice of Assessment is **not** your notice of property tax assessment from Nova Scotia Assessment Services or GST notice of assessment.*



## Who Can Apply?

- The registered owner or co-owner of the property. Registration means that the title to the property is registered with the Nova Scotia Land Registry of Deeds in your name.
- If there is more than one owner, all owners must sign the application form.
- All persons residing on the property must be disclosed on the application form.
- If there is a living interest, title by adverse possession, power of attorney, or formal trustee, additional information is required. (Copy of the will or trustee papers). Please call 490-5454 for assistance.
- A deferral of property tax is not permitted if you are not the titleholder or if the property is a mobile home on land not owned by the homeowner.
- A mobile homeowner can apply for a rebate or payment plan but not a deferral.
- The combined gross household income of all persons living on the property must be \$30,000 or less.
- The property must be your permanent place of residence (your “home”) not a cottage, second home, investment property holding, vacant lot, or income property.
- A home includes a condominium, a mobile home, or a duplex.
- If the property is assessed as Residential and Commercial or Residential Resource, only the Residential portion can be used to calculate the value of any rebate.
- Unless deferred a minimum tax must be paid by applicants. See Table T on page 4.

## Proof of Income

- **We require your Income Tax Notice of Assessment issued to you by Canada Customs and Revenue Agency for all persons residing on the property.** This form states what your total income was or if you are eligible for a refund. If you do not have a Notice of Assessment from Canada Revenue Agency call 1-800-959-8281 and have a copy sent to you.
- Total household income includes income of all persons over age 18 living on the property. Examples of income are: salary, wages, tips, business income, room and board paid by lodgers or dependents, insurance benefits, spousal support payments (child support payments are not included as income), investment income, private or government pensions, social assistance or government income subsidies. (See: Administrative Order 10 and By-law T-700 for details).
- If you are self-employed you must include your Canada Revenue business tax statement as well as your personal income tax Notice of Assessment.
- Income includes out-of-country or out-of-province earnings as per the Income Tax Act (1985).
- Income excludes: War Veteran’s Allowance (Chapter W-3, Section 7), Child Tax Credit, GST Rebate, Provincial Oil Rebate, or pensions paid under the Pensions Act (Canada), Chapter P-6, sub-section 1-12.

## Payment Plan

Anyone who is having trouble paying their taxes in full or on time can ask HRM Financial Services for a payment plan. This option allows you to pay your property taxes monthly (rather than two larger payments) and is called a “Pre-Authorized Payment Plan”. A payment plan can make payments easier for someone living on a monthly pension or modest income. A payment plan can help budget for monthly bills.

You can pay the monthly amount using post-dated cheques or through an automatic bank withdrawal. Call **490-4306** if you would like to set up a payment plan for your property taxes.

If you currently have arrears on your property tax account you should call **490-4000** to set up a payment plan.

## Property Tax Rebate

A “rebate” is the amount of your property tax bill paid by HRM. The value of the rebate is calculated using your total gross household income (**Line 150 on the *Notice of Assessment* issued by Canada Revenue Agency**), the Residential portion of your home’s tax assessment, and the amount of Residential property tax billed.

Table ‘T’ below shows the rebate values, as well as the minimum amount of tax all homeowners must pay. If the minimum payment is still not affordable you can ask for a deferral of this amount (see page 6 for details on a deferral):

<b>Table ‘T’. Household Income, Property Tax and Rebate Value and Minimum Payable New Values for 2011–2012</b>						
		<b>Total Household Income (before deductions)</b>				
Tax Payable		\$0 - \$20,000	\$20,001 - \$22,500	\$22,501 - \$25,000	\$25,001 - \$27,500	\$27,501 - \$30,000
Min.	Max.	100%	80%	60%	40%	20%
n/a	<b>\$1,400</b>	\$650	\$520	\$390	\$260	\$130
<b>\$1,401</b>	<b>\$2,400</b>	\$750	\$600	\$450	\$300	\$150
<b>\$2,401</b>	n/a	\$850	\$680	\$510	\$340	\$170
		<b>Minimum Tax Payable (deducted from rebate)</b>				
		\$100	\$210	\$240	\$260	\$290

## **Mortgage Accounts**

If your property tax is paid by a bank or mortgage company your application will not be processed until after the final tax bill has been paid. This helps to avoid over-payment of property tax. After the final tax bill has been paid by the bank (October) any rebate awarded will be issued to you by cheque. Refund cheques will not be issued for amounts under \$5 (a credit is posted to your account).

### **May 1<sup>st</sup> to August 15<sup>th</sup>**

Applications received and processed between May 1<sup>st</sup> and August 15<sup>th</sup> each year will have any rebate credited to the tax account. The rebate reduces the amount of the final tax bill that is sent out in September (payable the end of October). This second bill (the one mailed by HRM in September this year) could be higher than the first bill, so being on time with your application is important.

### **August 15<sup>th</sup> to March 30<sup>th</sup>**

Applications received and processed after August 15<sup>th</sup> will have a credit posted to the account. If your taxes have been paid in full before the rebate was processed and you have a credit on your account a refund will be issued after the tax bill due date of October 31<sup>st</sup>. Refund cheques will not be issued for amounts under \$5 (a credit is posted to your account).

### **After March 30<sup>th</sup> - Late Applications**

If your application is received after the March 30<sup>th</sup> deadline it will not be processed due to closing of the budget. If you are late for a rebate, HRM staff will add you to the program's mailing list so that you get an application form when the program re-opens the next year.

If you need help filling out an application form or choosing the right option for you, contact Grants Program staff at **490-5454**.

### ***Will I get a Refund Cheque?***

**If you have any debt to HRM (such as overdue fees, fines, or payment arrears) any credit awarded due to a rebate will be posted as a payment against taxes first then other amounts owed and you will not receive a refund cheque.**

If you have a credit on your account (due to a rebate, an overpayment, or paying your taxes in full before a rebate was awarded) and you do not owe HRM any money you will be issued a refund after the tax bill due date of October 31<sup>st</sup>, (\$5 minimum).

For the purpose of HRM's tax assistance programs, a deferral of tax or a local improvement charge is not considered a "debt" (the money is still due in full but HRM has agreed to delay collection). The customer may request a refund of any overpayment. You can also ask for a credit to be put towards reducing any deferral you may have made in the past.



## Property Tax Deferral

A tax deferral allows a homeowner to put off paying all or part of their property tax bill due in the current year (the year in which you make application). **The amount of tax deferred is a “lien” against the value of your property and payment is due when there is a change in income and you no longer qualify for the program or when the title to the property changes, for example if you sell the property or the name on the title is changed.**

- You can apply for both a rebate and a deferral.
- If you qualify for a rebate this amount will be credited to your account, you can then defer all or part of the balance.
- You can make payment on the deferred amount at any time.
- To continue the deferral you must apply to the program each year.

### ***Who is Eligible for a Tax Deferral?***

- The applicant must be the registered owner or co-owner of the property (the title is registered at the Nova Scotia Land Registry of Deeds).
- If there is more than one owner, all owners must sign the application form.
- The combined household income before tax is **\$30,000** or less.
- The property is your permanent place of residence (your “home”) not a cottage, second home, vacant lot or income property.
- A deferral cannot be awarded to: a person with adverse possession (no title), a trustee in bankruptcy, a corporation or company (other than a registered Canadian charity), or a mobile home on land not owned by the homeowner.
- A deferral cannot be awarded to customers whose property tax is paid by a bank as part of a mortgage.
- A deferral can be awarded to a resident with a living interest, the person billed for property tax who has legal power of attorney, a government or court appointed trustee, guardian or estate executor.

### ***How Much Tax Can I Defer?***

- You can defer the full amount of tax billed or part of the bill (after any rebate has been awarded to you).



- The total amount of all taxes or charges deferred cannot be more than 75% of the assessed value of the property.
- A deferral cannot be back-dated, it only applies to the year in which you make application. So, if you want to defer your property tax (or part of the tax bill) every year you must apply each year and provide proof of income.
- You can defer Residential Property Tax (including an area rate) and Mandatory Provincial Contributions (Education, Corrections, Public Housing and Assessment Services), Local Improvement Charge, or Trunk Sewer Charge).
- You **cannot** defer: Dangerous and Unsightly Premises fines, Snow and Ice Removal fines, Solid Waste (garbage) fines, False Alarm charges, Commercial or Resource Property Tax, or Legal Fees.
- A statement showing interest paid on deferred amounts will be issued once a year (April) showing the rate of interest applied.

## Deferral of Local Improvement Charges

Local Improvement Charges are sometimes collected from neighbourhood residents for major sewer, water, or road projects. These charges are paid once a year. If you need help paying these charges you can apply to put off payment (called a deferral).

### ***Who is eligible to apply for a deferral?***

- The applicant must be the registered owner or co-owner of the property (the title is registered at the Nova Scotia Land Registry of Deeds).
- If there is more than one owner, all owners must sign the application form.
- The combined household income before tax is **\$30,000** or less.
- The property is your permanent place of residence (your “home”) not a cottage, second home, vacant lot or income property.
- **A deferral cannot be awarded to:** a person with adverse possession (no title), a trustee in bankruptcy, a corporation or company (other than a registered Canadian charity) or a mobile home on land not owned by the homeowner.
- A deferral can be awarded to a resident with a living interest, the person billed for property tax who has legal power of attorney, a government or court appointed trustee, guardian or estate executor.
- **To continue with a deferral, the owner(s) must apply each year.**

### ***How Much Can I Defer?***

- You can defer all or a portion of Local Improvement Charges for Sewer (including trunk sewer charges), Water or Road Improvements.
- The total amount of all taxes or charges deferred cannot be more than 75% of the assessed value of the property.

## How to Complete Your Form

**Notice of Assessment:** This is the form that Canada Customs and Revenue Agency sends back to you after you have filed income tax for the year. This form states your total income and whether or not you owe Canada Customs and Revenue Agency money or are receiving a refund. If you do not have your Notice of Assessment from Canada Customs and Revenue Agency you can **call 1-800-959-8281** and have one sent to you.

**NOTE:** This form is not the Provincial Notice of Assessment for your property, and is not the Notice of Assessment for GST Rebate, or the Notice for Child Tax Credit Benefits.

**Net World Income for Deemed Residents:** If your spouse or common-law partner was **deemed a resident in 2010**, your spouse or common-law partner's net world income is the amount on line 236 of your spouse or common-law partner's tax return, or the amount that it would be if he or she filed a return.

**Net World Income for Non-Residents:** If your spouse or common-law partner was a **non-resident in 2010**, your spouse or common-law partner's net world income is his or her income for 2010 from all sources both inside and outside Canada.

**Household Income:** This is the income from Line 150 of your *Notice of Assessment* from the Canada Revenue Agency for all resident's on the property over the age of 18, it includes all members of the household. This amount also includes disclosure of all owner's withdrawals from a business.

**Spouse's Income:** (husband, wife, spouse, common law partner or domestic partner). Gross income for all applicants is found on line 150. If a husband and wife file on the same tax return, the spouse's net income is recorded between line 300 and line 303 and on the front of the return submitted to Canada Customs and Revenue Agency. Staff have been advised that couples cannot file jointly and that line 150 is only the income of the person named at the top of the Notice of Assessment.

**Student Income:** If you have a student residing on the property and the student is over the age of 18, you will need to submit proof that income earned by the student is being expensed for payment of tuition. This can be in the form of a letter and supporting documentation from the school.

**NOTE:** If you have a second person living on the property over the age of 18, who is not a student, proof of their income from Canada Customs and Revenue Agency must be submitted.

**Net Income from a Boarder:** If you have a person living on the property and are not claiming the income received for board with Canada Customs and Revenue Agency, you are required to either submit their proof of income or declare the "rent and/or board" received on the application form.

**Rental Income:** If you have a person living on the property and you have claimed rent paid on your tax return, you must provide proof of the rental income/expenses for the property.



**If the Assessed Owner is Deceased:** You will need to submit a copy of the death certificate for the member of the household who is deceased and a registered owner on the property. This will be forwarded by staff to the Provincial Assessment Office to update the property ownership record.

**Income Not Included:** Income does not include RCMP Pensions and Veterans Pension amounts covered under the Income Tax Act, Section 81.1 subsections (d) and (i) are not claimed by Revenue Canada, and are not taxed (but Department of National Defense Pensions are taxable and should be claimed on line 115 under Other Pensions or Superannuation), GST/HST Credit, Child Tax Benefit as well as those from related provincial and territorial programs (such as the heating oil rebate).

## Special Circumstances

### Representation by a Trustee, Guardian or Power of Attorney

If the owner of the property has a court appointed trustee, guardian or power of attorney, they must submit proof in the form of legal documentation to HRM in order for staff to release any information.

### Representation by a Friend or Family Member

If the owner has a friend or family member representing them, or applying to the program on their behalf, a letter signed by the registered owner must be submitted to HRM in order for staff to release information.

### Death of a Joint Owner

If a joint owner of a property dies their name needs to be removed from the “tax roll” so they do not receive future tax bills. A copy of the death certificate needs to be sent to **Property Valuation Services Corporation Office** so that the ownership record for the property is correct.

**Mailing address:**

Property Valuation Services Corporation  
PO Box 233  
Dartmouth, NS B3J 2P8  
1-800-380-7775

**Location:**

Property Valuation Services Corporation  
Park Place II, 238A Brownlow Avenue, Suite 200  
Dartmouth, NS B3B 2B4

A payment plan or tax deferral may help the other owner(s) pay the property taxes while the estate is being settled. In this case, if you apply for a tax rebate, or a rebate and deferral, you need to include a copy of the death certificate with your application form to HRM.

### Loss of Income in Current Year

**HRM’s property tax assistance programs use last year’s income and this year’s taxes to calculate a rebate and minimum tax payable or the amount of tax that can be deferred** (put off payment to a later date). If your household income has dropped since last year (due to retirement, illness, divorce, death of a spouse, unemployment, etc.) it is still last year’s income that will be used to calculate eligibility. In this situation, a payment plan or tax deferral might help with tax payment for this year. If you apply again next year, this year’s lower income will be used to qualify for the program and the value of any rebate.



## Provincial Programs

### Grants for Home Repairs

#### Provincial Housing Emergency Repair Program

Provides grants of up to \$5,000 to lower income households to carry out emergency, health and safety related repairs to their homes. The annual income limit for eligibility varies, depending on location and household size. **Call 424-5110.**

#### Provincial Senior Citizens Assistance Program

Provides grants of up to \$5,000 to seniors, who are at least 65 years of age, to carry out emergency, health and safety related repairs to their homes. The annual income limit for eligibility varies, depending on location and household size. **Call 424-5110.**

#### Provincial Access-A-Home Program

Provides grants of up to \$3,000 to help homeowners renovate their homes to make them more wheelchair accessible. Often the grant pays for wheelchair ramp but it can also be used to pay for widening doorways and hallways or making bathrooms wheelchair accessible. The amount of the grant available depends on the applicant's income level. The annual income limit for eligibility is \$30,000. **Call 424-5110.**

#### Provincial Emergency Repair Program

Assists eligible homeowners who live in rural areas to carry out repairs that are needed on an urgent basis to deal with health and safety hazards. Examples include repairs to unsafe wiring and heating systems and installing new wells and septic systems. The maximum grant available is \$6,000. The income limit for eligibility varies, depending on locations and household size. **Call 424-5110.**

### Help for Major Repairs and Adaptations

#### Provincial Homeowners Residential Rehabilitation Assistance Program (Homeowners RRAP)

Provides a forgivable loan of up to \$16,000 to qualifying homeowners who own and occupy sub-standard housing, to make repairs so that the home will meet at least minimum health and safety standards. The amount of assistance available depends on the cost of the repairs, household income and household size. The income limit for eligibility varies, depending on location and household size. **Call 424-5110.**

#### Provincial Disabled Residential Rehabilitation Assistance Program (Disabled RRAP)

Provides a forgivable loan of up to \$16,000 to qualifying homeowners to carry out work needed to modify homes occupied by someone with a disability. The amount of assistance depends on the cost of the modifications, household income and household size. The income limit for eligibility varies, depending on location and household size. **Call 424-5110.**

#### Provincial Home Adaptations for Seniors Independence

Provides financial assistance of up to \$3,500 to qualifying homeowners to carry out home adaptations needed to extend the time that lower income seniors, who are at least 65 years old, can live in their homes independently. The income limit for eligibility varies, depending on location and household size. **Call 424-5110.**

### Other Programs

#### Provincial Property Tax Rebate for Seniors Program

This program is for seniors who have been receiving the **Guaranteed Income Supplement in January** of the application year. Criteria requires you to have paid your property taxes from the prior year in full. A receipt from HRM showing property taxes are paid in full is required by the program. Applicants to this program receive a rebate on half of their taxes paid to a maximum of \$600. Applications are available from Service Nova Scotia and Municipal Relations by calling **424-4500** or toll free at **1-800-296-9338**.

## How to Apply

To apply for assistance to repair your own home, contact NS Department of Community Services Housing Services Office.

#### Metro Region

Halifax: **424-5110** Toll free: **1-800-774-5130**

To apply for public housing, contact

#### Metropolitan Regional Housing Authority

Halifax (902) **420-6000**

## Wrong Name on a Tax Bill

If the name on your tax bill is wrong or incomplete, please contact:

Service Nova Scotia & Municipal Relations  
 Halifax Land Registration Office  
 PO Box 2205  
 Halifax, NS B3J 3C4  
 (902) 424-4083

If the name on your tax bill is wrong and you own a mobile home in a park, please contact:

Property Valuation Services Corporation  
 PO Box 233  
 Dartmouth, NS B3J 2P8  
  
 Park Place II  
 238A Brownlow Avenue, Suite 200  
 Dartmouth, NS B3B 2B4  
 1-800-380-7775

## Wrong Address on a Tax Bill

If the mailing address on your tax bill is wrong or incomplete, please contact:

HRM Financial Services  
 PO Box 1749  
 Halifax, NS B3J 3A5  
 490-4000



## Send Your Application Form to HRM

You can **drop off** your application at any one of the following **HRM Customer Service Centres**

Sackville	Acadia Centre – 636 Sackville Drive
Halifax	The Village at Bayers Road – 7071 Bayers Road, Suite 2005
Halifax	Scotia Square Mall – Duke Street, Lower Level
Dartmouth	Alderney Gate – 40 Alderney Drive, 2 <sup>nd</sup> Floor
Musquodoboit Harbour	East Petpeswick Road, Musquodoboit

You can **mail** your application form to the:

HRM Tax Office  
 Residential Tax Exemption Program  
 PO Box 1749, Halifax, NS B3J 3A5



---

FINANCIAL SERVICES  
TAX PROGRAM