

**ADMINISTRATIVE ORDER 10
RESPECTING PARTIAL TAX EXEMPTION FOR TAXATION**

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

INTERPRETATION

2. In this Administrative Order,

(a) “exemption” means the amount by which taxes levied on a residential property are reduced pursuant to this Administrative Order;

(b) “income” includes wages, salaries, emoluments, gratuities and honorariums arising from employment; fees, earnings and profits from any profession, trade, business or calling after deducting the expenses of earning the same; interest and dividends received directly or indirectly from shares, stocks, bonds, debentures, deposits, mortgages, agreements for sale, estates, loans and other investments; pensions, annuities, retiring allowance, compensation and similar income from any person, business, estate, insurance or other company, government or government agency wherever earned and includes:

- (i) all world income for deemed residents and for non-residents working outside of Canada; and
- (ii) any owner withdrawals from a self-employed applicant;

but does not include:

- (iii) an allowance paid pursuant to the *War Veterans Allowance Act* (Canada)
- (iv) a child tax benefit;
- (v) a GST or HST rebate;
- (vi) an oil rebate;
- (vii) a pension paid to armed forces personnel pursuant to the *Pensions Act* (Canada).

(ba) “*Land Titles Clarification Act*” means the *Land Titles Clarification Act*, RSNS 1989, c. 250, as amended;

(bb) “main building” means the building on the property containing the primary use, and excludes accessory structures on the property such as a shed, a barn, or a garage;

(c) “owner” means an ownership interest holder named in a registered instrument at the Nova Scotia Registry of Deeds, and includes:

- (i) a part owner, joint owner, tenant in common or joint tenant of the property;
- (ii) in the case of the absence or incapacity of the person having title to the property, a trustee, an executor, a guardian, an agent, an heir, or next of kin;
- (iii) a person having the care or control of the property through adverse possession;
- (iv) a person with a life interest in the property; or
- (v) a person who has been issued a Certificate of Claim by the Minister responsible for Natural Resources pursuant to the *Land Titles Clarification Act* where such Certificate has been filed at the Nova Scotia Registry of Deeds;

but shall not include

- (i) a trustee in bankruptcy; or
- (ii) a corporation (other than a registered Canadian Charity);

(ca) Notwithstanding subclause 2(c)(ii), for the purposes of commercial property under subsection 3.2A, “owner” shall include a corporation; and

(d) “residential property” shall be the structure in which the owner or owners reside and that connected portion of land assessed as residential or resource with a dwelling under the Assessment Act of Nova Scotia (1989), provided that in the case of property assessed under two or more assessment categories, any partial property tax exemption shall be calculated on the residential assessment or resource with dwelling portion only, and property or land assessed as commercial, farmland, resource, forest, residential farmland, or residential forest shall not be deemed to be residential property.

3.0 ELIGIBILITY FOR PARTIAL TAX EXEMPTIONS

3.1 An application for a partial exemption from the payment of real property taxes rated upon residential or, in the case of a fire under section 5, commercial property within the Municipality may be made in writing in the prescribed form to the Treasurer of the Municipality.

3.2 The applicant for a residential property exemption must be an assessed owner of the residential property and occupy a structure on the property as the applicant’s principal residence.

3.2 A The applicant for a commercial property exemption under section 5 must be an assessed owner.

3.3 If application is made on behalf of an applicant by a trustee, guardian or executor, or other legal representative, proof of such legal agent status shall be filed with the application.

3.4 Applications for a low-income exemption shall include proof of income from the prior year from Canada Customs and Revenue Agency, and in respect of self-employment income both the Canada Customs and Revenue Agency business statement and personal income tax statement, for all persons eighteen years of age or older occupying the property as their principal residence.

3.5 An applicant for a fire damage exemption shall establish

- (a) for residential properties, that the structure occupied as their principal residence, or
- (b) for commercial properties under section 5, the main building on the property,

has suffered a major fire, as identified by HRM Fire Services in a fire incident report. Properties damaged by a fire resulting from arson or other criminal activity carried out by, or with the consent of, the property owner are not eligible.

3.6 An applicant for a low-income exemption may be deemed to occupy a residential property as a principal residence, for up to twelve (12) months, while temporarily displaced due to fire damage. An applicant who wishes to remain eligible beyond this period, on the basis of a delay in re-construction due to financial hardship or insurance settlement delays, may make a request in writing with supporting materials to the Treasurer of the Municipality.

3.7 A property tax exemption will not be granted in respect of a second home, cottage or a rental unit of the applicant.

3A APPLICATIONS FOR BUILDINGS DESTROYED IN A FIRE

3A.1 Notwithstanding section 3, where:

- (a) **[repeal]**;
- (b) a property has been destroyed by fire; and
- (c) the Municipality has notified the owner of the property that a request has been forwarded to the Director of Assessment to have the property reassessed,

no application for partial exemption shall be required.

4.0 DETERMINATION OF EXEMPTION FOR LOW-INCOME HOUSEHOLDS

4.1 Partial real property tax exemptions in respect of a residential property shall be allowed if the total income of all persons eighteen years of age or older occupying the property as their principal residence falls within the thresholds established pursuant this section.

Income Ranges

4.2 The maximum exemption shall vary according to the household income of the applicant in the prior year based upon the following formula:

(a) The lowest income range shall extend from \$0 to the annual Statistics Canada low income cut-off for a two-person household. This figure will be rounded up to the nearest \$1,000 and shall be based on the population of the entire HRM region.

(b) The program income eligibility threshold shall be established using the annual Statistics Canada low income cut-off for a four-person household, rounded up to the nearest \$1,000, based upon the population of the entire HRM region.

(c) Between the lowest income range and the eligibility threshold, the income ranges shall increase in equal increments.

Tax Brackets

4.3 The maximum exemption shall vary according to the amount of tax payable by the applicant in the current year. Three property tax brackets shall be determined, based upon:

(a) The upper value of the middle property tax bracket shall be equal to the average residential tax payable across HRM in the prior year on a property with a single dwelling, rounded up to the nearest \$100.

(b) The upper value of the lower property tax bracket shall be set \$1,000 lower than the upper value of the middle property tax bracket.

Maximum Exemption Levels

4.4 (a) The reference rebate, used to calculate maximum exemption values by income range and amount of property tax payable, shall be equal to 37.5 percent of the average residential tax payable across HRM in the prior year on a property with a single dwelling, rounded to the nearest \$50.

(b) The maximum exemption for those in the middle property tax bracket and the lowest income range shall be equal to the reference rebate.

(c) The maximum exemption at the lower property tax bracket and the lowest income range shall be \$100 lower than the reference rebate.

(d) The maximum exemption at the higher property tax bracket and the lowest income range shall be \$100 higher than the reference rebate.

(e) Within each property tax bracket, the maximum exemption values shall decrease, as income increases, in decrements equal to the maximum exemption at the highest income range.

5.0 DETERMINATION OF EXEMPTION FOR BUILDINGS DESTROYED BY FIRE

5.1 Upon receipt of an acceptable fire damage tax exemption application, the municipal Clerk shall request the Director of Assessment to provide a revised opinion on value for the residential or commercial property to reflect the condition of the property following the fire. If reconstruction work has been done prior to the time of the revised opinion on value, the estimated value for this program shall be based on the property condition prior to the reconstruction work.

5.1 A For the purposes of partial tax exemptions for commercial property under subsection 5.1, "fire" means the Upper Tantallon and Hammonds Plains wildfire that commenced on May 28, 2023.

5.2 (a) The revised opinion on value shall be used for taxation, pro-rated for the period commencing from the date of the fire to the end of the fiscal year, and the Treasurer shall reimburse any overpayment in the taxes for that fiscal year resulting from the revised opinion on value.

(b) Notwithstanding subsection 5.2 (a), if the fire occurs between the assessment State Date (December 1st) and the end of the fiscal year, the revised opinion on value shall be used for taxation, prorated for the period: from the date of the fire to the end of the fiscal year, plus the entire subsequent fiscal year.

(c) For the purposes of partial tax exemptions for commercial property under subsection 5.1 for the Upper Tantallon and Hammonds Plains wildfires that commenced on May 28, 2023, this subsection shall be retroactive to April 1, 2023.

5.3 An applicant may apply for both the low-income and fire damage tax exemptions in respect of a residential property, if eligible for both. The low-income tax exemption shall be applied to the tax bill for the subject fiscal year after adjusting for the fire damage tax exemption.

5.4 If the property taxes for the subject fiscal year, after adjusting for the fire damage tax exemption, are below the minimum tax payable identified in subsection 6.1, then the taxes would not be further reduced and the minimum tax payable would not apply.

5A Determination of Tax Relief For Successful Land Titles Application

5A.1 This section shall apply to all properties within designated land titles clarification areas pursuant to the Land Titles Clarification Act.

5A.2 (1) Where a Certificate of Claim is issued and filed in the Registry of Deeds pursuant to the *Land Titles Clarification Act* and there are rates and taxes owing to the Municipality in respect of the lot of land described in such Certificate, the owner may apply to the Municipality for relief from taxes and interest owed.

(2) To be eligible for tax relief pursuant to this section,

(a) a Certificate of Claim pursuant to the *Land Titles Clarification Act* must have been issued by the Minister responsible for the Department of Natural Resources pursuant to that *Act*; and

(b) a Certificate of Claim must be on file at the Registry of Deeds.

5A.3 If an eligible owner meets the income test pursuant to subsection 4.2 of this Administrative Order, tax relief may be provided by the Municipality in the following amounts:

(a) one hundred percent (100%) of any interest arrears and any tax sale fees incurred on the tax account; and

(b) the greater amount of five hundred dollars (\$500.00) or twenty-five percent (25%) of the taxes owed to the Municipality and lienable arrears.

5A.4 If an eligible owner does not meet the income test pursuant to subsection 4.2 of this Administrative Order, tax relief may be provided by the Municipality in the following amounts: one hundred percent (100%) of any

interest arrears and any tax sale fees incurred on the tax account; and

(a) an interest free two (2) year payment arrangement on the remaining taxes owed to the Municipality and lienable arrears.

5A.5 Tax relief is only eligible for the taxes paid for the most recent taxation year and only for the property to which the Certificate of Claim applies.

5A.6 Nothing in this section prevents an owner from applying:

(a) to the HRM Tax Exemption and Deferral Program; or

(b) to Council for tax relief in addition to the relief provided for pursuant to subsections 5A.3 or 5A.4 of this section.

6.0 MINIMUM TAX PAYABLE

6.1 The low-income tax exemption granted shall not reduce the tax payable on a property to less than the greater of:

(a) \$100, or

(b) 1% of the median point of the relevant income range described in Section 4.2, rounded to the nearest \$10.

7.0 APPLICATION DEADLINES

7.1 An application for a low-income tax exemption for a fiscal year shall be submitted by December 31st of that fiscal year. No application can be made for a retroactive low-income tax exemption.

7.1 A Notwithstanding section 7.1, an application for exemption for the 2015/16 fiscal year shall be submitted by March 31, 2016.

7.2 An application for a fire damage tax exemption shall be submitted within six (6) months after the fire.

7.3 Notwithstanding, subsection 7.2, for fires that occurred between December 1st, 2008 and March 31st, 2010, an application for a fire damage tax exemption shall be submitted by September 30th, 2010.

7.4 Notwithstanding subsection 7.2, for the 2023-2024 fiscal year, an application for a fire damage tax exemption shall be submitted on or before September 30th, 2025.

7A.0 Treasurer

7A.1 The Treasurer or delegate is granted the authority to provide partial tax exemptions and tax relief in accordance with this Administrative Order.

8.0 EXEMPTION AND DEFERRAL ALLOWED:

8.1 Nothing in this Administrative Order prohibits an applicant from being granted an partial real property exemption pursuant to this Administrative Order as well as a deferral in respect of those taxes pursuant to By-Law T-700, subject to the terms and conditions therein, in respect of the same fiscal period.

9.0 REPEAL

9.1 Administrative Order Number Ten dated the 12th day of September, 2006 and any amendments thereto is hereby repealed.

Done and passed in Council this 27th day of April, 2010.

Mayor

Acting Municipal Clerk

I, Cathy Mellett, Acting Municipal Clerk of Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed by a meeting of Halifax Regional Council held on April 27, 2010.

Cathy Mellett, Acting Municipal Clerk

Notice of Motion: April 13, 2010
Approval: April 27, 2010

Amendment # 1 – Application deadline change

Notice of Motion: March 8, 2016
Approval: April 12, 2016
Effective Date: April 30, 2016

Amendment # 2 – Criteria for tax relief applications

Notice of Motion: August 2, 2016
Approval: September 6, 2016

Amendment # 3 – Expand eligibility (s.4.2(a), 4.2(b), 4.4(a))

Notice of Motion: March 22, 2022
Approval: May 3, 2022
Effective: May 7, 2022

Amendment # 4 – Exemption for wildfire applications (s. 3A)

Notice of Motion: June 20, 2023
Approval: July 11, 2023

Amendment # 5 – Partial Exemption for Commercial Properties Impacted by Wildfire

Notice of Motion: April 9, 2024
Approval: April 23, 2024