

Seniors Property Tax Deferral

Program Information Guide, Loan Application and Agreement

The Seniors Property Tax Deferral Program (SPTDP) allows eligible senior homeowners to defer all or part of their annual residential property taxes through a low-interest home equity loan with the Government of Alberta.

Loan Eligibility

You may apply for a seniors property tax deferral loan to defer payment of residential property taxes on your primary residence if you are:

- Age 65 or older and listed as a registered owner of a residential property in a Land Titles Office. Only one spouse/adult interdependent partner (partner) needs to be 65;
- A Canadian citizen or permanent resident of Canada; and
- An Alberta resident.

Property Qualifications

Your property may qualify for the SPTDP loan if it meets the following conditions:

- Primary residence of the owner (where the owner ordinarily resides). Second homes, such as summer homes, rental properties, and commercial properties do not qualify.
- Covered by home insurance.
- Sufficient equity (see Equity Calculator).
- Mobile homes and manufactured homes on residential property owned by the senior are eligible to apply.
- The residential portion of farmland or commercial property may be considered.

Only residential properties qualify.

Equity Calculator

Use this calculator to determine if you have the minimum equity to qualify for the program.

Assessment value of your home	\$	
Assessment value x 0.75 =	\$	A
Total charges (e.g. line(s) of credit, mortgage(s) and any other registered charges)	\$	B
To apply for the SPTDP	B MUST BE LESS THAN A	

Registered Owners

You can apply to defer the residential property taxes on your primary residence if it is registered with a Land Titles Office as a:

- fee simple (typical homeowner); or
- leasehold.

The applicant and, if applicable, a spouse/partner and all registered owners of the property are required to sign the application form.

What can be Deferred

You can defer residential property taxes owed to a municipality. This may include any outstanding arrears and penalties.

Minimum Equity

To qualify for a loan, you must have a minimum of 25 per cent equity in your primary residence. This means that all charges registered against the land title of your primary residence cannot exceed 75 per cent of the property's assessed value.

The property's assessed value is based on the property tax assessment prepared by your municipality. All charges registered against your primary residence, including the registered value of your mortgage, line of credit limit, and any other registered charge that has a monetary value will be used to calculate your equity. If this calculation indicates there is undetermined equity, you will be sent a letter from our office requesting more information.

Registered Charges Affecting Eligibility for a Loan

Any charges registered against your primary residence that may hinder or prevent you from being able to repay your loan must be removed from your land title certificate before you can qualify for a loan.

Some common examples of charges that may prevent you from being eligible for a loan are:

- Certificate of Lis Pendens (pending litigation)
- Reverse Mortgage
- Maintenance Enforcement
- Bankruptcy

Deferral Options

You can choose from the options listed below.

Option One – Current Year: Defer the full amount of your residential property taxes for the current year. You will have to complete a new application if you wish to defer your residential property taxes in subsequent years.

Option Two – Multiple Years: Defer the full amount of your residential property taxes for the current year, plus additional years up to a maximum of 10 years. A new application will not be required for future residential property tax deferral loans until the period you have chosen expires. Your annual residential property taxes will be automatically paid to your municipality once the program receives your property tax bill from your municipality or from you. Your eligibility will be assessed every year to ensure that you continue to meet the eligibility requirements.

Option Three – Partial Payment: Defer a portion of your residential property taxes for the current year. You will have to complete a new application if you wish to defer a portion of your residential property taxes in subsequent years.

Example of Multiple-year Deferral Calculation

This is an example of a senior who would like to defer the current year's residential property taxes plus an additional 3 years.

Year	Example Yearly Residential Property Tax Amounts (at a 5% annual growth rate)	Total Principal of the Loan	Example Annual Interest Rate (at 3% interest)	Projected Total Loan Amount (Total Principal + Interest from each year)
Current Year	\$2,000	\$2,000	\$60	\$2,060
Year 2	\$2,100	\$4,100	\$123	\$4,283
Year 3	\$2,205	\$6,305	\$189	\$6,677
Year 4	\$2,315	\$8,620	\$259	\$9,251
Total	\$8,620		\$631	\$9,251

Note that this example factors in estimated increases to the yearly residential property taxes and assumes an interest rate of 3 per cent. The actual interest rate may fluctuate semi-annually. Each year you defer, a caveat will be registered on your certificate of title in a Land Titles Office.

Interest on the Loan

Interest on the loan will start on the date that the SPTDP pays your residential property taxes to your municipality on your behalf, and will end when the loan has been repaid in full.

The interest rate is variable and is set every six months on April 1st and October 1st.

The program charges simple rather than compound interest.

You will receive semi-annual loan statements in April and October.

For current interest rates, please visit our website at alberta.ca/seniors-property-tax-deferral-program.aspx or you may call the Alberta Supports Contact Centre toll-free at 1-877-644-9992 or 780-644-9992 in the Edmonton area.

Registration of Security

The SPTDP will register a caveat against your certificate of title to secure any loan you receive.

Survivorship

Typically, when a senior who has a SPTDP loan passes away, the full amount of the loan(s) and any interest accrued will become due. However, existing loans and eligibility to apply for future loans may continue for a surviving spouse/partner if the spouse/partner:

- Is 55 years or older;
- Is a registered owner of the primary residence;
- Lived in the primary residence before their spouse/partner passed away; and
- Continues to live in the primary residence.

Repaying the Loan

Monthly repayments are not required.

The loan (principal together with interest) will be due when:

- You sell your primary residence.
- You are no longer a registered owner.
- Your home is no longer your primary residence.

You may choose to repay all or part of the loan and interest at any time without penalty.

Payments towards the loan will apply to interest first.

To repay the loan, make a cheque or money order payable to the Government of Alberta.

Once the loan has been repaid in full, the caveat(s) will be discharged from your land title certificate.

Important!

Application Submission | Plan to apply early

You can apply to the SPTDP at any time; however, you must apply with a complete application at least 30 days before the residential property tax deadline to allow enough time for the program to process your application, forward payment to your municipality and avoid penalties. For example, if your residential property taxes are due on June 30, your application should be received by May 31.

More information may be requested in order to determine your eligibility; this may impact the processing of your application by your residential property tax due date.

If you do not provide all the necessary information, or do not provide enough time to process the application by the residential property tax deadline, you may incur penalties on your residential property taxes.

You can either have the penalties added to your loan, or you can choose to pay them.

If you choose to defer multiple years of your residential property taxes:

- a yearly application is not required, and
- the potential for late payment penalties is avoided.

Please Read the Information Below Before Completing the Application

After You Apply

The SPTDP will review your application.

You may be contacted by phone for additional information.

When review of your application is complete, you will receive written notification of your eligibility.

If a loan is approved:

- A caveat will be registered on your certificate of title in a Land Titles Office.
- The program will pay the applicable residential property taxes to your municipality on your behalf.
- You will receive semi-annual loan statements in April and October.

The Government of Alberta reserves the right to deny the application for any reason at its sole discretion.

For more information, please visit www.alberta.ca/seniors-property-tax-deferral-program.aspx

or you may call the Alberta Supports Contact Centre toll-free at 1-877-644-9992 or 780-644-9992 in the Edmonton area.

Keep this information guide for your records and submit only the two-page application form/agreement and a copy of your property tax bill for the year you are applying for. Your application form must be mailed in with original signatures.

Please submit your application form and a copy of your property tax bill for the year you are applying for to:

**Seniors Property Tax Deferral Program
PO BOX 1200 STN Main
Edmonton, AB T5J 2M4**

Please Sign Page 5

Seniors Property Tax Deferral Loan Application / Agreement

We must receive your complete application 30 days before your municipal property tax deadline (see Application Submission section in the information guide)

The personal information on this form is being collected by the Minister responsible for the *Seniors' Property Tax Deferral Act* pursuant to section 33(c) of the *Freedom of Information and Protection of Privacy Act* for the purposes of determining your eligibility for the Property Tax Deferral Loan and for all other purposes related to the administration of the property tax deferral loan, and may be disclosed to an agency, institution, government department (federal or provincial), or other source for these purposes. If you have any questions regarding the collection, use and disclosure of this personal information, please contact the Alberta Supports Contact Centre at 1-877-644-9992.

Please print your information in the boxes below

Personal Information

Applicant

Personal Health Number		Date of Birth		Phone Number	
Last Name		First Name		Middle Name	

Spouse / Partner (if applicable)

Personal Health Number		Date of Birth		Phone Number	
Last Name		First Name		Middle Name	

Mailing Address

Unit Number		House Number		Street Name/ PO Box Number	
City		Province		Postal Code	

Deferment Property Address – Primary Residence

Unit Number		House Number		Street Name/ PO Box Number	
City		Province		Postal Code	

My residential property taxes are in arrears Yes No

Property Tax Information (include a copy of your property tax bill for the year you are applying for)

Tax Roll Number		Municipality	
Legal Land Description		Current Assessed Value	

Loan Information – choose one of the following options

<input type="checkbox"/>	1. Current Year Only: I would like to defer my current year residential property taxes (may include all outstanding arrears and penalties)		
<input type="checkbox"/>	2. Current and Additional Years: Enter the number of years you would like to defer your residential property taxes, up to a maximum of 10 years	Number of Years	
<input type="checkbox"/>	3. Partial Amount of Current Year: Enter the amount of your residential property taxes that you would like to defer	Dollar Amount	

Initial Eligibility (check list)

Please check (✓) all that apply to you

Canadian Citizen	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If not a Canadian Citizen, are you a Permanent Resident under <i>Immigration and Refugee Protection Act (Canada)</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I have lived in Alberta for the past 3 months	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The property tax information above is for my primary residence	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I have current home insurance at full replacement value	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Terms and Conditions of the Property Tax Deferral Loan

The applicant, spouse/partner (if applicable) and all registered property owners must complete this application to be eligible for the property tax deferral loan. Please ensure you have read all the terms and conditions of this agreement before signing.

Property Tax Deferral Loan Agreement (Agreement)

I/We, as the registered owner/owners (Owners) of the property identified on this application (Property), and Her Majesty the Queen in right of Alberta (Province) as represented by the Minister responsible for the *Seniors' Property Tax Deferral Act*, agree that the Province will provide the Owners with a Property Tax Deferral Loan (Loan) in order to pay the Owners' qualifying property taxes in accordance with the *Seniors' Property Tax Deferral Act* and the *Seniors' Property Tax Deferral Regulation*.

I/We hereby agree to the following Terms and Conditions:

1. I/We authorize the Province to register a caveat charging my/our interest in the Property in favour of the Province under the Land Titles Act as security for the loan.
2. The Province will pay my/our qualifying property taxes to the municipality or jurisdiction in which the Property is located.
3. I/We will notify the Province in the event of the death of a registered owner or when the Property is sold, transferred, further encumbered or otherwise disposed of.
4. I/We will repay the Loan and applicable interest under this Agreement that are outstanding on the date of termination of this Agreement.
5. The Owners shall be liable for any costs associated with the Province pursuing an action for the recovery, collection and/or enforcement of the Loan and applicable interest payable to the Province under this Agreement, including legal costs on a solicitor-client basis.
6. I/We will not assign any interest in this Agreement or any right or benefits under this Agreement.
7. I/We will maintain home insurance throughout the life of the loan and I/we will provide evidence of insurance upon request.
8. I/We declare that all the information on this application is true and correct. I/We understand that giving any false, inaccurate or misleading information on this application may result in my/our receiving a Loan for which I/we are not eligible and therefore I/we may be required to immediately repay the Loan and applicable interest upon demand of the Province.
9. I/We authorize the Minister responsible for the *Seniors' Property Tax Deferral Act* to collect, use and disclose the personal information on the application form for the purposes of determining my/our eligibility for the Loan and for all other purposes related to the administration of the Loan, including disclosure to and use by third parties engaged by the Minister responsible for the *Seniors' Property Tax Deferral Act* in the administration of the Loan.
10. I/We have read and understood the Seniors Property Tax Deferral Program Information Guide.

Applicant, spouse/partner (if applicable) and all registered owners are required to provide the information and signatures below.

(If you are a trustee or power of attorney signing on behalf of a registered owner, please indicate the registered owners full name and your full name, phone number and signature.)

Full Name of Registered Owner(s) (Please print)	Phone Number	Signature
Full Name of Power of Attorney or Trustee, if applicable (Please print)	Phone Number	Power of Attorney or Trustee Signature