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Date December 1, 2020 **Report No.** 2020-417

To Chair and Members
Committee of the Whole – Operations and Administration

From Aaron Wallace, Acting General Manager
Community Services and Social Development

1.0 Type of Report

Consent Item	<input checked="" type="checkbox"/>
Item For Consideration	<input type="checkbox"/>

2.0 Topic Promoting Free Tax Clinics [Financial Impact: None]

3.0 Recommendation

A. THAT Report 2020-417 Promoting Free Tax Clinics BE RECEIVED.

4.0 Purpose and Overview

This report responds to an August 2020 Council Resolution to investigate options to promote free tax services.

5.0 Background

In August 2020, Council approved the following Tax Support Resolution:

WHEREAS many Canadians rely on tax benefits and credits to supplement their incomes, including the Ontario Child Benefit, Ontario Guaranteed Annual Income System, Ontario Senior Homeowners' Property Tax Grant, Ontario Trillium Benefit, Ontario Child Care Tax Credit, Ontario Seniors' Public Transit Tax Credit, Low-income Individuals and Families Tax Credit, and the Disability Tax Credit; and

WHEREAS based on the Canada Revenue Agency Child and Family Benefit Tool, tax credits can account for 50 percent of some households' total income; and

WHEREAS income is a key determinant of health, and strategies to increase income levels can improve health outcomes for vulnerable households; and

WHEREAS over 7,000 individuals in the Brantford Census Metropolitan Area are low income, based on the Low Income Cut Off (LICO) measure; and

WHEREAS households that do not file income tax returns cannot access these tax credits and benefits; and

WHEREAS it is estimated by Prosper Canada that between 5 and 10 per cent of families living on low incomes are not getting the benefits they are entitled to; and

WHEREAS the COVID-19 pandemic has created further economic hardship for many households in Brantford; and

WHEREAS there will be new tax intricacies for the 2020 tax year due to various benefits that have been created in response to the COVID-19 pandemic; and

WHEREAS many households face barriers to filing income tax returns and benefit greatly from access to income tax clinics; and

WHEREAS the City of Brantford appreciates and commends the tax filing clinics provided by the Office of the MP, the Seniors' Resource Centre and other community agencies for the benefit of our community; and

WHEREAS Brant County Council supported and adopted a similar resolution at their Special Council Meeting on June 16, 2020; and

WHEREAS the City of Brantford is committed to supporting and working in conjunction with the current tax assistance providers; and

WHEREAS residents will benefit from greater awareness of tax assistance opportunities; and

NOW THEREFORE BE IT RESOLVED THAT Staff BE DIRECTED to:

- A. Develop an inventory of agencies or businesses that provide free or low-cost income tax assistance; and

- B. Develop and execute a communication plan to promote these tax assistance opportunities to the community; and
- C. Provide a Council Report before December 31, 2020 outlining options for the municipality to assist residents with accessing tax assistance in future tax years
- D. Request assistance from Chamber of Commerce of Brantford-Brant in implementing the initiative

6.0 Corporate Policy Context

High Quality of Life & Caring for All Citizens

Brantford will be recognized as a safe and healthy community – one that promotes and enables the well-being of its citizens, and supports access for all citizens to a full range of health and community services.

7.0 Input From Other Sources

Brantford Brant Chamber of Commerce

Salvation Army

Seniors' Resource Centre

8.0 Analysis

8.1 Tax Services Support for the remainder of 2020

Many Canadians rely on tax benefits and credits to supplement their incomes, therefore delays in annual tax filing directly correlates to lost income for low income households. Households accessing the Ontario Disability Support Program may receive tax credits that can make up to 40% of their income, and for Ontario Works clients these benefits can make up to 50% of their income.

Some residents may have faced difficulties filing their 2019 taxes due to challenges associated with the COVID-19 pandemic. The pandemic was declared at the height of tax season which resulted in closures and delays of services offered by volunteers at various local agencies.

In response to Council direction, staff developed an inventory of free and low-cost tax clinics regularly available to residents during tax season, and

made note of program closures and changes resulting from COVID-19 pandemic. Staff further created an outreach campaign seeking additional providers that had the availability and capacity to offer low and no-cost tax clinics, volunteers, or other resources to support households still needing to file their 2019 taxes. The outreach campaign was distributed through community networks including the Chamber of Commerce, Business Resource Centre, and the Community Legal Clinic, and was posted on the City's website and social media pages.

In response to this outreach, the Seniors' Resource Centre and the Salvation Army identified their ability to continue offering free tax clinics for low-income households for the remainder of 2020. These free tax clinics are limited based on volunteer capacity, and eligibility is reviewed based on a maximum household income of \$35,000 per year for a single individual, and varies based on additional members in the household.

The City promoted the free tax clinics at Salvation Army and Seniors' Resource Centre through the Neighbours Helping Neighbours website, community distribution lists, and the City's social media pages. Staff also worked with seniors in affordable housing sites to connect them with these tax clinics. Additionally, promotional flyers were shared and advertised at several organizations who regularly serve low-income individuals.

8.2 Planning Tax Services Support for 2021

Staff recognizes that many providers were impacted by COVID-19 and were unable to provide tax clinics throughout the fall, due to limited capacity of staff and volunteers in the off season.

In 2021, staff will undertake the following actions, in collaboration with the Chamber of Commerce, to support connecting individuals with free or low-cost tax clinics:

- Conduct an outreach campaign to develop an inventory of available free tax clinics
- Include updated tax clinic information on the Neighbours Helping Neighbours website
- Promote free and low-cost tax clinics through the City's website, social media pages, and community distribution list

- Refer social services clients and affordable housing tenants to available tax clinics

9.0 Financial Implications

There are no financial impacts related to this report.

10.0 Conclusion

This report summarizes the City's efforts to promote free tax clinics in 2020, and outlines next steps for 2021.



Aaron Wallace, Acting General Manager
Community Services and Social Development

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required ☐ yes ☒ no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk ☐ yes ☒ no

Is the necessary by-law or agreement being sent concurrently to Council? ☐ yes ☒ no