

# Seniors Education Property Tax Deferral Program

## Public – Frequently Asked Questions

### **Q. *What is the Seniors Education Property Tax Deferral Program?***

- A. The Seniors Education Property Tax Deferral Program provides eligible applicants with a repayable loan for the education portion of their property taxes for their principal residence. Eligible applicants will be automatically enrolled in the program for 10 consecutive years.

### **Q. *Who is eligible for the program?***

- A. To be eligible for the program, you must:
- be 65 years old or older in the current calendar year;
  - own and occupy your home as your principal residence in Saskatchewan;
  - have a total household income below \$70,000 per year;
  - maintain a minimum of 25 per cent equity in your home;
  - have no writs or liens on the title of your home;
  - have or be able to get all-risk property insurance for your home; and
  - be in good standing (have no arrears, etc.) with Saskatchewan Housing Corporation (SHC) and your municipality.

Program eligibility requirements may change from time to time, but they will always be posted on SHC's website.

### **Q. *Can I defer the education property taxes for my condominium?***

- A. Yes. Education property taxes for condo units can be deferred through this program.

### **Q. *If I am eligible for this program, will SHC pay the municipality for my education property taxes?***

- A. No. SHC will advance loan proceeds directly to you. You will continue to be responsible for paying your property taxes in full and on time to your municipality.

### **Q. *When do I have to repay the loan?***

- A. You must repay the loan in full when you no longer meet the loan agreement conditions. For example, your loan will become due if you are no longer the owner of the property or no longer reside in the property as your principal residence. A complete list of conditions will be included in your loan agreement with SHC.

### **Q. *Does the program have an application deadline?***

- A. SHC requires time to process applications and can only advance loan funds after receiving all required documents. As a result, SHC must receive your application by December 15 to advance loan funds for the current calendar year's education property taxes.

### **Q. *Will I get my loan before my property taxes are due?***

- A. Depending on when you applied for the program, you may receive loan funds before or after your taxes are due. In either case, you are responsible for paying your property taxes in full and on time.

**Q. *What rate of interest will SHC charge on my loan?***

- A. You will be charged simple interest at a rate that reflects Government's current rate of borrowing. SHC will advise you in writing of the current year's interest rate once it has been established.

**Q. *Are there any other charges for deferring my education property taxes?***

- A. Yes. Charges incurred by SHC for administering your loan, including but not limited to land title fees and mortgage registration fees, will be added to your loan balance.

**Q. *Why will I be automatically enrolled in the program for 10 consecutive years?***

- A. Being enrolled for 10 consecutive years will eliminate the need to sign a new loan agreement each year (saving you time) and reduce administration charges incurred by SHC (saving you money).

**Q. *Do I need to report my eligibility to SHC annually even though I am automatically enrolled in the program for 10 consecutive years?***

- A. Yes. You will be required to submit documentation to SHC each year to verify program compliance. SHC will send you a letter annually to remind you of this requirement.

**Q. *If I participate in the program, am I obligated to defer the education portion of my property taxes for 10 consecutive years?***

- A. No. You are not obligated to receive loan advances on an annual basis.

**Q. *What happens after I participate in the program for 10 consecutive years?***

- A. After participating in the program for 10 consecutive years, you will have three options. You can:
1. Reapply for the program if you want to receive additional loan funds;
  2. Reapply for the program if you do not want to receive additional loan funds and do not want to repay your loan immediately; or
  3. Repay your loan balance in full.

**Q. *How will SHC secure my loan?***

- A. SHC will register a mortgage on your property title.

**Q. *Do all registered owners of my principal residence have to sign the loan agreement with SHC?***

- A. Yes. All registered owners of the property must sign any loan documents required by SHC, including a mortgage of their interest in favour of SHC for the amount of the program loan.

**Q. *I spend part of the year at another residence (e.g. a cabin, nursing home, or long-term care facility). Can I still apply for the program?***

- A. You must live in your principal residence for at least six months of the calendar year (i.e. at least 183 out of 365 days) to meet this program's residency requirements.