



Report To:	Manitoulin-Sudbury District Services Board
From:	Donna Moroso, Director of Integrated Social Services
Date:	November 24, 2011
Re:	Ontario Trillium Benefit - Issue Report

RECOMMENDATION

That the DSB Board be made aware of the changes concerning the Ontario Trillium Benefit Program.

REPORT

Purpose

The purpose of this report is to provide the DSB Board with information on the new Ontario Trillium Benefit and changes to how these tax credits will be paid.

Background

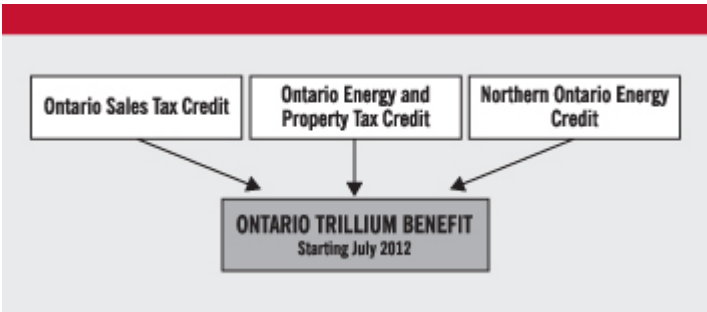
Refundable tax credits play an important role in providing low to moderate income Ontarians with relief for taxes and energy costs.

In 2010, The Ontario Sales Tax Credit (OSTC), the Ontario Energy and Property Tax Credit (OEPTC) and The Northern Ontario Energy Credit (NOEC) were paid out in one **lump sum** based on information provided to Revenue Canada from one's income tax.

In 2011, all three of these tax credits are paid on a **quarterly** basis to eligible recipients.

As part of Ontario's Tax Plan for Jobs and Growth, the government is providing \$1.4 billion annually in enhancements to assistance provided through the refundable Ontario Sales Tax Credit, Ontario Energy and Property Tax Credit and Northern Ontario Energy Credit, for a total of \$2.4 billion each year.

The Province proposes to take the next step in transforming refundable tax credits by introducing the Ontario Trillium Benefit (OTB) in July 2012. To better align the timing of the assistance with the expenses that people face, the payments of these three credits would be combined and delivered on a **monthly basis**.



Example:

A single parent with one child and adjusted net income of \$20,000 paying \$629 per month in rent would receive a total of \$936 from the OSTC and OEPTC over eight payments. Under the proposed Ontario Trillium Benefit (OTB), the single parent would receive 12 equal monthly payments.

	2012						2013						
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Total
Current	-	\$133	\$101	-	\$133	\$101	-	\$133	\$101	-	\$133	\$101	\$936
OTB	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$936

Conclusion

It is thought that more frequent and predictable benefit payments would help low- to moderate-income families and single people better manage their household budgets. The government proposes no changes to the actual computation of the credits.