

## Aging in Place Tax Credit

Summary: Reviewed fiscal impact of extending AIP credit term maximum to 6 to 8 years and as proposed in CB 52-2022, in comparison to current AIP legislation (accounting for CB-23 amendments, 5 year term maximum) existing recipients. Assumptions: factoring in an estimated number of newly eligible residents annually (85% of eligible) to estimate the total County liability; analysis includes a 2% annual inflation and 3% estimated turnover. Under current guidelines, once a resident is eligible, they can receive the credit for up to 5 years. The review details the reduction to revenue based on comparison of the current AIP tax credit program and extending term maximums to 6 - 8 years and CB 52-2022 which makes grants the credit until they are no longer eligible (i.e transfer of ownership).

### Summary of Scenarios (in millions)

	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>5 year total</u>	<u>10-year total</u>	<u>15 year-total</u>	<u>20 year-total</u>	<u>25 year-total</u>
<b>Current Legislation</b>	\$ 2.0	\$ 3.2	\$ 4.2	\$ 4.3	\$ 4.4	\$ 18.2	\$ 38.3	\$ 61.3	\$ 89.9	\$ 113.4
<b>Average - \$/Year</b>						3.6	3.8	4.1	4.5	4.5
<b>Duration @ 6 years</b>	\$ 2.0	\$ 5.2	\$ 4.5	\$ 4.9	\$ 5.0	\$ 21.5	\$ 46.3	\$ 73.4	\$ 107.7	\$ 137.2
Reduction to Revenue		(1.9)	(0.2)	(0.6)	(0.6)	(3.3)	(8.0)	(12.1)	(17.7)	(23.9)
<b>Average - \$/year</b>						4.3	4.6	4.9	5.4	5.5
<b>Duration @ 7 years</b>	\$ 2.0	\$ 5.2	\$ 6.4	\$ 5.2	\$ 5.5	\$ 24.3	\$ 53.8	\$ 84.9	\$ 124.6	\$ 160.4
Reduction to Revenue		(1.9)	(2.2)	(0.8)	(1.1)	(6.1)	(15.5)	(23.6)	(34.6)	(47.1)
<b>Average - \$/year</b>						4.9	5.4	5.7	6.2	6.4
<b>Duration @ 8 years</b>	\$ 2.0	\$ 5.2	\$ 6.4	\$ 7.2	\$ 5.8	\$ 26.5	\$ 60.7	\$ 95.9	\$ 140.6	\$ 182.8
Reduction to Revenue		(1.9)	(2.2)	(2.8)	(1.4)	(8.4)	(22.4)	(34.6)	(50.7)	(69.4)
<b>Average - \$/year</b>						5.3	6.1	6.4	7.0	7.3
<b>CB 52-2022 (Perpetuity)</b>	\$ 2.0	\$ 5.2	\$ 6.4	\$ 7.2	\$ 7.8	\$ 28.6	\$ 82.0	\$ 163.9	\$ 283.0	\$ 438.0
Reduction to Revenue		(1.9)	(2.2)	(2.8)	(3.4)	(10.4)	(43.7)	(102.6)	(193.1)	(324.6)
<b>Average - \$/year</b>						5.7	8.2	10.9	14.2	17.5

\* Phase in to 35 years at FY 2025, no additional reduction in years

\* Factored in drop off at FY 2027, excludes CB 52 summary