

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>
Current Legislation	\$ 1.5	\$ 2.4	\$ 3.1	\$ 3.2	\$ 3.3	\$ 13.5	\$ 28.5	\$ 45.5	\$ 66.8	\$ 84.2
Average - \$/Year						2.7	2.8	3.0	3.3	3.4
Duration @ 6 years	\$ 1.5	\$ 3.8	\$ 3.3	\$ 3.6	\$ 3.7	\$ 16.0	\$ 34.4	\$ 54.5	\$ 80.0	\$ 101.9
Reduction to Revenue		(1.4)	(0.2)	(0.4)	(0.4)	(2.5)	(5.9)	(9.0)	(13.2)	(17.7)
Average - \$/year						3.2	3.4	3.6	4.0	4.1
Duration @ 7 years	\$ 1.5	\$ 3.8	\$ 4.8	\$ 3.8	\$ 4.1	\$ 18.0	\$ 39.9	\$ 63.1	\$ 92.5	\$ 119.2
Reduction to Revenue		(1.4)	(1.6)	(0.6)	(0.9)	(4.5)	(11.5)	(17.6)	(25.7)	(35.0)
Average - \$/year						3.6	4.0	4.2	4.6	4.8
Duration @ 8 years	\$ 1.5	\$ 3.8	\$ 4.8	\$ 5.3	\$ 4.3	\$ 19.7	\$ 45.1	\$ 71.2	\$ 104.4	\$ 135.8
Reduction to Revenue		(1.4)	(1.6)	(2.1)	(1.0)	(6.2)	(16.7)	(25.7)	(37.6)	(51.5)
Average - \$/year						3.9	4.5	4.7	5.2	5.4
CB 52-2022 (Perpetuity)	\$ 1.5	\$ 3.8	\$ 4.8	\$ 5.3	\$ 5.8	\$ 21.2	\$ 60.9	\$ 121.8	\$ 210.2	\$ 325.3
Reduction to Revenue		(1.4)	(1.6)	(2.1)	(2.6)	(7.7)	(32.5)	(76.3)	(143.4)	(241.1)
Average - \$/year						4.2	6.1	8.1	10.5	13.0

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

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