

PRESS RELEASE



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Toronto, Ontario

BUDGET FAILS TO CORRECT UNFAIR TAXES FOR SINGLE SENIORS

While the government's plan to give financial relief to seniors may be well-intentioned, it fails to reach the heart of the matter: unequal treatment of taxes between singles and couples, and renters and homeowners. Until that is addressed, no attempt at payouts will amount to much.

Here's what single seniors are saying about the Budget:

"Once again we're ignored. I'm tired of being shafted because I'm no longer part of a partnership."

"It's hard for singles to become homeowners. Time to give tax breaks to lifelong renters."

"An increasing number of us are living in single households, often as renters. We should be entitled to the same tax breaks as homeowners and couples."

CLAWBACK OF OAS FOR SINGLES

Seniors who are part of a couple are already in a favourable tax position because they can split income. This lowers their income level, and makes each partner eligible for OAS payments as well as the Age Credit. Single seniors, however, have no similar tax breaks and are therefore automatically in a higher tax bracket. This often results in a full clawback of their OAS payments.

SINGLES NEED HIGHER INCOME

Seniors who are single face further setbacks because statistics show they need 2/3 of the income of a couple to maintain a similar lifestyle. Many expenses such as housing, hydro, transportation, media are the same whether the household consists of one person or a couple. A larger income of course means higher taxes.

HOMEOWNERS BENEFIT – RENTERS PAY

Single seniors who are renters pay an even bigger price. Not only do they lack a home as a tax-free asset to give to their heirs, but the cash reserves they do have, usually in RRSPs or business corporations, will be fully taxed as income upon death. Often this means a 50% tax hit.

A growing number of seniors living alone, most of them older women, have to endure these inequities. Until the government remedies the unfairness of the current system, these people will remain as victims.

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SINGLE SENIORS FOR TAX FAIRNESS (SSTF)

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