

# Directive

## Directive: 2014 Imputed Rate of Return for Non-Income Producing Assets

<b>Issue Date:</b>	December 19, 2013	<b>Directive No.:</b>	2013-08
<b>Revision Date:</b>		<b>Revision No.:</b>	

**Applicable Policy:** IPDPROC12

**Type:** Legislative

*The policies and procedures in this Directive are to be implemented by Housing Providers/Cooperatives funded by the Municipality under the following programs.*

### Provincial Non-Profit Housing Providers

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Gananoque Family Housing                      | <input checked="" type="checkbox"/> Gananoque Housing Inc.                           |
| <input checked="" type="checkbox"/> Legion Village 96 Seniors Residence           | <input checked="" type="checkbox"/> Twp. of Bastard & South Burgess Housing Corp.    |
| <input checked="" type="checkbox"/> Brockville Municipal Non-Profit Housing Corp. | <input checked="" type="checkbox"/> South Crosby Non-Profit Housing Corp. – Pineview |

### Federal Non-Profit Housing Providers

- |   |   |
|---|---|
| <input type="checkbox"/> Athens & District Non-Profit Housing Providers | <input type="checkbox"/> Marguerita Residence Corp.                           |
| <input type="checkbox"/> Gananoque Housing Inc.                         | <input type="checkbox"/> South Crosby Non-Profit Housing Corp. – Rideau Lakes |

### Federal/Provincial Cooperative Housing

- Shepherds Green Cooperative Homes Inc.

### Affordable Housing Providers

- Elgin Seniors Housing Development

### Housing Providers

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> UCLG Public Housing Provider | <input checked="" type="checkbox"/> Rent Supplement Program |
|--|---|

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### BACKGROUND

Adjusted family income for the purpose of calculating rent-gear-to-income is based in part on the imputed income of each of the members of the family unit who have an interest in non-income producing assets. Imputed income is calculated by multiplying the value of the non-income producing assets by the imputed rate of return. Each year the imputed rate of return is based on the interest rate available on the November issue of Canada Savings Bonds (not Canada Premium Bonds) rounded down to the nearest whole percentage. The rate for Canada Savings Bonds issued November 1, 2013 is 0.50 per cent.

### PURPOSE

This directive confirms the imputed rate of return to be used to calculate income attributed to non-income producing assets. The imputed rate of return for 2014 remains at zero percent.

### ACTION TO BE TAKEN

Housing providers shall use zero percent to calculate imputed income on non-income producing or transferred assets for rent-gear-to-income calculations effective January 1, 2014 or later. The value of non-incoming producing assets must be verified annually. Examples of appropriate documentation include a statement of investments or an appraisal for property/real estate that cannot be lived in year round. Multiply the value of the asset by the imputed rate of return (0%) to determine the annual imputed income and then divide by 12 to calculate the monthly imputed income.

### REFERENCE

Canada Savings Bonds Annual Interest Rates

### REGULATION/LEGISLATION

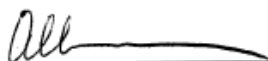
If you have any questions, please contact the following:

**Allan Brown, Manager, Housing Department**

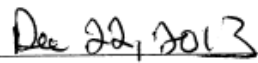
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**Date**