

Taxes

1. Do you believe municipal tax reform is necessary in Halifax? If yes, what reforms are you supportive of?

Response from: Barry Dalrymple- Dist 1

No response

Response from: Steve Streach-Dist 1

No response

Response from: Laurie Cook- District 2

Yes, many people in District 2 have told me they are very unhappy with the tax structure since amalgamation. It was unfortunate that Council was unable to agree on a tax reform package in 2010, despite the years of hearings and reports. I would like to review that work, and see if there any good ideas that might result in a tax system all of HRM could support.

Response from: Will Gillian- Dist 2

Yes, I feel that we need to revamp the current tax system. The people in District 2 feel that though they pay less tax then the urban Districts, the amount that they pay does not reflect the services that they actually receive. For example: if we are going to charge homeowners a sidewalk tax, maybe we can give them sidewalks and if we can't provide the sidewalks, remove that surcharge.

Response from: David Hendsbee- Dist 2

No response

Response from: Jason Josey- Dist 2

I absolutely believe a municipal tax reform is necessary in Halifax. HRM includes urban, suburban, and rural areas. The taxes that people pay need to reflect the services that they are receiving. Council needs to set a plan in motion with a definite time line to show the residents of HRM that they understand that there is unfairness in the existing tax system. I also think council should be working more closely with the Municipal Auditor General to ensure that any reforms made are done fairly and in the best interest of the residents. There needs to be more transparency when it comes to spending as well. Tax payers should have a clear understanding of where exactly their tax dollars are being spent.

Response from: Keith Leahy- Dist 2

Yes, there needs to be better reflection of services for taxes paid. For example many people in District 2 pay taxes as high as urban areas of the city but do not receive services such as sidewalks, transit, water/sewer or large recreational facilities to name a few. In saying that, I would propose that either the tax system or the distribution of services be reevaluated in order to address these issues.

Response from: Gail McQuarrie- Dist 2

No response

Response from: Jackie Barkhouse- Dist 3

I did not support the proposal to change the municipal tax system that was presented to Council last year because I felt it unfairly discriminated against homeowners in my district. That said, I am not opposed to the idea of exploring new approaches to taxation in principle. But it is clear from recent experience that future discussions need to involve other levels of government to create a balanced approach, without sudden huge increases or decreases, that is transparent enough that people can see and understand how they are getting value for their tax dollars.

Response from: Bill Karsten- Dist 3

No response

Response from: Jim MacDonald- Dist 3

No response

Response from: Lorelei Nicoll- Dist 4

I was one of ten councillors who voted to continue to explore moving off an assessment based property tax system, in January 2010. Although the motion was defeated, I continue to believe that further exploration is needed. I am supportive of tax reforms that make the tax system fairer and provides for a system that ensures that residents and businesses pay the real cost of the services they enjoy, yet which promote sustainable growth and economic development for the region. The recommendations put forward by the tax reform committee were a good starting point for moving in that direction, but in my view there were some gaps. Whatever is decided upon will affect the city and its taxpayers for many years to come. We must get it right, so further scrutiny and ample deliberation and public engagement is required.

Related to tax reform is the issue of fiscal responsibility. The city cannot rely on escalating assessments to increase tax revenues. Under a 'cost-of-service' tax regime, we must ensure

that we receive value for money and manage costs in a prudent manner. Further, we must make sure that the federal and provincial governments are paying their fair share.

Response from: Barry A. Smith- Dist 4

No response

Response from: Sam Austin-Dist 5

Yes! Our current tax system is unfair to residents and businesses in the urban core. Since land is cheaper on edge of HRM's urban area, Downtown businesses carry a greater share of the burden than their suburban counterparts. This encourages sprawl, which hurts the environment and drives up the cost of providing services. The business side is particularly problematic because our commercial taxes are relatively high and the assessment cap only applies to residential. Our tax system is part of the reason why almost all new commercial development over the last several years has been located in the business parks. The tax system also makes it tough to maintain key commercial services in urban neighbourhoods that have low margins. The cost of a haircut, for example, can only rise so far and has no relation to the rise in assessment. For residential, the problem is similar, except that people are more willing to suffer the unfairness. The tax system punishes people who remain in their neighbourhoods and hits people on fixed-incomes particularly hard.

Alternatives that I think are worth exploring: 1. Differential rates to offset high city centre land values. 2. taxing based on the cost of services. 3. a hybrid of property and service taxes (less emphasis on property taxes than there is now). or 4. corporate/income taxes. If we retain property taxes, the cap on assessment increases should be expanded to include commercial properties.

Response from: Sonya Dudka- Dist 5

YES, while some improvement has been achieved there is definitely still more room for improvement. The primary focus will be to achieve greater equity and fairness for all property owners in HRM. This includes not only taxation rates but also how and on what council is spending our tax dollars. We also have to be careful with the balance between residential and business, ensuring that we do not put too much of the tax burden on the shoulders of small business.

Response from: Ken Bowman-Dist 5

Yes, I am supportive of tax reform in HRM. However, before addressing the problems we must first look at the financial stability of the city. I do not, nor will not, say or promise anything which I am not confident can be accomplished.

There are many reforms of which I am supportive. A priority should be business taxes. In order to attract business to the HRM, we must show some compassion when it comes to taxation of new businesses. Having said that, HRM cannot be perceived as “too soft” in its tax collection efforts. In order for businesses to receive such consideration there must be many checks and balances put in place and business should be accountable for their proposal. If any business has done their homework, there should be no problems with accountability. Reforms should also be a priority for certain businesses that already operate within the HRM. These businesses are ones like large realty-holding companies. They themselves can support business development generally in our area by offering fair rents. Again by offering some sort of tax reform to this industry, with the correct checks and balances, we will be able to better compete in the global market place. Finally, I would also like to see reform for condominium owners and the elderly.

Response from: Bryn Jones-Vaillancourt- Dist 5

I believe that we need a review of taxation in Halifax. On the commercial tax side, I feel that we need to look at how taxes are assessed. That is to say, that the property assessments are fair and market value across the municipality. Also, to examine tax rates in business parks vs. regional centre, and look at how the system can be more equitable for all business owners. Also, I think we should look at providing a tax break to downtown business to support existing downtown business, while encouraging growth.

Response from: Gloria McCluskey- Dist 5

No Response

Response from: Kate Watson- Dist 5

We talk about revitalizing downtowns and curbing our reliance on cars, yet our present system of taxation encourages businesses to open in business parks rather than in city centres. We need to come up with (and implement!) a new business tax model that changes that.

Response from: Bill Zebedee- Dist 5

Yes, the way we collect both the residential and commercial taxes needs reform. Residential taxes: We need a system that stops penalizing people because their neighbours add a swimming pool or garage to their home. This system should recognize length of stay in home, availability of municipal services (sewer, water, garbage pick-up, etc). I would support a study to devise a new taxation system that combines property and house size, income and services. Commercial taxes: I spoke with a vendor I am using for some volunteer appreciation materials who saw his taxes increase from \$7,000 to over \$21,000 in two short years. This business is based in a retrofitted house on Bedford Highway. This type of taxation is also wrong. We need to come up with a formula that takes into account the square footage, the location and the actual use of the business. For example, a commercial space that brews beer is going to use more municipal water than a silk screening business, so why are they paying the same level for water? I'd also like to look at basing commercial tax on profits of that business. We need to have a frank, open dialogue with our business partners and devise a taxation plan where they will not see their taxes jump from \$7,000 to \$21,000 simply because of location.

Response from: Darren Fisher- Dist 6

No Response

Response from: Jerry Pye- Dist 6

No Response

Response from: Mike MacDonell-Dist 7

I'll preface all of my answers with the following; Don't be shocked if I don't use as much political spin and fluff as my opponents, I'm very frank with my answers and if you're ever not satisfied please feel free to let me know.

Starting with an independent review of our current system, I believe that tax reform not centralised among the re-distribution of tax is in effect one of the single biggest hinderances to development and stemming urban sprawl. By initially focusing on the way in which property valuations are calculated and following a trickle down effect from there my hope is that our city turns to density bonusing and a property tax hybrid that combines valuation with cost of service (rewarding centralised living/discouraging urban sprawl). Another proposal I will put forward is a student housing credit for renters who provide discounted housing to students. This will provide a two-tiered benefit, first it will allow those with open apartments to rent below market value and receive a tax credit if apartments were rented to students. It will also provide students with affordable housing, which will allow them to spend the additional resources back into the local Halifax economy.

Response from: Waye Mason- Dist 7

Taxes

1. Do you believe municipal tax reform is necessary in Halifax? If yes, what reforms are you supportive of?

I support reviewing how we are taxed to ensure fairness. Specifically:

1. The average tax paid per household must not go up faster than average income in HRM. This municipal cost driver index and CPI cannot be used to determine tax rates, we cannot have a higher and higher percentage of personal income going to fund the municipality.
2. Business tax rates must be competitive with other medium sized cities in Canada.
3. Runaway assessments should not mean runaway taxes. HRM should lower the residential and commercial urban tax base rate to compensate for assessment increase in the core.
4. Development charges need to be levied for new lots (residential and commercial) to ensure immediate and future cost of servicing those lots is covered by the development, not by the existing tax base.
5. Per foot of frontage could be considered as a variable when calculating the tax rate for some residential and commercial services costs and reflected in the tax paid – don't just base tax on property value.
6. Under the act HRM is to have an urban, suburban, and rural rate. HRM can use the many studies already produced to show cost of rural, suburban and urban service delivery and adjust the rates to be reflective of that. Some services would be cheaper per household to deliver in an urban environment and urban contribution to that expense should be correspondingly lower.

Response from: Dawgfather PHD- Dist 7

No Response

Response from: Sue Uteck- Dist 7

Yes, I do believe it is necessary. This is an agenda that I have pushed for the last 5 years on council but I am only one vote. There is a huge disparity between the residential and commercial sectors and between residential, apartments and condos. In the residential sector the cap applies to homes but not to multi unit buildings or condominiums. This is becoming a huge factor in rent increases for renters and owners alike. In the commercial sector you are seeing increases based on "speculative value" i.e. What can the future hold for this property in terms of zoning?

Reforms I am supportive of:

- A. Reduction in commercial rate for a defined downtown boundary in order to stimulate growth.
- B. Working with the business community to see what they need in order to make the downtown work.

- C. Maximizing height limits for buildings outside the core. Between 2008-10 96% of the office space was outside the core and only 4% in the core. You have to create a disincentive in order to realize an opportunity.
- D. If the tax cap (currently under review by HRM and PVSC) is going to continue then it must be applied fairly across the board. This includes condominiums and multi unit apt. buildings.
- E. An overall improvement in the tax and regulatory climate. Getting regulation and client service needs has to be a top priority for all levels of gov't.

Response from: Gerry Walsh- Dist 7

As a professional accountant, I understand that taxes should be fair and equitable. I also understand that governments can use taxation policies to achieve certain goals. From a residential point of view, there are inequities between taxes charged for houses, apartments and condos for buildings of roughly the same value, and I would support a review of these factors. From a commercial perspective, I would support tax initiatives that encourage more growth in the downtown core and less in the suburban areas.

Response from: Karen Dempsey- Dist 8

No Response

Response from: Doug MacDonald- Dist 8

I have talked to many residents in many weeks and they feel they are not getting their “ Best Bang “ for their buck. While Council chose not to go through with the process, I feel the new Council will have to review for fairness, equality and ensure residents taxes are spent efficiently.

Response from: Dawn Marie Sloane- Dist 8

Yes, municipal tax reform is required so that the municipality can develop in a sustainable fashion. The current taxation system bears no relationship to the cost of providing the services, nor does it take into consideration that established serviced areas taxes should be seen as a maintenance charge not a newly installed infrastructure cost.

Commercial tax reform must be tackled first. The current inequality is causing the urban core taxes to subsidize new infrastructure for new development outside of the serviced area and for the typical general maintenance and repairs to existing infrastructure to be deferred. This deferral of maintenance then contributes to our municipality to be re-active instead of proactive (sinkholes, water main bursts, patching of streets instead of repaving to mention a few current issues).

Furthermore, the commercial taxation is causing new developments to move out to business parks which have caused the critical need for more transit reform as not everyone

owns a car and the reliance on the automobile. Widening roads so not aid in making walkable communities.

We need to get back to the old “norm” of walkable neighbourhoods, where amenities are in your neighbourhood or the neighbourhood next to you.

Capital cost contributions must be reformed as well if we want to follow the lead of Harry Kitchen and Enid Slack. (<http://www.geog.utoronto.ca/people/faculty/slack>)

Response from: James McKay- Dist 8

A new municipal tax regime; i.e. substantial changes are due. My reforms will aim at holding and reducing property tax for middle class households and making a new system which is simple yet fair and predictable for people.

Response from: Jennifer Watts- Dist 8

I think it is important to examine the municipal tax system both for the commercial and residential sectors. I am interested in changes that can take place with the commercial tax rate so that businesses in the urban core are more competitive with suburban businesses. I also think that the huge jumps in assessments from year to year in the commercial sector need to be addressed. I support the initiation of the HRM/PVSC Assessment Taxation Working Group to address this issue.

I generally do not support a fee for service approach for residential taxes. Many services that we may not directly use have an overall benefit for our community as a whole. I am also concerned about the principle of equity which is based on residents paying tax according to their ability not the services that they receive. I support examining taxation models that are based on equity.

I am interested in examining whether a municipal tax system can influence residential growth patterns (i.e., support densification where existing infrastructure exists) and can support goals for greater environmental sustainability.

Response from: John Wimberly- Dist 9

No response

Response from: Linda Mosher- Dist 9

I am open to tax reform. During the tax reform process last time, we (Council) could not get agreement amongst 50% of residents either for or against despite the many public meetings and surveys conducted. Although that attempt was not successful, I remain open to consider other ways to conduct tax reform. It may be that any reform requires a stepped approach that would be implemented over many years so there is predictability.

One of the issues brought forward is that our commercial tax rate is higher than residential. In most cities businesses pay higher taxes. If we reduce the tax from business it will shift the burden to residential property owners. So we can look at reform but we have to be cognizant that the same amount of money is required so who is going to pay for this? On a positive note, we eliminated Business Occupancy tax and during the last budget we reduced the tax rate and the tax bills for most went down.

One major way we could reduce property taxes is to eliminate the provincial government's share of property taxes. Currently the provincial government takes 25% of all taxes collected by HRM. If the province could be convinced to stop clawing back these taxes, HRM could reduce everyone's taxes by 25%!

Response from: Richard MacLean- District 9

I don't believe the assessment based formula is sustainable or equitable; I am supportive of reforms based on cost of services. Leadership is needed to make changes for the betterment of our municipality.

Response from: Giovanni (John) Abati- Dist 9

YES Halifax Needs Reform - Fair Taxation

PROPERTY ASSESSMENTS

Completed: NOT YEARLY - Rather every 5-10 yrs or when the property is sold
Based on a formula that combines (Municipal Services available / Lot Size / Structure size / Property value / Household income).

As it stands it seems that Peninsula residents are paying more than their share

BUSINESS TAXES

Adjust Tax Rates of each District, the Business Parks & major centres
Once again Peninsula seems to be paying more than their fair share

NO WINTER PARKING BAN (I consider a TAX GRAB)

MY Solution: Use smaller plow-trucks

Even day = Even side of street / Odd day = Odd side of street

HRM Solution:

** Commercial - Keeps people out of the Downtown in the evenings or worse
may result in more drunk drivers.

** Residential - Give out Tickets

Forcing residents (owner / renter) to rent a parking spot or risk getting a ticket

Response from: Kurt Bulger-Dist 10

No response

Response form: John Thibeau- Dist 10

Yes. I believe that some of our current policies towards taxation in HRM require, at the very least, a thorough and in depth review. I also believe that some alternative forms of taxation could be implemented to help increase revenue for HRM public funds with minimal costs to the business community or the consumer.

One specific reform I would like to see happen is in regards to property taxes. Currently, property tax rates are divided into several categories (residential, commercial & industrial). Residential properties are of particular concern as they sub-categorized into different categories (single units, apartments, condos). There is an apparent unfair distribution in taxation versus cost of services that needs to be addressed. This is particularly true of condo owners. Taxes are higher for a condo unit than that of an apartment complex with the same amenities. This seems like unequal and unfair taxation.

I am interested in a suggestion made by the Alternative Budget that would see property taxes eliminated through a Municipal Income Tax proposal. I would like to see research done into this form of alternative taxation that would be more equitable to all residents of HRM while increasing our high level of public service.

Another consideration brought up through the Alternative Budget is the criteria for establishing the cost of property taxes. It is currently based upon the value of the home and property and instead of the income of the homeowners. In short, property taxes are based on an asset and not on one's ability to pay for it. In times of financial strife and economic recession, job and employment opportunity losses can lead to a sudden drop in income. A homeowner who once enjoyed a comfortable salary under current standards could end up losing their home as a result of not being able to afford property taxes.

As HRM currently receives most of its revenue through property taxes, a reform as proposed above could lead to a loss in current revenues. An in depth impact analysis would address this, though it would be necessary to seek new forms of revenue to compensate. One such idea is the Municipal Income Tax proposal mentioned above. There are also some interim solutions offered for the time of implementation of such a tax.

One solution proposed that would promote public and active transit would be a Commercial Parking Lot Tax. A small tax rate applied based on capacity and occupancy for commercial parking lots is a great way to generate revenue. Although this increase to costs to business centers outside of the core may be passed on to consumer, the long reaching, positive effects will benefit both businesses and resident in the HRM through better funded public services.

A second solution that I support is an Infrastructure Charge to developments. I do not want

to discriminate against developers as development is necessary to our growth as a city and growth in our economy. However, the costs of creating infrastructure for these developments still fall largely to the HRM. I would like to see a greater contribution on the part of developers. Over time their revenue will eclipse any contributions assisting in the expansion of infrastructure and services required for a new development.

These are just several ideas that I have been presented with and come to support through research into the taxation situation here in HRM. I would like to see some positive changes that will benefit all residents and businesses in the HRM both now and into the future.

Response from: Russell Walker- Dist 10

I believe HRM needs to find a different way to tax residents for the services they receive. This needs to be done so it will be fair and equitable to all tax payers. Residents should not see their taxes double or triple because of this reform.

Response from: Steve Adams- Dist 11

No Response

Response from: Peter Grabosky- Dist 11

No response

Response from: Jim Hoskins-Dist 11

No Response

Response from-Tom Lavers- Dist 11

No Response

Response from: P. Rano Khokhar- Dist 12

No Response

Response from: Reg Rankin- Dist 12

I certainly do support tax reform and was part of the movement to have council endorse some changes only to be defeated by a narrow vote of 12 to 10 against. With the new council this call for reform must be re-engaged. I suggest three areas for tax adjustments that may gain sufficient support: 1) the commercial sector needs to be protected from arbitrary political judgment by council agreeing to a maximum multiple rate of what council deems to be the resident rate. 2) Separate out of the general tax at least two property services that are measurable and direct relationship to a dwelling unit. 3)

Recognizing that everyone pays their fair share taxes.

Response from: Bruce Smith- Dist 12

Yes, I do support tax reform. I believe we need to look at both the residential and commercial tax structures, especially for The small business owners. However, I'm not a tax expert, so therefore we should engage those with the expertise.

Response from: Mary Wile- Dist 12

There is a need for municipal tax reform to ensure an efficient system to generate sufficient revenue for the required services while providing fairness for all taxpayers across HRM. One example is the Solid waste tax on apartment buildings that do not have their waste picked up by HRM. Apartment owners must contract companies to remove their waste or employ staff and buy vehicles to remove the waste from each building. In essence they are paying "double" for solid waste removal. It is estimated that some property owners pay as much as \$5000 a month to provide this service to their tenants. As a result, these costs are included in the amount of rent the tenant pays. It is important that the solid waste tax should be removed from apartment buildings and/or owners provided the service they are paying for through the tax.

Response from: Peter Lund- Dist 13

No Response

Response from: Doug Poulton- Dist 13

No response

Response from: Matt Whitman-Dist 13

No Response

Response from: Brad Johns-Dist 14

No response

Response from: Laurier Sauers- Dist 14

Tax reform is necessary; a homeowner should only be paying taxes based on the services provided to them by the municipality not based on assessment solely. A home owner living in Seaforth, for example, is not receiving the benefit of city water and sewer but is paying for it based on their home assessment. Also, there needs to be a tax incentive for small/medium business to encourage growth.

Response from: Steve Craig- Dist 15

I believe municipal tax reform and fair taxation is necessary in Halifax. Property taxes are more burdensome than other municipalities this is often cited from people and businesses relocating to HRM. Within HRM the disparity between rural, urban and suburban coverage - residential and commercial needs have been studied, reports made, much written and decisions delayed.

This complex and impactful area is one that I have yet to become responsibly knowledgeable about to state the reforms I am supportive of. As a new Council member, this is an area that I will quickly work on.

Response from: Janet Langille- Dist 15

No response

Response from: Stephen Taylor-Dist 15

No response

Response from: Curt Wentzell-Dist 15

No response

Response from: Ian Wilson-Dist 15

No response

Response from: Tim Outhit- Dist 16

I believe that municipal tax reform/tax fairness is long overdue in Halifax. I am particularly supportive of new tax fairness or incentives for small business owners and condominium owners. The existing assessment only based system is particularly unfair to these two groups.

Response from: Mark Ward

No Response

