

Paying for Our Cities

April 11, 2013

Metro Vancouver Sustainability Community Breakfast

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Delivering Services for a Prosperous Region: Revenue

- Only have powers delegated by Province
- Revenue powers in BC:
 - property tax, local service tax, parcel tax, DCC's
 - fees
 - grants, contracts, gifts, enterprise
- Local governments in US/EU: sales tax, income tax, etc.
- *Community Charter* white paper promises more

Delivering Services for a Prosperous Region: Revenue

- **Income tax:** Europe, US, Japan, S. Korea, Turkey, etc.
- **VAT/sales tax:** Europe, US, Japan, Turkey
- **Taxes on fuel, hotel, or other specifics:** NOT in Canada, UK, Australia, France or Scandinavia
- **Tax on permission** (e.g., to pollute)
- **Property tax:** Canada 93%; EU average <20%, US 70%

Delivering Services for a Prosperous Region: Revenue

- Other local governments in Canada
- **Alberta:** business tax, fuel tax revenue sharing; tax on services (e.g., water, sewer)
- **Manitoba:** business tax, natural gas/electricity tax, amusement tax (and by prov agreement hotel, liquor)
- **Toronto:** road tolls, property transfer tax

Delivering Services for a Prosperous Region: Revenue

Options for BC

- Property tax room (divert some from provincial general revenue)
- Sales tax (1% = \$550M = 20% of property tax)
- Income tax (1% = \$60M = 2.5% of property tax)
- Fuel, hotel, entertainment, parking, MV, resort, toll
- PILT and GILT (and note *BC Ferry Corp* case)
- enterprise, franchise tax, add revenue to P3's