

# Deed Transfer Tax

Estimate of Residential and Commercial  
Benefits and Phase Out Implications





# Current Revenues

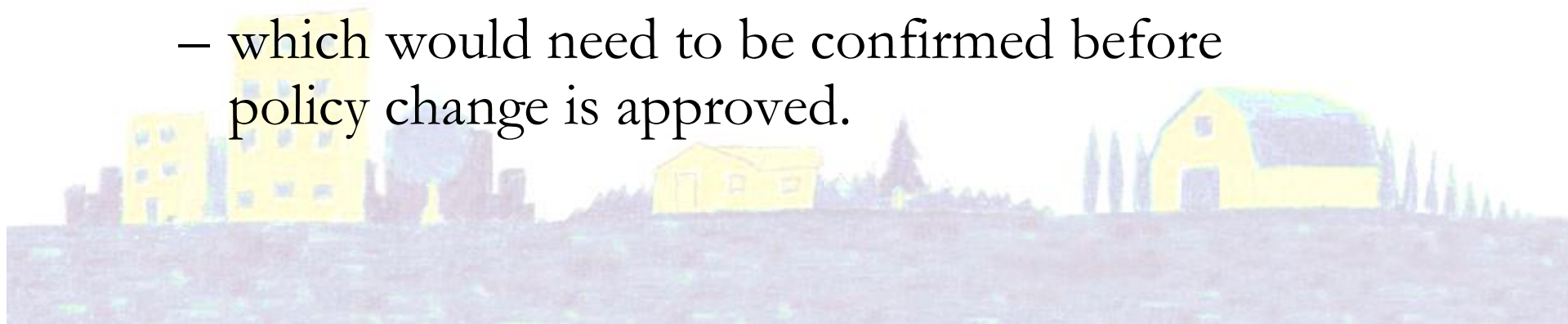
- For past many years Deed Transfer Tax has been HRM's largest single revenue sources, after property tax:
  - \$32.8 million in 2006/07
  - \$32.1 million in 2005/06





## Residential/Commercial Share

- Based on an HRM Tax Roll review of new accounts and changes in owner (description), 2006 to 2007:
  - Residential contributes approx. 77% (\$25 million)
  - Commercial contributes approx. 23% (\$8 million) of total Deed Transfer Taxes.
- This is only an estimate,
  - which would need to be confirmed before policy change is approved.





# Phase Out Implications

- Based on 2006/07 tax year, to compensate for elimination Deed Transfer Tax, property taxes would need to increase by:
  - 10.5% for Residential property;
  - 4.5% for Commercial property.
- E.g., if phased out evenly over 8 years, would imply (property tax) increase of:
  - 1.3% per year for Residential property;
  - 0.6% per year for Commercial property.

