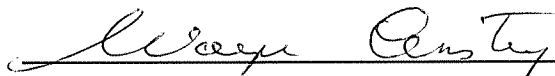


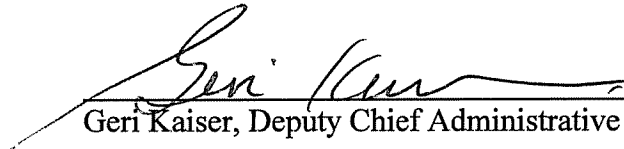
**Committee of the Whole**  
**August 8, 2006**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**



Wayne Anstey, Deputy Chief Administrative Officer



Geri Kaiser, Deputy Chief Administrative Officer

**DATE:** August 3, 2006

**SUBJECT:** Approach to Tax Reform

**ORIGIN**

This report originates with a motion of Committee of the Whole (April 16, 2004 by Councillors Uteck and Fougere) that staff investigate the tools required to “address issues pertaining to assessment”.

Subsequent to that motion, staff recommended a Revenue Strategy project that would look at tax reform. Tax Reform has been discussed with Council on several occasions including March 8, 2005, September 6, 2005 and, most recently, during the January 24, 2006 Committee of the Whole Focus Areas on Taxation. At that meeting Committee of the Whole recommended that there be public consultations on tax reform.

**RECOMMENDATION**

It is recommended that Regional Council:

1. Confirm an approach to Tax Reform; and
2. Approve the creation of a project-specific (ad-hoc) Steering Committee to include Councillors and HRM residents as members.

## **BACKGROUND**

Tax Reform has been discussed by Regional Council on a number of occasions, most recently during the Committee of the Whole Focus Areas. Since that time staff has held discussions with the Province of Nova Scotia on tax reform. In addition, Regional Plan hearings have ended with the Plan being approved. The latter initiative provides key background information for tax reform. As such public consultations could begin as early as the Fall of 2006. It is critical that any such initiative be led by a Council Steering Committee.

Staff has carried out extensive research on tax reform including:

- 1) a review of other municipalities, in Canada and other countries, identifying different taxation and revenue systems in use;
- 2) a survey of HRM residents on taxation issues and tools;
- 3) a basic plan and approach for public consultations including a draft information brochure.

Council's Tax Reform initiative is at the point, now, where it is able to move to the next phase of public participation. This will help Council and HRM staff more fully understand what the public believe their municipal tax system should be doing for them.

## **DISCUSSION**

For tax reform to be successful, staff have identified four key objectives that must be achieved. First, there must be broad agreement on the objectives of the tax system. Secondly, there must be a willingness to accept change. Third, there must be a search for innovative approaches to taxation. Lastly, there must be Council support and leadership of the project. At this time, staff is asking Council to confirm the overall approach to reform that should be considered.

Based on Regional Council's request to investigate alternatives to market value assessment, staff are recommending that a Council Steering Committee be formed to review the on-going project plan including the critical public consultation component of this initiative. Public consultations are an opportunity to develop new relationships between taxpayers and HRM. To do this, the public consultation must be informative, engaging and well-structured. The Steering Committee comprising both Councillors and HRM residents would be well-positioned to assess how well the public participation aspects, as well as the overall project process, supports the Tax Reform initiative.

The purpose of the Steering Committee is to:

1. provide direction and oversee the tax reform project,
2. approve a communications plans
3. schedule public consultations, and
4. develop and assess any proposed options for reform.

It is hoped that the Steering Committee will be appointed very shortly and will start an immediate

review of the existing project plan. While timeframes are tight, public consultations could start in the fall of 2006.

### **BUDGET IMPLICATIONS**

There are no immediate budget impacts. Funds for any public consultations are expected to be provided for through Finance and through Fiscal Services.

### **FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

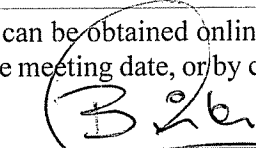
### **ALTERNATIVES**

- 1) Regional Council may chose another approach for the Tax Reform initiative that may be supported by an Advisory Committee. That committee could assist staff and Council in developing alternatives to reduce HRM's (revenue) dependence on market value assessment.
- 2) Regional Council could chose a phased approach, in which some specific issues are addressed in a shorter time frame and other issues are addressed over a longer period of time.

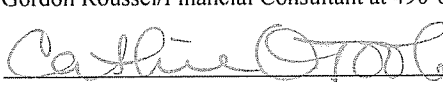
### **ATTACHMENTS**

- Attachment A - Taxation Tools and Mechanisms
- Attachment B - Summary of Comparative Local Government Tax Information
- Attachment C - CRA Urban Report (Fourth Quarter 2005)
- Attachment D - "Working Together to Rebuild the Municipal Tax System in HRM" - Draft Brochure

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:  Bruce Fisher/Manager, Fiscal and Tax Policy at 490-4493

Financial Review:  Gordon Roussel/Financial Consultant at 490-6468

Report Approved by:  Cathie O'Toole, Acting Director of Finance at 490-6308

# Attachment A

## Taxation Tools and Mechanisms

- (1) **The Current Market-based Assessment Tax System**
  - (i) Keep system as is,
  - (ii) Use Maximum Tax,
  - (iii) Support Assessment Cap,
  - (iv) Enhance Temporary Tax Credit,
  - (v) Introduce Circuit Breaker (rebate based on taxes as percent of income),
  - (vi) Relay more heavily on area tax rates, not general tax rates.
  
- (2) **A Modified Assessment System**
  - (i) Base Property Tax on Value of Buildings and Structures only,
  - (ii) Use a "Standard Cost" for the Value of Land,
  - (iii) Introduce a "Cap" on the Value of Land,
  - (iv) Base Property Values on "Acquisition" price,
  - (v) Freeze Assessment and allocate future costs based on number of accounts.
  
- (3) **New or Swapped Tax Powers - Reduce Property Tax and ...**
  - (i) Introduce Municipal Sales Tax,
  - (ii) Introduce Municipal Income Tax,
  - (iii) Introduce Municipal Fuel Tax,
  - (iv) Introduce Municipal Liquor Tax,
  - (v) Province to raise provincial taxes (in lieu of lower municipal taxes) and provide Unconditional Operating Grants.
  
- (4) **New/Increased User Fees**
  - (i) Solid Waste, Roads, Recreation and other fees used in lieu of lower municipal taxes.
  
- (5) **Dwelling Unit and other Charges**
  - (i) Use a high Minimum tax with income-tested rebates,
  - (ii) Dwelling Unit Charges,
  - (iii) Per Property Charges,
  - (iv) Acreage Charges,
  - (v) Frontage Charges,
  - (vi) Introduce a combination of Dwelling and Frontage Charges,
  - (vii) Poll Tax,
  - (viii) Tax Based on Square Footage of buildings.

Note: Many of these tools require provincial legislative changes.

**Attachment B**

**Summary of Comparative Local Government Tax Information**

**Canada.....pg 2**

- Newfoundland
- Prince Edward Island
- New Brunswick
- Quebec
- Ontario
- Manitoba
- Saskatchewan
- Alberta
- British Columbia

**United States.....pg 8**

- Portland, Maine
- Boston, Massachusetts
- Baltimore, Maryland
- New York, New York

**Europe.....pg 11**

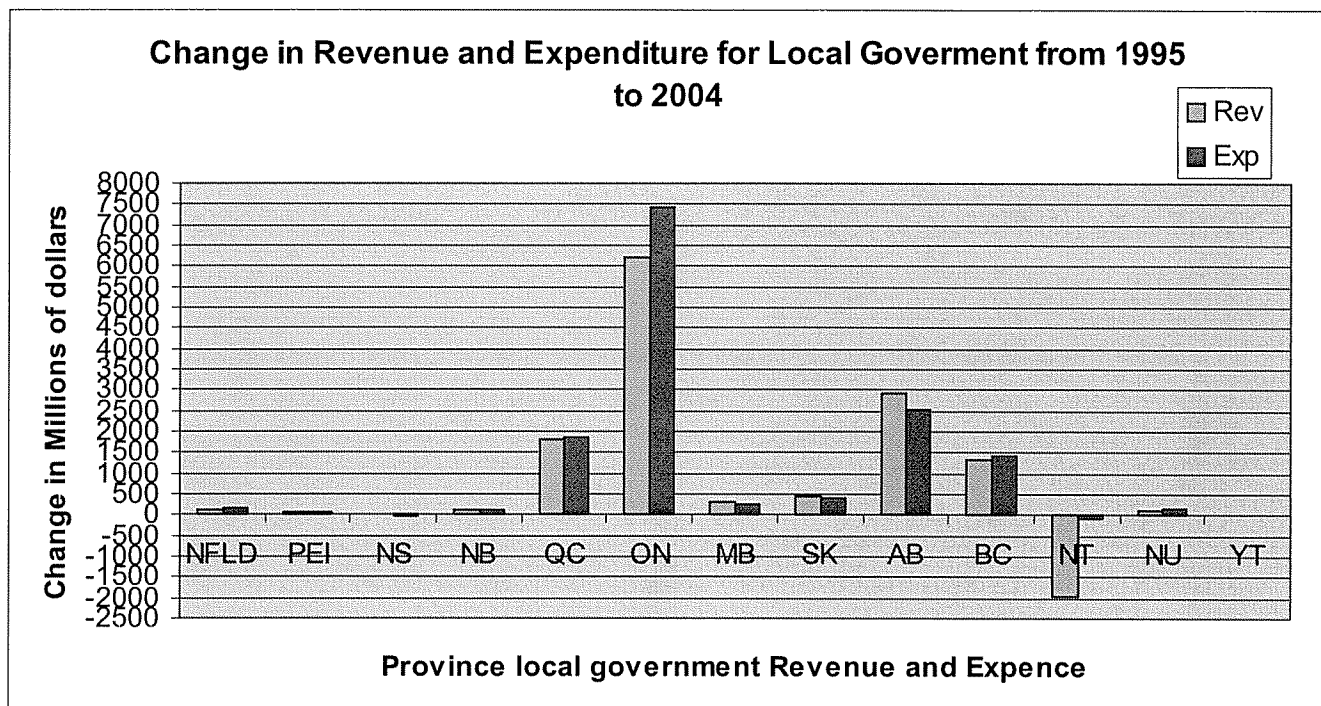
- United Kingdom
- Switzerland
- Finland
- Sweden

**Australia and New Zealand.....pg 15**

- New Zealand
- Australia

## Local Governments in Canada

- Property taxes are the main source of revenue for local governments across Canada
- Market value assessment, also known as “current value” assessment in Ontario, is the main assessment method used by all provinces
- No local government is permitted to levy an income tax
- Although local government revenue has been increasing all across Canada, it has increased the least in Nova Scotia from 1995 to 2004
- Also, while other local governments are increasing their spending on services, local government spending in Nova Scotia has been decreasing (See chart)
- Revenue derived from property and related taxes increased from \$35.8 billion in 1996 to \$93.8 billion in 2004
- A business occupancy tax is levied in St. John’s, Winnipeg, Edmonton, and Calgary. It is being eliminated in Nova Scotia



### Newfoundland

- Newfoundland does not impose a school tax, and municipal property taxes are optional
- Property is assessed by the provincial Municipal Assessment Agency, except in St. John’s where the property is assessed by the city
- Business occupancy or “business” tax is calculated as a percentage of the assessed value of the portion of a property being occupied by the business operation. The 2005 general business tax mil rate is 18.76, or 1.876 %, with a fluctuation in that percentage for a small number of specific business classes

- St. John's offers a ten year holiday for the Business Occupancy Tax, followed by a five year phase in period increasing by 20% per year for companies that are part of the province's Economic Diversification and Growth Enterprises Program
- In St. John's, registered charities and daycare facilities are not exempt from the Business Occupancy Tax, but they are presently taxed at a zero mil rate
- There is a 10% increase in the Business Occupancy Tax for businesses located in the Business Improvement Area
- Market value is used for property valuation in St. John's, and has a three year assessment cycle
- St. John's can impose a fuel tax that does not exceed .50 cents on every litre of fuel oil purchased
- Entertainment taxes can be placed on forms of public performance, either imposed on the management of the entertainment, or upon admission
- There is a cable installation tax that must be paid by the owners for the right to install cable
- There is a deed transfer tax that is not to exceed \$25.00

### **Prince Edward Island**

- The province collects both the provincial and municipal property taxes

### **New Brunswick**

- Both the province and the local governments have property taxing authority in NB
- The province collects both the provincial and municipal property taxes; however, municipalities are able to set their own property tax rates
- The provincial rate is an additional \$1.50 per \$100 of assessment for residential property, and \$2.25 per \$100 of assessment for non-residential property; however, the \$1.50 for residential property is not applied if the property is owner occupied
- In an attempt to create an encouraging business growth, the province has frozen the assessments of certain heavy industries
- Non residential properties are taxed 1.5 times more than residential
- Property assessment is based on market value, and is reassessed annually
- Municipalities in NB also derive revenue from Business Improvement Areas
- The Business Improvement area tax is not to exceed .20 per \$100 of assessment

### **Quebec**

- Quebec allows local government to levy a transfer tax on most real property
- The tax rate is set at 0.5% on the first \$50 000, 1% on the next \$200 000, and 1.5% on amount exceeding \$250 000
- Farm, woods, and government property are all exempt from this tax
- General tax rates for the city of Quebec does not include snow removal, water, or solid waste
- Local governments in Quebec may levy an amusement tax

## **Ontario**

- In Ontario, social services make up for 25% of municipal spending.
- Ontario has a universal residential tax rate for education, so that regardless of ones location in Ontario, people pay the same tax rate for education which was .296% in 2004 and 2005
- There is no business occupancy tax in Ontario; it was eliminated in 1997
- Tax capping legislation limits tax increases to 5% of the previous year's levy plus municipal levy increases for commercial, multi residential and industrial property
- Provincial laws also restrict the government's ability to shift tax burden from residential to other property classes through a “range of fairness”
- There is already a gap between the amount of property taxes paid by residential and non residential, but the province has limited the ability of municipalities to increase this gap
- Assessments in Ontario are conducted by the Municipal Property Assessment Corporation (MPAC)
- Ontario uses current value assessment for property valuation that is planned to be updated every year
- There was no reassessment for 2004, however, as Ontario is phasing in a new valuation date. The valuation date is changing from June 30 to January 1 of the assessment year
- Tax exemption/rebate programs include the Farm Property Class Tax Rate Program, Managed Forest Tax Incentive Program, Seniors and Disabled Exemption Program, and Vacancy Rebate Programs
- The province of Ontario requires municipalities to provide eligible charities with a rebate of at least 40% of their property taxes
- In Kitchener, there is a rebate program for commercial or industrial business owners if they have a building or a portion of a building that has been vacant for more than 90 days
- Toronto wants to break away from the provinces control, and increase their revenue sources through access to income and sales taxes

## **Manitoba**

- Market Value assessment is used for valuation of property, which is reassessed ever 4 years
- Assessments are conducted by the province, except in Winnipeg
- Residential property owners pay taxes on 40% of its assessed value, while non-residential property owners pay taxes on 65% of their assessed value.
- A \$400.00 Provincial tax credit for individuals is deducted from property tax bill automatically and is part of the residential tax formula
- In addition to each city’s mill rate, each school district is able to set its own mill rate
- A business tax is applied to the annual rental value of the businesses in Winnipeg
- The rate is capped by the city at 15%.



- Businesses in Winnipeg can be paying up to five different types of property taxes including:
  - School Division Tax
  - Municipal Property Tax
  - Provincial Education Support Levy
  - Municipal business tax in some areas
  - Local improvement zone levies
- Manitoba transfers 2.2% of its personal income tax revenue, and 1% of its corporate income tax to its municipalities
- Local governments in Manitoba can also piggy-back onto the province's tax on hotel rooms, restaurant meals, and on liquor purchases
- Transfer taxes are permitted for local governments in Manitoba, but currently there are no local governments exercising this power, and the tax rate that would be applied has not be legislated
- Winnipeg also receives a portion of the province's fuel tax
- In addition, the city levies a tax on billboards, depending on the square footage area
- There is also a tax on the consumption of electricity and natural gas. The rate for residential consumption is 2.5%, and 5% for businesses. The amount of the resource used for heating is exempt from the tax
- A tax of 10% is also levied for the Entertainment Funding Tax
- In its New Deal, the Winnipeg was looking to
  - Reduce property taxes in half
  - Eliminate the business tax
  - Reduce the cost of public transportation to encourage use
  - Bring in new user fees to heating bills, hotel rooms, solid waste collection, and alcohol

### **Saskatchewan**

- Property is assessed by the Saskatchewan Assessment Management Agency
- In Regina school districts and Library Boards have the authority to set their own mill rates; however, the library boards' mill rate must be approved by the Regina City Council
- Regina taxes provincially owned electrical and natural gas utilities; however the tax rate on provincially owned electrical and natural gas utilities is capped by the province
- The business tax was eliminated in 2000 mainly due to an increase in the amount of payments-is-lieu by the province of Saskatchewan
- There is no provincial capping on the assessments, rates, or revenue for property taxes, however, the province set a proportion rate used to calculate the amount of the assessed value of a property that can be taxed: 70% for residential, and 100% for Commercial
- Regina also has the ability to levy a base rate, however, they are not using a base rate in 2005 for residential property taxes
- In 2006 there will be a uniform education tax credit

- The city of Regina also has a two-year phase in period for commercial and industrial property tax increases
- In 2005, the phase in period stipulates that the tax increase will not exceed 30% or \$3000, whichever is greater
- Also decreases in commercial taxes will be phased in at 50% of the decrease in excess of \$10 000
- The city of Regina uses Fair Value Assessment, and reassessment is conducted every four years
- The city levies an amusement tax of 10% on tickets sold for concerts, sporting events, theatres, etc

### **Alberta**

- The education mill rate is determined by the province
- It is collected by municipalities on behalf of the province
- Edmonton and Calgary now receive provincial grants for transportation infrastructure that is set at the equivalent of approx. 4.5cents for every litre of fuel sold in the two cities
- There is a Business Occupancy Tax in both Edmonton and Calgary
- In Edmonton and Calgary, the business tax is applied to the annual rental value of businesses
- Edmonton can charge a local improvement tax
- Edmonton also levies separate taxes on utility operations, which is capped by the province
- In Calgary any business doing renovations must apply to become a Business Revitalization Zone (BRZ), and businesses within that zone are expected to pay an additional, specific BRZ tax
- Both Edmonton and Calgary use market value assessment for valuation of property
- There is no provincial capping on the assessment, revenue, or tax rates
- However, in 2004 Calgary's budget guidelines stipulated that the municipal property taxes were not to increase by more than 5%, and also that there be no business tax increase
- The assessments are conducted by the province annually

### **British Columbia**

- There is no business occupancy tax in British Columbia
- Market value assessment is used for property valuation, and is reassessed yearly by BC Assessments
- Victoria and Vancouver collect the education portion of the property tax, which is remitted to the local school boards and the provincial government
- In addition, the city of Victoria collects taxes on behalf of the Capital Regional District, the Capital Regional Hospital District, BC Assessments, Municipal Finance Authority, and the Regional Transit authority
- For these taxes, the city of Victoria does NOT set the rates
- There is currently no provincial capping on the assessment, revenue, or tax rates

- There is a Home Owners grant that can reduce the amount of property taxes paid
- Applicants must apply for the program annually
- The maximum reduction for the grant is \$479, with an additional \$275 grant available to seniors and permanently disabled persons
- The minimum amount of taxes that must be paid is \$350, and \$100 for those eligible for the additional grant
- Vancouver, Victoria and other municipalities offer a Tax Deferment Program
- In Victoria, the basic residential garbage collection service includes one regular container of garbage per collection period
- A User Pay sticker must be placed on all other garbage to be collected at the expense of \$3.50 per sticker
- The city of Victoria has a sewer frontage charge that is included on the property tax bill; in addition, there is a rate charged for sewer based on metered water consumption at .54 per 1 until of water consumed
- Vancouver allows two garbage cans to be collected weekly. Any additional garbage is subject to a fee
- A tax of 8 cents per litre on fuel is levied to Vancouver for capital and operating costs of transit services and major roads within the Greater Vancouver Regional District
- Cities in BC are permitted to levy a 2% sales tax on lodging and accommodations (which is in addition to the 8% tax levied by the province)
- This rate is capped at 2% by the province
- All funds raised by the hotel tax in Vancouver are transferred directly to Tourism Vancouver
- Vancouver also levies a business improvement tax
- Vancouver also receives 10% of the net profits from the Casino operations, and a share of provincial traffic fine revenue
- Vancouver also generates revenue from issuing permits for development, building, Occupancy, Plumbing Gas and Electrical installation, and tree permits
- The city of Victoria also derives revenue from park and recreation fees

## ***The United States***

Although market value assessment is the most commonly use method for property valuation, many local governments, most notably those in California use acquisition value assessment (a variation of market value) for property valuation. Acquisition value assessment freezes the market value of a property at the year of purchase. The assessed value of the property will only increase at a set rate (in many states, the rate of inflation) until the property is sold. Once the property is sold, the property is reassessed at its current market value. Acquisition value assessment creates a situation where many local governments are restricted in their ability to raise substantial property tax revenue due to the limit on assessment increases. In most states using acquisition value assessment, the limit on assessment increases may only be lifted with a majority support in a popular vote.

### **Portland, Maine**

- 2005 tax rate in Portland for property tax is 20.13 per \$1000 of assessment
- To encourage new capital investment in Maine, local property taxes are reimbursed for most qualified businesses for up to 12 years; this reimbursement must be applied for annually
- Maine also has a Residence Property tax and Rent Refund program made for people whose property taxes exceed a certain % of their income
- There is also a homestead exemption program, and Blind and Veterans Exemptions
- 44% of local government revenue in Maine comes from property taxes, 33% from income taxes, and 23% from sales tax revenue
- Property is assessed at its Just Value, or fair Market Value
- Portland currently has a phase in for increases of assessment valuation
- Last assessment in Portland was conducted in 1991
- Portland also generates revenue from a real estate transfer tax of \$2.20 for each \$500, which is paid half by the grantor and half by the grantee

### **Boston, Massachusetts**

- Property assessment is conducted annually in Boston with a base date of January 1<sup>st</sup> each year using Market Value assessment
- Boats are also taxed at the rate \$10 per \$1000 of valuation for every vessel moured in Boston
- There are four classes of property taxes in Boston
  - Class 1- Residential
  - Class 2- Open Space
  - Class 3- Commercial
  - Class 4- Industrial
- Boston also has a motor vehicle excise tax which is based on the value of the motor vehicle according to the manufacturers' list price for the vehicle

- A rate of \$25 per thousand is applied to a portion of the assessed value
  - First year of manufacturing-90% of value
  - Second year- 60%
  - Third year- 40%
  - Fourth year- 25%
  - Fifth year, and every year after- 18%
- For the motor vehicle tax there is no consideration for financial hardship
- Proposition 2 ½ adopted by voters in the commonwealth of Mass. in 1980 is related to the total amount of property tax which a city or town can raise each year
- Proposition 2 ½ also reduces the motor vehicle excise tax and allows renters a deduction on their state income tax
- Tax levies cannot exceed 2 ½ % of the full cash value of all taxable property in the city or town, creating a tax ceiling
- A tax levy cannot increase from year to year by more than 2 ½ % with certain exceptions for new growth
- Property tax relief is offered for the blind, hardship, veterans, widows, and the elderly
- Property taxes are the city's largest revenue source
- There is also a 4% room occupancy rate that is collected by the commonwealth, and redistributed to local governments

### **Baltimore, Maryland**

- As part of a long term growth strategy, the city is moving to a five year plan to shrink Baltimore's property tax rate by 2% each year for a total of \$37 million over the five years
- Property tax revenue makes up 30.4% of total revenue for the city, income tax provides 10%
- Charges for services at 16% is the second largest revenue source
- The largest expenditure are on public safety and education
- The city has both a real estate and personal property tax
- There is a cap on homeowner's assessment increases of 4%
- The city's income tax rate for 2005 is 3.05
- The revenue derived from income tax is declining due to the loss of jobs and the stagnation of income growth
- There is also a decline in the number of income tax returns and total net taxable income
- Low interest rates has increased the volume of property sales, leading the city to impose a transfer tax to generate revenue
- The city also generates revenue through fees for building construction permits, false alarms, food dealer permits, and storage fees at city impoundment lots

- Property tax burden can be reduced through the homestead tax credit, the enterprise zone property tax credit, the newly constructed dwelling property tax credit, the Brownfield property tax credit, and the home improvement property tax credit
- Baltimore has also recently issued the highly controversial cell phone and technology tax of \$3.50 on cell phone and landlines.
- 160 local governments in California are also implementing cell phone fees, much to the dismay of consumers and cell phone providers
- The tax is very controversial due to the fact that the use of cell phone does not provide local government with any added costs

### **New York, New York**

- Local government in New York can levy sales and income taxes, as well as property taxes
- Property tax relief is offered through
  - Disabled homeowners exemption
  - Property rebate to offset property value increases
  - School tax relief for tax payers over 65
  - Senior Citizen Homeowner's exemption for tax payers 65 and over on a limited income
  - Veteran's exemption
  - Construction exemption
  - Government property exemptions
- In addition, the Industrial Development Agency provides tax exemptions to stimulate business expansion and increase employment for manufacturing industrial not-for-profit corporations
- There are 4 classes of properties in New York
  - Class 1- Residential 1-3 dwelling until homes
  - Class 2- All other Residential property
  - Class 3- Utility property
  - Class 4- All other commercial property
- In 2005, tax rate for class 1 property is \$15.094 per \$100 of assessment
- In 2005, tax rate for class 4 property is \$11.55 per \$100 of assessment
- Total assessment value for property in 2005 has increased by 15.8% above 2004; 90% of this increase is from residential
- Taxing authority at the local level is shared by school districts, towns, counties, cities, and municipalities
- Market value is used for property assessment
- The city of New York experienced revenue problems after they shifted their tax system away from property taxes to the more revenue elastic sales and income taxes in the 1970's

## *Europe*

### *United Kingdom*

In the United Kingdom, property taxes account for 25% of local government revenue. Called the Council tax, the property tax replaced the hard to administer poll tax. In applying the Council tax, residential property is coded into classes A-H (I in Wales) according to the assumed capital value of the property (similar to market value). Each local authority sets the levy on band D property; all other band rates are expressed as a ratio of the band D rate. The central government has the power to cap the council tax if it feels that it is too high. 2005 was a revaluation year, the first since 1991. Tax bills that are based on the 2005 values will be issued in 2007. Due to the revaluation, 1/3 of properties will now be placed into a higher class than before; some will move up by as many as 4 classes. In Wales, a new band (I) had to be created to accommodate the rise in property values. The council tax is the only tax local governments are permitted to levy.

1

<b>Band</b>	<b>Value</b>	<b>Ratio</b>
A	Up to £40,000	6/9
B	£40,001 to £52,000	7/9
C	£52,001 to £68,001	8/9
D	£68,001 to £88,001	9/9
E	£88,001 to £120,000	11/9
F	£120,001 to £160,000	13/9
G	£160,001 to £320,000	15/9
H	£320,001 and above	18/9

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<sup>1</sup> <http://www.local.communities.gov.uk/finance/ctax/ctaxvalappeal.pdf>

### ***Switzerland***

Like in Canada, local revenue power in Switzerland varies from state to state. General revenue sources permitted for local governments include required income and wealth tax, a capital gains tax, taxes on households, tax on real property, tax on transfers, dog tax, and entertainment tax. For the mandatory income and wealth tax, the state level government sets the graduated rates; however, each municipality is able to set the portion of the rate that it wishes to levy.

### ***Finland***

Finland's revenue sources for local governments are quite different from those in Canada. Local governments in Finland have the ability to levy income taxes, which is the predominant source of revenue. The average income tax rate was 18.0% in 2003, an increase from 17.5% in 1998. The increase in the income tax rates at the local level have national governments concerned with the dependency on the income tax for local revenue.

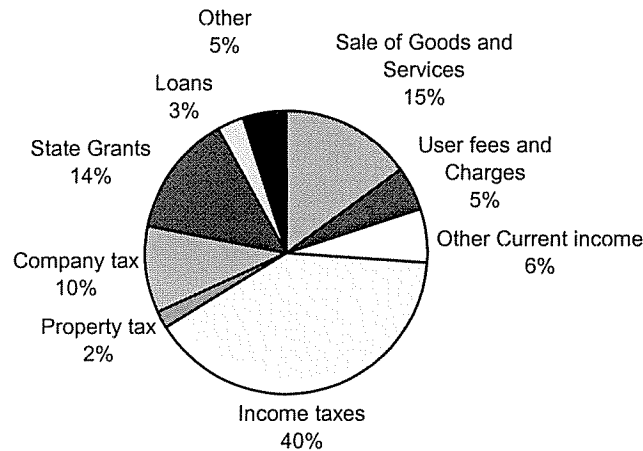
In addition to income tax, local government may also levy a company tax. The company tax rate is set by the national government, the revenue is collected at the national level, and a portion of the revenue is redistributed to local governments depending on the number of companies and the size of the workforce in their jurisdiction. The company tax is very elastic, and therefore is very sensitive to the ups and downs of the economy. For this reason there has been a shift away from the use of the company tax. The amount of the company tax that is redistributed to local governments has decreased from 40% to 20% over the last few years, and state governments have compensated for this decrease by increasing grants.

This shift away from company tax has been good for smaller cities, but not for the larger cities where the majority of companies are located. There has been an effort to find additional revenue sources for local governments, which has led to the introduction of a property tax. Local governments now have the power to levy property taxes except on agricultural or forestland property. Parliament limits the revenue by enforcing a maximum level. The property tax is especially beneficial to rural areas, as local governments have the ability to levy higher tax rates on a secondary residence (such as summer homes), which are mainly located in these areas. As a revenue source, the property tax is growing in importance in Finland; however, it still only counts as 2% of the total finance for municipalities.

Local governments in Finland also receive three types of state assistance: Transfers in the form of block grants designated for specific areas; compensation for revenue; and government grants. Government grants must be applied for annually. Finally, 26% of local government revenue is raised through selling services and user fees. The revenue gained through user fees may not exceed the cost of providing the service.



## Local government revenue sources for Finland



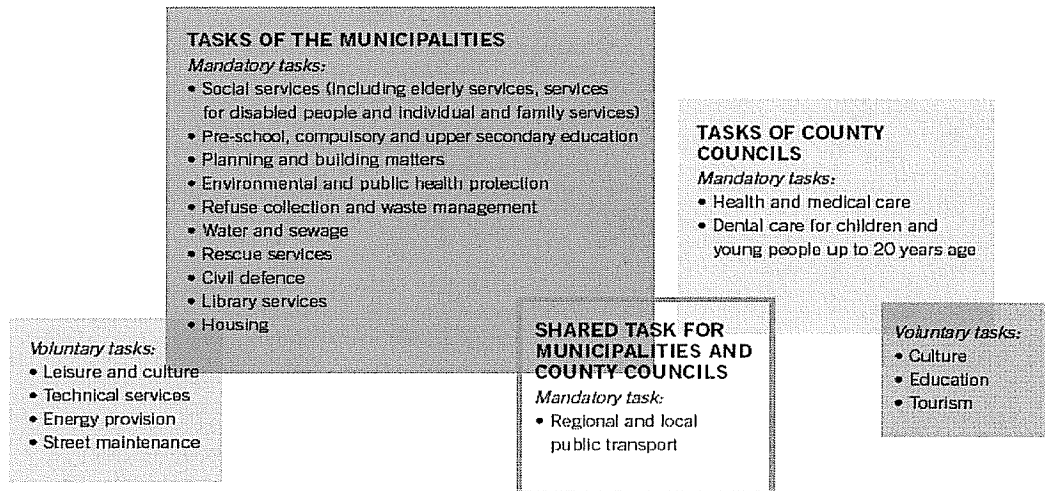
## *Sweden*

Local governments in Sweden are the main providers of public services. In Sweden, local authorities have the ability to tax income. The average income tax rate for local governments was 31.5% of earned income (21% for municipalities, and 10.5% for county councils). Income tax revenue is the main source of revenue for the local governments; the second largest being grants provided by state governments. Like the Canadian federal/provincial system, Sweden has an equalization system for local government to ensure that citizens receive equal quality services regardless of location.

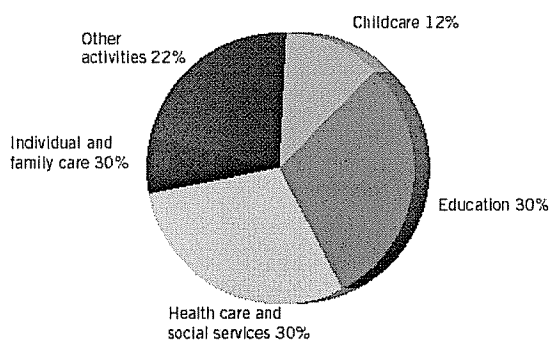
User fees for services such as health care, elder care, and childcare are also a large source of income for local governments; however, due to the restrictions placed on fees by state authorities, the use of user fees has been declining.

Municipalities are responsible for many social services; the main responsibility being education. Local governments provide almost all education, excluding university level; this includes preschool for children the age of one and over if both of the parents are employed. Municipalities are also responsible for environmental and public health services, urban planning, elder care, fire protection and emergency services, water and wastewaters services, solid waste services, energy supply, cultural and recreational programs, and maintenance of parks and roads.

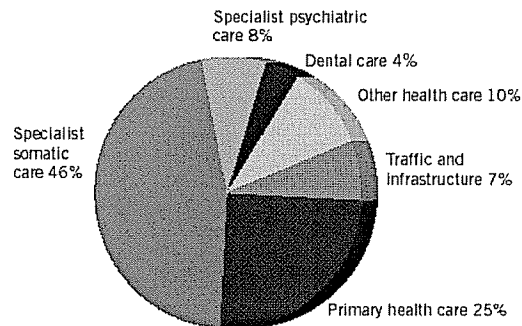
Elder care accounts for the largest amount of municipal spending on services. The next level of local government above municipalities in Sweden is county councils, which are responsible mainly for social services such as health care, which accounts for 80% for their total spending. The transit system is a shared responsibility between municipalities and county councils. State authorities in Sweden have capped the revenue generated by local governments in the past. State level governments have also sanctioned increases in local government income tax rate by decreasing the amount of state grants. Despite the states' attempts to control local income taxes, in 2003 local government taxes increased by .63% of taxable income, the largest tax increase in 25 years.



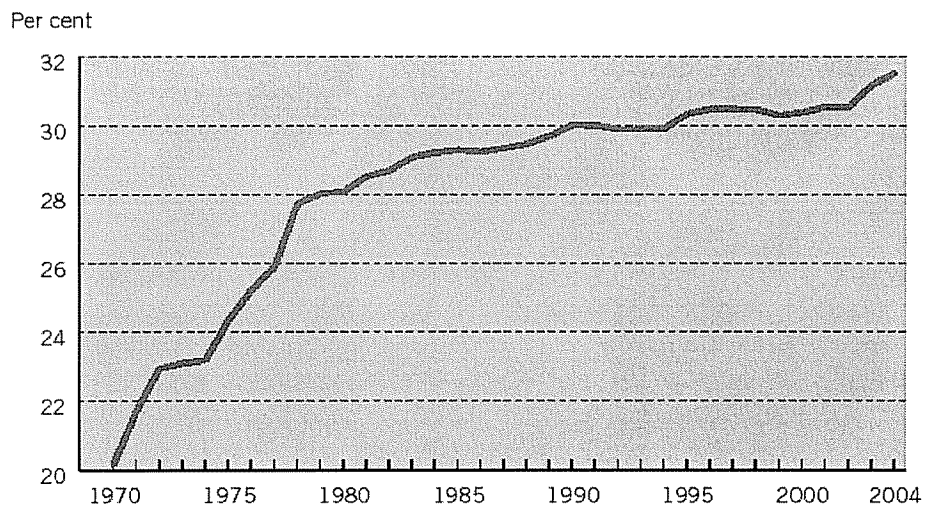
Costs in municipalities



Cost in county councils



**AVERAGE LOCAL GOVERNMENT TAX RATE, 1970-2004**



## *Australia and New Zealand*

### ***New Zealand***

New Zealand derives 57% of their revenue from land taxes. Each council has the ability to decide if properties are assessed on”

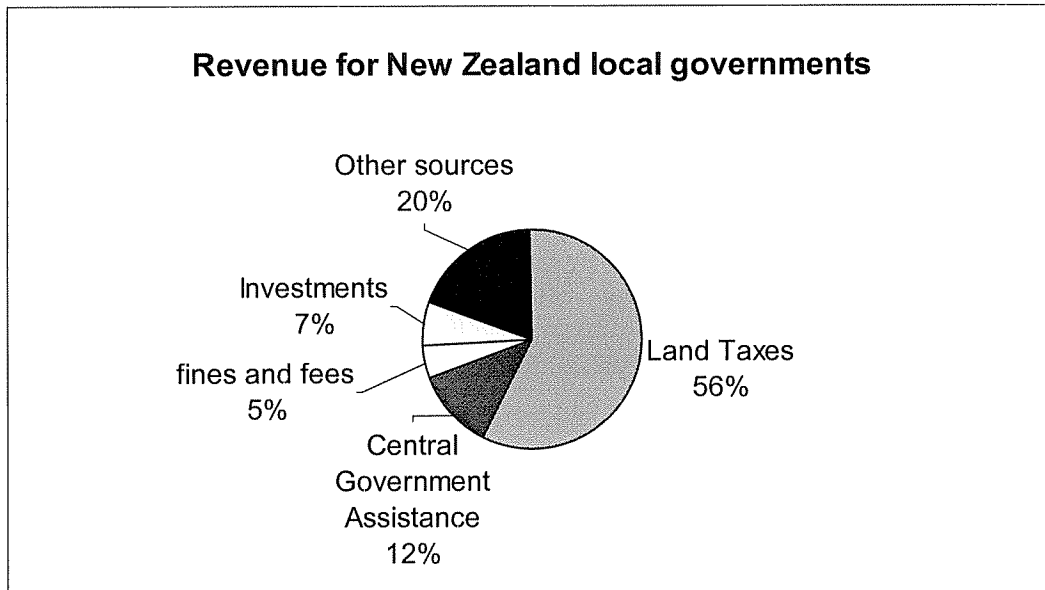
- Land value- “the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if (a) Offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to impose; and (b) No improvements have been made on the land”.
- Capital value- “the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require”; or
- Annual value- which is the amount the property would generate if rented in the open market.

Relief is offered for those who are unable to pay their taxes through applying for a reduction in their rates or a delay in the due date of the tax. There is also a subsidy for low-income homeowners based on the cost of the taxes. There are different ways in which local governments in New Zealand can generate property tax revenue. In addition to general tax rates, local governments can also use targeted rates to fund functions. Local governments can also levy uniform annual general charges that are fixed charges applied to every unit, yet they cannot derive more than 30% of its total revenue from the targeted rates and the uniform annual general charges combined. Water rates are also applied in some areas on water consumption. In addition to property taxes, local governments in New Zealand generate revenue from development taxes, petrol taxes, subsidies and grants from the central government, and other fees and charges.

In 1989, the structure of local government was drastically changed through amalgamation.<sup>2</sup>

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<sup>2</sup> [http://www.localcouncils.govt.nz/LGIP.nsf/wpg\\_URL/About-Local-Government-Local-Government-In-New-Zealand-Council-Funding?OpenDocument](http://www.localcouncils.govt.nz/LGIP.nsf/wpg_URL/About-Local-Government-Local-Government-In-New-Zealand-Council-Funding?OpenDocument)



### ***Australia***

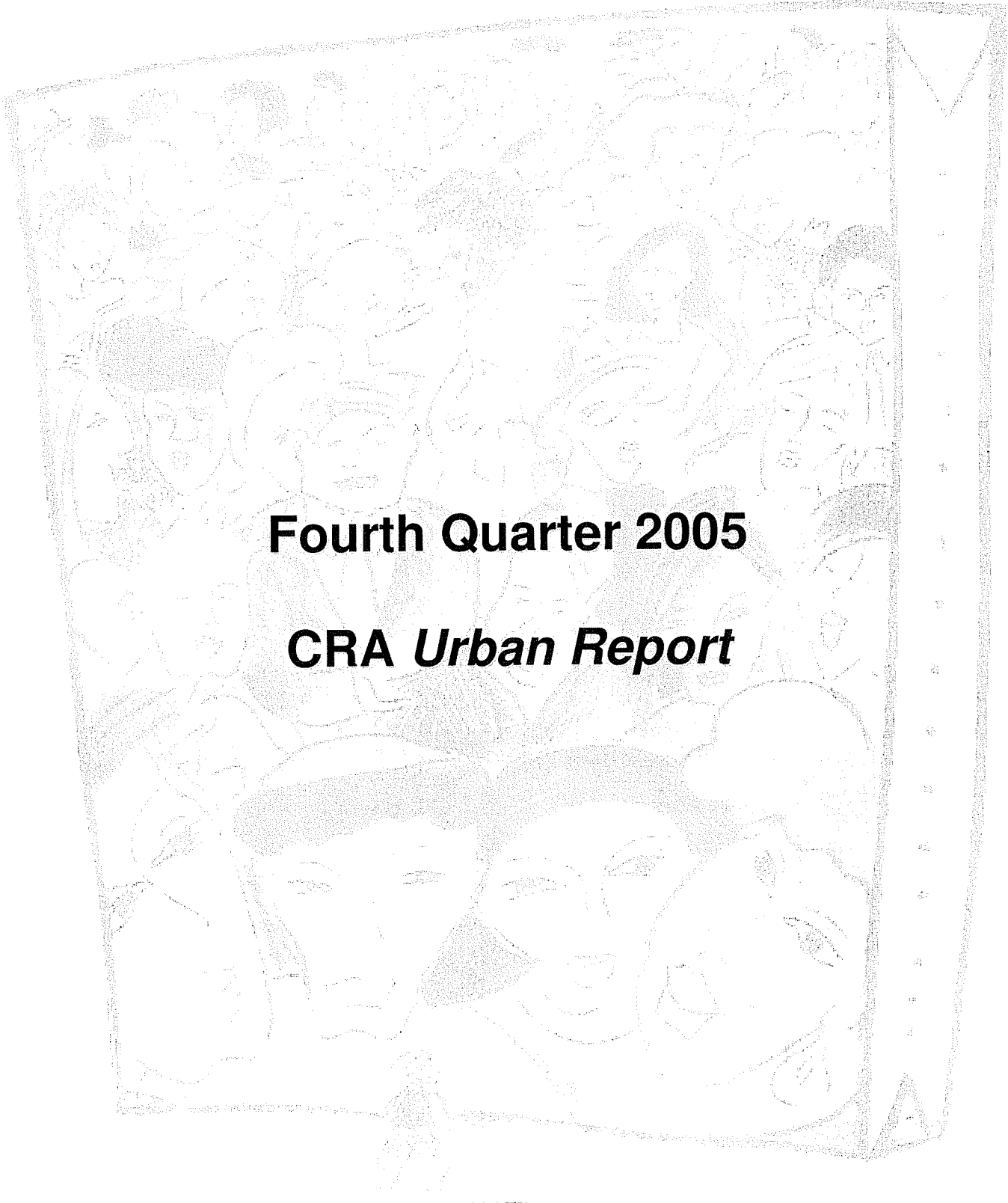
Local governments in Australia have many of the same revenue sources as local governments in Canada; they rely heavily on property taxes, user fees, and government grants. In some areas, user charges, or fees, can contribute up to 1/3 of the local government's revenue. Government grants are also important, especially for rural local governments that can have as much as half of their revenue coming from grants and subsidies. The approach to property taxes, and the means for collecting the property tax, varies from state to state (see following table)<sup>3</sup>.

While the revenue options are quite similar, Australian local government are responsible for providing a different level of services than most in Canada. In Australia, local governments have taken on the responsibility of providing an increased amount of social services, including health care, social security, welfare, and housing.

Local governments in Australia are facing much of the same problem as those within Canada: their expected services are increasing, while their property tax revenues are not increasing at the same rate. Local governments in Australia have been shifting their dependence from the slow growing property tax to user charges. User charges now make up a substantially larger portion of local government revenue than ever before.

<sup>3</sup> All information on table collected from <http://www.alga.asn.au/policy/finance/austax/11.propertyrates.php>

<b>State</b>	<b>Type of Property Tax</b>	<b>Type of Property Valuation</b>
Western Australia	<ul style="list-style-type: none"> <li>-General property tax rate applied to land value</li> <li>-Service Charges set by council for specific services such as community security</li> </ul>	<ul style="list-style-type: none"> <li>-Gross Rental Value for urban land/buildings</li> <li>-Unimproved Value for rural land</li> </ul>
South Australia	<ul style="list-style-type: none"> <li>-Property tax rates levied on property owners and renters based on the value of property</li> <li>-Can set a minimum rate</li> <li>-Can have fixed charges applied to all properties plus a rate</li> <li>-Can have different classifications of land</li> <li>-Can have two-tiered rating</li> </ul>	
Queensland	<ul style="list-style-type: none"> <li>-Bases property tax rates on capacity to pay as determined by the unimproved value of the land</li> <li>-Can set a minimum rate</li> <li>-Can have different classifications of land</li> <li>-Special rates for specific services that one certain properties receive</li> <li>-Flat dollar rates for some services (such as roads in one area)</li> </ul>	Unimproved value of the land
New South Wales	<ul style="list-style-type: none"> <li>-Have different property classifications</li> <li>-Can apply minimum rates</li> <li>-Are subjected to a rate capping</li> </ul>	Unimproved value of the land
Victoria	<ul style="list-style-type: none"> <li>-General rate applied to property values</li> <li>-Garbage and municipal charges</li> </ul>	<ul style="list-style-type: none"> <li>-Capital improvement value (total market value of the land plus the improved value including the house, buildings, or other landscaping)</li> <li>-Site value (unimproved market value of the land)</li> <li>-Net annual value (annual rental value the property would render, less the landlord's expenses)</li> <li>-All are based on market movements and recent sales trends</li> </ul>
Tasmania	<ul style="list-style-type: none"> <li>- General tax rate levied on the owners' and renters' property value</li> <li>-Can set a minimum rate</li> <li>-Fixed charges that apply to all properties</li> <li>- Can have different classifications for land</li> <li>- Can have two-tiered rating</li> </ul>	



**Fourth Quarter 2005**

***CRA Urban Report***

# the urban report

## Final Results

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**HRM Tax Reform Initiative**  
600-7124P

*Prepared for:*

**HRM Tax Reform Initiative**

Fourth Quarter 2005

CORPORATE RESEARCH  
ASSOCIATES INC 

[www.cra.ca](http://www.cra.ca)  
1-888-414-1336

# Study Methodology



## Study Methodology

### Questionnaire Design

Questions commissioned by the HRM Tax Reform Initiative and used in this study were designed by Corporate Research Associates Inc., in consultation with HRM staff.

### Sample Design and Selection

The sample for this study was drawn using systematic sampling procedures from a list of randomly-selected households compiled from listed telephone numbers in the Halifax Regional Municipality, drawn from a database that is updated quarterly. The sample was selected to match the geographical distribution of the population within the region and was designed to complete interviews with a representative sample of 400 adult residents, 18 years of age and older, of the Halifax Regional Municipality.

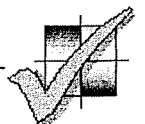
### Survey Administration

The survey was conducted by telephone from November 7 to November 25, 2005 from Corporate Research Associates' data collection facilities in Halifax. All interviewing was conducted by fully-trained and supervised interviewers and a minimum of 10 percent of all completed interviews were subsequently verified.

### Completion Results

Among all eligible respondents contacted, the rate of interview completion was 24 percent. Completion rate is calculated as the number of cooperative contacts (851) divided by the total of eligible numbers attempted (3,472).

The final disposition of all telephone numbers called is shown below in the Marketing Research and Intelligence Association's *Standard Record of Contact Format*.



## Completion Results

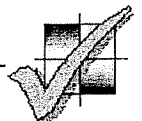
<b>A. Total Numbers Attempted</b>	<b>4137</b>
Disconnected Number/Not In Service	516
Fax/Modem	86
Cell Phone/Pager	4
Non Residential Number	59
<b>B. Eligible Numbers</b>	<b>3472</b>
Busy	49
Answering Machine	578
No Answer	122
Scheduled Call Back	233
Mid Call Back	1
Illness, Incapable	41
Language Problem	23
Qualified Not Available	49
<b>C. Total Asked</b>	<b>2376</b>
Respondent Refusal	1,291
Mid Terminate	232
Never Call List	2
<b>D. Co-operative Contacts</b>	<b>851</b>
Did Not Qualify / Quota Full	450
Complete	401

## Sample Distribution

The overall results are based on 400 interviews with individuals from the HRM population. A sample of 400 respondents would be expected to provide results accurate to within plus or minus 4.9 percentage points in 95 out of 100 samples.

Sample Distribution		
Region	Sample	Margin of Error <sup>1</sup>
Halifax	155	± 7.9%
Dartmouth	78	± 11.1%
Bedford/Sackville	74	± 11.4%
Other HRM	94	± 10.1%
<b>Halifax Regional Municipality</b>	<b>401</b>	<b>± 4.9%</b>

<sup>1</sup>95% confidence interval



# Survey Questions

**General Instructions:**

- o Interviewer must record the seven digit ID number in the space provided.
- o Interviewer must read each set of instructions for each part of this questionnaire.
- o Interviewer must record all responses clearly and verbatim where required.
- o Interviewer must avoid paraphrasing or rewording responses.
- o Record the following information:

Respondent's Name: \_\_\_\_\_  
 Telephone Number: \_\_\_\_\_  
 Postal Code: \_\_\_\_\_  
 ID Number: \_\_\_\_\_

Hello, my name is \_\_\_\_\_ and I work with Corporate Research Associates, a public opinion and market research company based here in Halifax. Today we are conducting an important survey with residents of HRM about various issues in our community.

[IF ASKED ABOUT LENGTH: The survey should take 15 minutes to complete]

Please note that we are not selling anything. All your answers will remain confidential and your identity will remain anonymous. Before we begin, please note that this call may be monitored for quality assurance purposes.

**IF RESPONDENT OBJECTS TO BEING MONITORED:** I understand your request for privacy. Can I put you on hold briefly until I have confirmed this call is not being monitored? **OBTAIN CONFIRMATION FROM SUPERVISOR THAT CALL IS NOT BEING MONITORED. RETURN TO CALL:** Thank you for holding. I have confirmed with my supervisor that this call is not being monitored.

**IF RESPONDENT ASKS WHO MAY BE MONITORING:** This call may be monitored by my direct Supervisor or a representative of Corporate Research Associates.

Before I begin, there are just a few questions that I'd like to ask you.

d. Do you, or does anyone else, in your household currently work in any of the following occupations:

	<u>YES</u>	<u>NO</u>
i. Marketing Research	1	2
ii. The Media such as radio, newspaper, TV	1	2

**IF "YES" TO ANY OF THE ABOVE – RECORD TERMINATION POINT FOR Q.d AND THANK**

a. I am now going to read the names of communities in the local area. Please stop me when I name the community in which you presently live. Do you live in ... :  
**READ RESPONSES IN ORDER – CODE ONE ONLY**

- 01 Dartmouth
- 02 Bedford
- 03 Spryfield
- 04 Fairview
- 05 Clayton Park
- 06 Rockingham
- 07 Halifax
- 08 Cole Harbour
- 09 Colby Village
- 10 Lawrencetown
- 11 Preston
- 12 Portabello
- 13 Waverley
- 14 Sackville
- 15 Eastern Passage
- 16 Hammonds Plains
- VOLUNTEERED**
- 97 Refused **THANK AND TERMINATE**
- 99 Other (**SPECIFY:** \_\_\_\_\_)

b. Gender: **[BY OBSERVATION]**                      Male    1            Female 2

c. And to ensure we talk to a broad range of HRM residents, in which of the following age groups do you fall? Are you:  
**READ RESPONSES IN ORDER – CODE ONE ONLY**

- 1 18-24
- 2 25-34
- 3 35-44
- 4 45-54
- 5 55-64
- 6 65 or older
- VOLUNTEERED**
- 7 Refused (Thank, record, and terminate)

CRA14. Do you currently own or rent your home? **DO NOT READ RESPONSES – CODE ONE ONLY**

- 1 Own
- 2 Rent
- 3 Seniors/Old Folks Home
- 8 Don't know/No answer

**HRM TAX REFORM INITIATIVE (LETTERS TR)**

And on another topic...

TR0. **[READ ONLY IF 'RENT' IN Q.CRA14]** HRM is considering changes to the municipal tax system. Although you may not pay property taxes at the present time, as a resident of HRM your views are very important.

TR1. **[ASK ONLY IF "OWN" IN Q.CRA14]** Do you live in a **[READ RESPONSES IN ORDER]? CODE ONE ONLY**

- 1 single family home
- 2 a townhouse or duplex,
- 3 a condominium,
- 4 a mobile home, or
- 5 some other form of housing [SPECIFY:\_\_\_\_\_]
- VOLUNTEERED**
- 8 Don't know/No answer

TR2. **[ASK ONLY IF 'OWN' IN Q.CRA14]** HRM provides a variety of municipal services including snow removal, road maintenance, sidewalks, public transit, recreation, libraries, policing, fire protection, and so on. Considering the level of municipal services provided across HRM, do you think your household currently pays...:

**READ RESPONSES IN ORDER – CODE ONE ONLY**

- 1 more than your fair share of municipal tax
- 2 about your fair share of municipal tax, or
- 3 less than your fair share of municipal tax
- VOLUNTEERED**
- 8 Don't know/No answer

TR3. **[ASK ONLY IF 'OWN' IN Q.CRA14]** And to the best of your knowledge, were your municipal property taxes in 2005...?

**READ RESPONSES IN ORDER – CODE ONE ONLY**

- 1 Less than \$1,000
- 2 At least \$1,000 but less than \$1,500
- 3 At least \$1,500 but less than \$2,000
- 4 At least \$2,000 but less than \$2,500
- 5 At least \$2,500 but less than \$3,000, or
- 6 \$3,000 or more
- VOLUNTEERED**
- 8 Don't know/No answer

TR4. [ASK ONLY IF 'OWN' IN Q.CRA14] And all things considered, do you [READ RESPONSES IN ORDER] that there is a relationship between the value of your home and the level of municipal services provided?

**CODE ONE ONLY**

- 1 Completely agree
- 2 Mostly agree
- 3 Mostly disagree, or
- 4 Completely disagree

**VOLUNTEERED**

- 8 Don't know/No answer

TR5. A municipal tax system is made up of four key principles. In your opinion, which one of the following four principles do you think is most important? a. Do you think [READ AND ROTATE LIST] is the most important principle? b. And do you think [READ REMAINING OPTIONS] is the second most important principle? c. And do you think [READ REMAINING OPTIONS] is the third most important principle?

**CONTINUE UNTIL ALL FOUR OPTIONS HAVE BEEN RANKED FROM MOST IMPORTANT TO LEAST IMPORTANT – SKIP TO Q.TR6 AT FIRST MENTION OF “DON’T KNOW/NO ANSWER” – PROBE TO AVOID ACCEPTING MORE THAN ONE OPTION PER ROTATION**

- a. [STABILITY] that changes in your tax bill are predictable
- or-
- b. [COMPETITIVENESS] that taxes do not hinder economic growth
- or-
- c. [EQUITY] that taxes are consistent from taxpayer to taxpayer
- or-
- d. [TRANSPARENCY] that the tax system is clear and understood by taxpayers

**RECORD ORDER:** \_\_\_\_\_

- 8 Don't know/No answer

TR6. Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next] [READ AND ROTATE SERVICES]

**READ RESPONSES AS NECESSARY - CODE ONE ONLY PER SERVICE**

- a. Road Maintenance
- b. Snow Removal
- c. Public Transit
- d. Fire Protection
- e. Policing Services
- f. Recreation Facilities and Services
- g. Public Libraries
- h. Sidewalks
- i. Sewers
- j. Solid Waste Removal

- 01 All residents of HRM should share the cost
  - 02 Residents should only pay for the service provided in their local community
- VOLUNTEERED**
- 06 Services should only be paid for by people that are most likely to use them
  - 07 Services should be paid for by user fees
  - 08 Don't know/No answer
  - 99 Other Tax Options [SPECIFY: \_\_\_\_\_]

TR7. **[ASK ONLY IF CODE 2, 6, OR 7 IN ANY OF TR6a-j]** What is the primary reason you think the cost of some municipal services should not be shared by all residents of HRM? **PROBE ONCE:** Any other reasons?

**DO NOT READ RESPONSES – CODE FIRST AND SUBSEQUENT MENTIONS SEPARATELY**

- 01 Cost of providing services varies from community to community
- 02 Level of service is not consistent across HRM
- 03 Should not pay for a service you don't access/receive/use
- 04 Should only pay for services you access/receive/use
- 98 Don't know/No answer
- 99 Other [SPECIFY: \_\_\_\_\_]

**READ AND ROTATE (Q.TR8-Q.TR9), (Q.TR10-Q.TR11)**

TR8. Some say that municipal taxes should be based on the services provided in their local community. In general with this approach, residents of HRM provided more municipal services would pay more municipal tax, while residents provided fewer services would pay less municipal tax. Would you **[READ RESPONSES IN ORDER]** such a system?

**CODE ONE ONLY**

- 1 Completely support
  - 2 Mostly support
  - 3 Mostly oppose, or
  - 4 Completely oppose
- VOLUNTEERED**
- 8 Don't know/No answer

TR9a. **[ASK ONLY IF "SUPPORT" IN Q.TR8]** What is the primary reason you would support a tax system based on the level of municipal services provided? **PROBE ONCE:** Any other reasons?

**DO NOT READ RESPONSES – CODE FIRST AND SUBSEQUENT MENTIONS SEPARATELY**

- 01 I would pay less tax
- 02 Should not pay for services you don't receive
- 03 Not all areas should be treated equally
- 04 Shouldn't have to pay tax to service rural/remote areas of HRM
- 98 Don't know/No answer
- 99 Other [SPECIFY: \_\_\_\_\_]



TR9b. **[ASK ONLY IF "OPPOSE" IN Q.TR8]** What is the primary reason you would oppose a tax system based on the level of municipal services provided? **PROBE ONCE:** Any other reasons?

**DO NOT READ RESPONSES – CODE FIRST AND SUBSEQUENT MENTIONS SEPARATELY**

- 01 I would pay more tax
- 02 All areas of HRM should share the cost
- 03 All areas of HRM should be treated equally
- 04 Like that taxes are now linked to property value/status quo
- 05 Costs a lot to service the community where I live
- 98 Don't know/No answer
- 99 Other **[SPECIFY:\_\_\_\_\_]**

TR10. Some say a household's municipal tax bill should reflect a household's ability to pay taxes. Such a system might take into consideration a household's amount of income, family assets, the size of the family, and so on. Would you **[READ RESPONSES IN ORDER]** a tax system based on ability to pay?

**CODE ONE ONLY**

- 1 Completely support
- 2 Mostly support
- 3 Mostly oppose, or
- 4 Completely oppose
- VOLUNTEERED**
- 8 Don't know/No answer

TR11a. **[ASK ONLY IF "SUPPORT" IN Q.TR10]** What is the primary reason you would support a municipal tax system that reflected a household's ability to pay taxes? **PROBE ONCE:** Any other reasons?

**DO NOT READ RESPONSES – CODE FIRST AND SUBSEQUENT MENTIONS SEPARATELY**

- 01 I would pay less tax
- 02 Fair for those with less ability to pay tax
- 03 Current system does not work well
- 98 Don't know/No answer
- 99 Other **[SPECIFY:\_\_\_\_\_]**

TR11b. **[ASK ONLY IF "OPPOSE" IN Q.TR10]** What is the primary reason you would oppose a municipal tax system that reflected a household's ability to pay taxes? **PROBE ONCE:** Any other reasons?

**DO NOT READ RESPONSES – CODE FIRST AND SUBSEQUENT MENTIONS SEPARATELY**

- 01 I would pay more tax
- 02 Too difficult to manage/implement
- 03 Residents who overextend themselves financially would pay less tax
- 04 Unfair to residents who are in good financial shape
- 05 Like that taxes are now linked to property value/status quo
- 98 Don't know/No answer
- 99 Other **[SPECIFY:\_\_\_\_\_]**

**DEMOGRAPHICS:**

Finally, I would like to ask you some questions about yourself that will help us analyze the survey results.

CRA60. What is the highest level of education you have completed?

**DO NOT READ RESPONSES – CODE ONE ONLY**

- 1 Elementary school (1-9)
- 2 Some high school
- 3 Graduated high school
- 4 Some Community/Technical College
- 5 Graduate Comm./Tech. College
- 6 Some University
- 7 Graduated university
- 8 Post Graduate
- 9 Refused

CRA61. What is your current employment status? Are you currently ... :

**READ RESPONSES IN ORDER – CODE ONE ONLY**

- 1 Employed full-time, that is, at least 30 hours per week
- 2 Employed part-time, that is, less than 30 hours per week
- 3 Not employed, but actively looking for full-time work
- 4 Not employed, but actively looking for part-time work
- 5 Not actively looking for work

**VOLUNTEERED**

- 7 Refused

CRA62. Which of the following broad income categories best describes your total household income before taxes last year? Would it be ... : **READ RESPONSES IN ORDER – CODE ONE ONLY**

- 1 Less than \$25,000
- 2 At least \$25,000 but less than \$50,000
- 3 At least \$50,000 but less than \$75,000
- 4 At least \$75,000 but less than \$100,000
- 5 \$100,000 or more

**VOLUNTEERED**

- 7 Refused
- 8 Don't know/No answer

**THANK YOU FOR YOUR ASSISTANCE AND COOPERATION**

**Interviewer Certification:** I hereby certify that this survey was conducted in the manner in which it was intended and understand that a field supervisor will verify a portion of completed interviews.

Interviewer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **Tabular Results**

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR1:

[ASK ONLY IF 'OWN' IN Q.CRA14] Do you live in a single family home, a townhouse or duplex, a condominium, a mobile home, or some other form of housing?

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
		HFX	DART	BED/ SACK	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500 or more
Single family home	80	73	86	80	84	77	70	86	78	87	80	78	80	75	69	93	0	100	0	71	87
A townhouse or duplex	13	20	7	13	10	12	22	10	11	7	14	14	14	14	23	5	0	0	80	18	10
A condominium	3	6	4	2	1	4	3	1	7	0	0	3	5	3	3	2	0	0	20	2	2
A mobile home	3	0	4	5	3	1	3	3	2	0	8	3	1	6	4	0	0	0	0	7	1
Some other form of housing	1	1	0	0	1	1	2	0	1	7	0	3	0	1	1	0	0	0	0	1	0
SAMPLE SIZE (#)	285	82	56	61	86	135	64	138	83	15	65	36	169	69	71	99	0	229	46	84	127

TABLE TR2:

[ASK ONLY IF 'OWN' IN Q.CRA14] HRM provides a variety of municipal services including snow removal, road maintenance, sidewalks, public transit, recreation, libraries, fire protection, and so on. Considering the level of municipal services provided across HRM, do you think your household currently pays more than your fair share of municipal tax, about your fair share of municipal tax, or less than your fair share of municipal tax?

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
		HFX	DART	BED/ SACK	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500 or more
More than your fair share of municipal tax	46	40	29	52	45	46	44	53	35	40	45	44	47	38	49	43	0	45	50	39	44
About your fair share of municipal tax	52	60	68	44	51	53	53	45	64	47	54	56	51	59	48	57	0	53	48	58	53
Less than your fair share of municipal tax	1	0	0	0	2	1	2	1	0	7	2	0	0	1	0	0	0	1	0	1	1
Don't know/No answer	1	0	4	3	0	2	2	1	1	7	0	0	2	1	3	0	0	1	2	1	2
SAMPLE SIZE (#)	285	82	56	61	86	135	64	138	83	15	65	36	169	69	71	99	0	229	46	84	127

**THE URBAN REPORT - FOURTH QUARTER 2005**  
**HRM TAX REFORM INITIATIVE**

**TABLE TR3:**

[ASK ONLY IF 'OWN' IN Q.CRA14] And to the best of your knowledge, were your municipal property taxes in 2005?

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES	
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more	
Less than \$1,000	6	4	7	12	7	7	11	6	7	27	6	8	6	17	11	0	0	6	9	25	0	0
At least \$1,000 but less than \$1,500	18	23	25	23	19	25	30	20	20	13	25	17	23	28	20	16	0	21	28	75	0	0
At least \$1,500 but less than \$2,000	12	32	41	29	27	27	31	22	40	29	36	24	25	30	28	0	0	31	13	0	61	0
At least \$2,000 but less than \$2,500	23	14	10	19	19	15	6	22	17	0	17	14	20	10	18	23	0	17	22	0	39	0
At least \$2,500 but less than \$3,000	10	9	8	5	10	5	9	7	0	6	17	7	3	3	13	0	0	8	9	0	0	46
\$3,000 or more	16	13	5	3	11	7	5	7	16	7	8	0	12	6	10	12	0	10	4	0	0	54
Don't know/No answer	15	5	5	9	5	13	16	5	11	13	9	8	9	12	8	7	0	8	15	0	0	0
<b>SAMPLE SIZE (#)</b>	<b>82</b>	<b>56</b>	<b>61</b>	<b>86</b>	<b>135</b>	<b>150</b>	<b>64</b>	<b>138</b>	<b>83</b>	<b>15</b>	<b>65</b>	<b>36</b>	<b>169</b>	<b>69</b>	<b>71</b>	<b>99</b>	<b>0</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

**TABLE TR4:**

[ASK ONLY IF 'OWN' IN Q.CRA14] And all things considered, do you completely agree, mostly agree, mostly disagree, or completely disagree that there is a relationship between the value of your home and the level of municipal services provided?

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES	
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more	
Completely agree	9	18	7	10	10	11	11	10	7	11	8	11	11	16	13	9	0	9	13	10	13	4
Mostly agree	45	30	49	45	39	47	45	40	53	49	47	39	49	45	51	35	0	40	59	57	43	25
Mostly disagree	26	26	31	21	26	24	34	27	14	7	31	28	19	23	34	0	0	27	17	19	24	33
Completely disagree	12	16	13	15	19	9	8	17	13	20	15	6	15	10	10	18	0	17	4	7	16	27
Don't know/No answer	9	13	0	8	6	9	2	5	16	13	8	7	10	4	3	0	0	7	7	7	6	10
<b>SAMPLE SIZE (#)</b>	<b>82</b>	<b>56</b>	<b>61</b>	<b>86</b>	<b>135</b>	<b>150</b>	<b>64</b>	<b>138</b>	<b>83</b>	<b>15</b>	<b>65</b>	<b>36</b>	<b>169</b>	<b>69</b>	<b>71</b>	<b>99</b>	<b>0</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>
<b>TOP 2 BOX SCORE (Completely/Mostly agree)</b>	<b>54</b>	<b>48</b>	<b>56</b>	<b>56</b>	<b>49</b>	<b>58</b>	<b>56</b>	<b>51</b>	<b>60</b>	<b>60</b>	<b>56</b>	<b>50</b>	<b>61</b>	<b>63</b>	<b>44</b>	<b>44</b>	<b>0</b>	<b>49</b>	<b>72</b>	<b>67</b>	<b>55</b>	<b>29</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

**TABLE TR5: MOST IMPORTANT**

A municipal tax system is made up of four key principles. In your opinion, which one of the following four principles do you think is MOST important? Do you think stability, competitiveness, equity, or transparency is the most important principle?

	OVERALL %	COMMUNITY		GENDER		AGE		EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES						
		HFX DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500	Less than \$2500 or more
EQUITY, that is that taxes are consistent from taxpayer to taxpayer	32	31	36	32	29	33	30	28	33	33	32	28	32	26	35	35	28	34	35	27	39	31
TRANSPARENCY, that is the tax system is clear and understood by taxpayers	28	33	18	27	30	27	29	35	27	17	33	35	26	31	30	28	31	27	24	36	23	19
STABILITY, that is that changes in your tax bill are predictable	21	20	17	26	21	20	22	23	19	27	18	20	21	23	15	19	22	21	15	20	20	19
COMPETITIVENESS, that is that taxes do not hinder economic growth	10	10	13	8	12	12	9	11	12	8	13	7	13	9	13	12	8	11	11	12	11	13
Don't know/No answer	9	6	17	7	9	8	10	3	9	14	10	9	8	10	7	6	10	7	15	5	8	19
SAMPLE SIZE (#)	401	155	78	74	94	183	218	110	180	111	30	93	54	224	154	108	229	46	84	127	48	48

**TABLE TR5: FIRST and SECOND MOST IMPORTANT COMBINED**

A municipal tax system is made up of four key principles. In your opinion, which one of the following four principles do you think is most/second important?

	OVERALL %	COMMUNITY		GENDER		AGE		EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES						
		HFX DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500	Less than \$2500 or more
EQUITY, that is that taxes are consistent from taxpayer to taxpayer	56	53	58	61	56	55	55	59	52	70	58	52	54	51	62	57	51	60	54	56	67	44
TRANSPARENCY, that is the tax system is clear and understood by taxpayers	48	55	44	39	45	52	44	47	41	27	46	48	51	45	46	58	48	48	46	48	44	50
STABILITY, that is that changes in your tax bill are predictable	48	48	40	57	48	42	54	47	41	57	48	52	46	53	46	40	53	47	41	54	46	33
COMPETITIVENESS, that is that taxes do not hinder economic growth	26	23	23	30	29	30	22	25	24	23	24	22	28	23	29	31	24	25	26	27	24	31
Don't know/No answer	13	14	19	7	14	11	16	5	13	22	13	17	13	17	10	8	14	12	17	11	11	23
SAMPLE SIZE (#)	401	155	78	74	94	183	218	110	180	111	30	93	54	224	154	108	229	46	84	127	48	48

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

**TABLE TR5: INDEX SCORE**

A municipal tax system is made up of four key principles. In your opinion, which one of the following four principles do you think is MOST important? Do you think stability, competitiveness, equity, or transparency is the most important principle?

	OVERALL		COMMUNITY		GENDER		AGE		EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES							
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more		
Equity	6.0	5.5	6.7	6.3	5.8	6.1	5.8	5.5	6.2	6.0	6.7	6.2	5.6	5.8	5.4	6.3	6.2	5.4	6.2	6.5	5.8	6.7	5.7
Transparency	5.3	5.8	5.0	4.6	5.0	5.4	5.1	5.7	5.2	4.9	3.7	5.3	5.6	5.4	5.3	5.0	5.8	5.6	5.0	5.2	5.2	4.9	5.5
Stability	5.2	5.2	4.7	5.9	5.2	4.9	5.5	5.6	5.2	4.9	6.1	5.2	5.4	5.1	5.6	5.0	4.7	5.6	5.2	4.7	5.4	5.1	4.5
Competitiveness	3.0	2.7	3.0	3.2	3.4	3.3	2.8	2.9	3.0	3.2	2.9	2.8	2.6	3.2	3.0	3.5	3.0	2.9	2.9	3.5	3.1	3.0	3.8

Index score out of 10 calculated by CRA. First mention = 10, Second mention = 7, Third mention = 3, Fourth mention = 0.

**TABLE TR6a:**

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Road Maintenance

	OVERALL %		COMMUNITY		GENDER		AGE		EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES							
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more		
All residents of HRM should share the cost	81	88	81	73	83	79	80	81	82	83	78	81	81	78	76	84	79	81	80	77	83	81	
Residents should only pay for the service provided in their local community	14	5	16	21	14	15	15	14	14	17	15	13	13	18	20	8	14	15	15	20	13	13	
Services should be paid for by user fees	2	1	1	3	1	2	1	3	1	0	1	0	3	2	0	4	3	2	0	0	0	2	4
Services should only be paid for by people that are most likely to use them	1	1	3	0	0	2	2	1	1	0	2	0	1	1	2	1	2	0	2	1	1	0	0
Other tax options	1	2	1	0	0	2	1	1	1	0	2	0	1	1	0	2	2	1	0	0	0	2	0
Don't know/No answer	1	1	0	2	2	0	1	1	2	0	1	2	1	1	1	1	1	1	2	1	1	1	2
<b>SAMPLE SIZE (#)</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>	

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6b:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Snow Removal

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES					
		HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho user/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	more than \$2500
All residents of HRM should share the cost	72	72	77	73	69	74	71	73	76	66	60	74	67	75	70	69	81	72	73	63	69	78	71
Residents should only pay for the service provided in their local community	22	23	19	22	26	20	25	24	19	27	30	22	31	20	24	25	14	22	22	30	27	20	17
Services should be paid for by user fees	2	3	0	4	3	3	2	1	4	2	3	1	0	4	3	2	4	3	3	0	0	2	8
Services should only be paid for by people that are most likely to use them	1	1	1	1	1	1	1	0	1	2	3	1	0	1	1	2	1	2	0	2	0	1	0
Other tax options	1	2	0	0	0	1	0	1	0	2	0	1	2	0	1	0	1	2	0	0	0	0	2
Don't know/No answer	1	1	3	0	1	2	0	2	0	2	3	1	0	1	1	1	0	0	1	4	4	0	2
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>



# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6c:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Public Transit

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
		HFX	DART	BED/SACK	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500 or more
All residents of HRM should share the cost	57	63	62	59	55	52	67	60	59	63	54	60	50	61	69	53	48	48	50	65	
Residents should only pay for the service provided in their local community	31	27	27	35	32	34	24	33	31	28	31	32	35	25	22	33	41	40	38	15	
Services should be paid for by user fees	8	5	8	11	6	11	5	3	4	11	5	5	11	9	5	9	9	7	9	17	
Services should only be paid for by people that are most likely to use them	2	3	3	3	2	5	1	4	3	4	0	1	4	2	4	2	0	2	1	2	
Don't know/No answer	2	2	1	0	2	2	1	0	2	6	1	2	1	3	1	2	2	2	2	2	
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6d:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Fire Protection

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES			
		HFX DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500 or more	
All residents of HRM should share the cost	81	83	78	78	79	83	81	83	78	73	87	81	80	79	76	84	82	80	80	77	83	81
Residents should only pay for the service provided in their local community	16	14	19	20	18	14	17	14	18	27	11	17	17	19	20	12	17	16	20	19	14	15
Services should only be paid for by people that are most likely to use them	0	0	1	0	0	0	0	0	1	0	1	0	0	0	1	0	1	0	0	0	0	0
Services should be paid for by user fees	0	1	0	1	1	0	0	1	0	0	0	1	1	0	1	1	1	0	0	0	1	0
Other tax options	0	1	1	0	1	0	0	1	1	0	0	0	1	0	0	2	0	1	0	0	1	2
Don't know/No answer	1	2	0	2	2	1	2	1	2	0	1	2	2	1	1	1	0	3	0	4	1	2
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

**THE URBAN REPORT - FOURTH QUARTER 2005**  
**HRM TAX REFORM INITIATIVE**

TABLE TR6e:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Policing Services

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
		HFX DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - \$2500 or more
All residents of HRM should share the cost	86	91	86	81	86	86	85	88	87	83	87	88	83	82	90	87	87	80	80	91	88
Residents should only pay for the service provided in their local community	11	8	10	15	10	13	12	10	13	15	11	10	16	14	6	13	9	20	17	7	8
Services should be paid for by user fees	1	0	1	3	2	0	1	1	0	0	0	1	0	2	1	0	1	0	0	2	2
Services should only be paid for by people that are most likely to use them	0	0	0	1	0	1	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0
Other tax options	0	0	1	0	1	0	1	0	0	0	0	0	0	0	1	0	0	0	0	1	0
Don't know/No answer	1	1	1	0	1	1	1	1	0	2	2	0	1	1	1	0	2	0	4	0	2
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6f:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Recreation Facilities and Services

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES				
		HFX	DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K - \$74.9K	\$75K+	Apartment	Single Home	Townhome/ Duplex/ Condo	Less than \$1500	\$1500 - less than \$2500 or more	
All residents of HRM should share the cost	43	46	47	34	44	43	44	35	49	42	53	55	43	38	42	32	50	45	42	43	36	48	42
Residents should only pay for the service provided in their local community	42	45	31	47	43	42	42	51	38	40	37	38	46	44	51	45	33	44	41	43	49	38	35
Services should be paid for by user fees	8	4	13	14	9	10	7	7	9	9	7	4	7	11	5	15	8	6	9	9	8	9	15
Services should only be paid for by people that are most likely to use them	4	3	6	5	3	4	4	5	3	5	3	2	0	6	1	6	6	4	4	4	2	5	4
Don't know/No answer	1	1	3	0	1	1	1	1	1	3	0	1	2	1	1	1	1	0	2	0	5	0	2
Other tax options	1	1	0	0	1	1	1	1	1	1	0	0	2	1	0	0	2	1	1	0	0	0	2
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6g:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Public Libraries

OVERALL %	COMMUNITY			GENDER	AGE	EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES								
	HFX	DART	BED/ SACK			OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500
74	76	71	72	74	74	74	73	74	74	73	70	78	75	75	65	81	73	75	70	69	80	75
20	21	19	23	18	22	24	19	20	17	24	19	20	20	27	13	19	20	26	26	26	17	15
3	1	5	3	3	4	2	4	3	7	2	2	4	3	6	3	5	2	4	4	4	1	6
1	1	4	0	2	2	1	1	1	3	3	2	2	1	1	2	2	2	2	0	0	3	0
1	1	1	0	2	1	1	1	1	0	2	0	1	1	0	1	1	1	1	0	1	0	4
401	155	78	74	94	183	218	110	180	111	30	93	54	224	154	84	108	109	229	46	84	127	48

All residents of HRM should share the cost  
 Residents should only pay for the service  
 provided in their local community  
 Services should be paid for by user fees  
 Services should only be paid for by people that  
 are most likely to use them  
 Don't know/No answer

SAMPLE SIZE (#)

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6h:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Sidewalks

	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME		TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES						
	OVERALL %	HFV	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	\$2500 or more
Residents should only pay for the service provided in their local community	46	39	41	53	57	46	46	45	47	45	37	48	37	49	45	56	42	29	54	54	67	49	40
All residents of HRM should share the cost	45	54	51	39	30	44	46	48	43	46	53	47	54	41	51	37	43	67	35	37	27	42	40
Services should be paid for by user fees	4	2	3	5	7	5	3	1	7	3	3	1	4	5	2	2	8	2	6	2	2	5	8
Services should only be paid for by people that are most likely to use them	3	3	3	3	3	2	4	5	2	3	0	1	4	4	1	4	5	1	3	2	1	3	6
Other tax options	0	1	1	0	0	1	0	0	1	1	3	0	0	0	1	0	1	1	0	0	0	0	2
Don't know/No answer	1	2	1	0	2	2	1	1	1	3	3	2	2	1	1	1	2	0	2	4	2	2	4
<b>SAMPLE SIZE (#)</b>	<b>401</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR6i:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Sewers

	OVERALL %			COMMUNITY			GENDER		AGE		EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES			
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K - \$74.9K	\$75K+	Apartment	Single Home	Townhouse/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more	
All residents of HRM should share the cost	70	71	43	40	52	63	69	50	60	53	56	67	58	64	51	56	76	49	61	42	54	
Residents should only pay for the service provided in their local community	26	27	36	53	39	30	25	41	34	43	35	28	34	30	42	34	20	41	30	51	39	
Services should be paid for by user fees	1	0	11	3	4	2	0	6	2	3	2	2	4	1	2	6	1	5	0	5	2	
Services should only be paid for by people that are most likely to use them	2	1	7	1	2	3	5	3	0	0	2	0	4	1	4	3	1	2	7	1	3	
Don't know/No answer	2	1	3	2	2	2	2	1	4	0	4	4	1	3	1	1	2	2	2	1	2	
<b>SAMPLE SIZE (#)</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>

**THE URBAN REPORT - FOURTH QUARTER 2005**  
**HRM TAX REFORM INITIATIVE**

TABLE TR6j:

Some residents say the cost of municipal services provided across HRM should be shared by all residents of the Municipality. Other residents say they should be taxed for only the municipal services provided in their local community, or by user fees or other options. All things considered, which of the following services, if any, do you think all residents of HRM should share the cost of and which ones, if any, do you think residents should pay for based on what is provided in their local community, or by user fee or other options? [To Begin/And next]

Solid Waste Removal

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES	
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K - \$74.9K	\$75K+	Apartment	Single Home	Townhouse/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	
All residents of HRM should share the cost	75	78	70	68	72	74	76	72	73	70	85	72	69	73	64	75	73	72	76	71	76	67
Residents should only pay for the service provided in their local community	17	15	23	23	20	19	18	22	16	23	12	20	22	21	27	16	19	20	22	20	23	13
Services should be paid for by user fees	3	1	4	3	3	2	1	3	4	0	0	0	5	0	4	6	2	4	0	1	1	13
Services should only be paid for by people that are most likely to use them	1	4	0	2	2	2	3	0	4	3	1	4	1	2	4	1	4	1	0	1	1	2
Don't know/No answer	3	3	1	3	3	3	2	3	4	3	2	4	3	4	1	3	2	3	2	6	0	6
<b>SAMPLE SIZE (#)</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>94</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>



# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR7: FIRST MENTION

[ASK ONLY IF CODE 2, 6, OR 7 IN ANY OF TR6a-j] What is the primary reason you think the cost of some municipal services should NOT be shared by all residents of HRM?

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES						
	Should not pay for a service you don't access/receive/use	Level of service is not consistent across HRM	Should only pay for services you access/receive/use	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townhome use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	more than \$2500		
																										49	22
Should not pay for a service you don't access/receive/use	49	22	14	42	56	59	48	49	49	55	49	43	48	53	39	50	45	54	54	40	53	42	52	57	38		
Level of service is not consistent across HRM	22	18	17	18	17	25	29	21	23	20	27	17	20	25	20	22	25	21	20	23	22	19	22	18	25		
Should only pay for services you access/receive/use	14	21	12	21	12	8	9	13	14	14	11	18	8	9	24	14	13	10	15	19	12	17	10	12	20		
Cost of providing services varies from community to community	6	6	12	6	12	3	4	6	5	5	6	5	8	4	2	7	8	7	4	5	6	8	10	5	5		
Other	5	8	2	8	2	2	5	5	5	5	3	8	4	4	12	4	5	6	4	10	3	6	4	3	5		
Don't know/No answer	4	5	2	5	2	3	6	5	4	0	4	10	12	4	2	4	5	1	4	4	4	8	3	4	8		
SAMPLE SIZE (#)	316	121	52	63	80	149	167	92	140	84	25	68	41	182	120	68	85	80	186	36	73	93	40				

TABLE TR7: TOTAL MENTIONS

[ASK ONLY IF CODE 2, 6, OR 7 IN ANY OF TR6a-j] What is the primary reason you think the cost of some municipal services should NOT be shared by all residents of HRM? PROBE ONCE: Any other reasons?

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES						
	Should not pay for a service you don't access/receive/use	Level of service is not consistent across HRM	Should only pay for services you access/receive/use	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townhome use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	more than \$2500		
																										55	25
Should not pay for a service you don't access/receive/use	55	25	21	45	62	63	59	56	54	59	57	48	52	54	41	59	50	59	65	43	62	42	55	67	50		
Level of service is not consistent across HRM	25	21	27	21	27	27	29	24	26	21	31	21	20	28	20	26	28	22	26	25	25	22	27	19	33		
Should only pay for services you access/receive/use	21	30	21	30	21	17	11	22	20	21	19	25	12	19	32	21	22	18	21	29	17	28	11	20	28		
Cost of providing services varies from community to community	7	7	13	7	13	6	5	8	7	8	7	8	7	8	2	8	8	10	5	6	8	8	11	5	10		
Other	5	8	2	8	2	2	5	5	5	5	3	8	4	4	12	4	5	6	4	10	3	6	4	3	5		
Don't know/No answer	4	5	2	5	2	3	6	5	4	0	4	10	12	4	2	4	5	1	4	4	4	8	3	4	8		
SAMPLE SIZE (#)	316	121	52	63	80	149	167	92	140	84	25	68	41	182	120	68	85	80	186	36	73	93	40				

**THE URBAN REPORT - FOURTH QUARTER 2005**  
**HRM TAX REFORM INITIATIVE**

TABLE TR8: LEVEL OF SERVICE PROVIDED

Some say that municipal taxes should be based on the services provided in their local community. In general with this approach, residents of HRM provided more municipal services would pay more municipal tax, while residents provided fewer services would pay less municipal tax. Would you completely support, mostly support, mostly oppose, or completely oppose such a system?

	OVERALL %			COMMUNITY			GENDER			AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
	HFX	DART	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	\$2500 or more			
Completely support	20	29	31	32	23	22	32	25	30	33	28	24	23	33	26	26	28	20	26	30	27			
Mostly support	53	46	41	44	55	59	49	43	40	41	50	55	51	49	53	44	52	57	63	49	42			
Mostly oppose	15	12	12	11	11	13	10	13	10	11	11	12	12	8	17	16	10	9	5	9	19			
Completely oppose	6	9	11	8	6	3	7	12	13	9	11	4	9	7	4	9	6	9	2	10	4			
Don't know/No answer	5	4	5	5	4	4	3	7	7	6	0	4	5	2	1	6	3	7	4	2	8			
<b>SAMPLE SIZE (#)</b>	<b>155</b>	<b>78</b>	<b>74</b>	<b>183</b>	<b>218</b>	<b>110</b>	<b>180</b>	<b>111</b>	<b>30</b>	<b>93</b>	<b>54</b>	<b>224</b>	<b>154</b>	<b>84</b>	<b>108</b>	<b>109</b>	<b>229</b>	<b>46</b>	<b>84</b>	<b>127</b>	<b>48</b>			
<b>TOP 2 BOX SCORE (Completely/Mostly support)</b>	<b>73</b>	<b>76</b>	<b>72</b>	<b>76</b>	<b>78</b>	<b>81</b>	<b>81</b>	<b>68</b>	<b>70</b>	<b>74</b>	<b>78</b>	<b>79</b>	<b>74</b>	<b>82</b>	<b>79</b>	<b>70</b>	<b>81</b>	<b>76</b>	<b>89</b>	<b>79</b>	<b>69</b>			

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR9a: FIRST MENTION

[ASK ONLY IF 'SUPPORT' IN Q.TR8] What is the primary reason you would SUPPORT a tax system based on the level of municipal services provided?

	OVERALL %			COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES	
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K-\$74.9K	\$75K+	Apartment	Single Home	Townhouse/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more
Should not pay for services you don't receive/Pay for what you receive	58	63	75	62	68	60	60	61	71	62	65	50	66	54	67	76	51	71	46	61	69
Fairness/Good idea	9	8	11	5	9	7	12	5	9	10	7	7	8	9	12	2	9	5	17	11	7
Shouldn't have to pay tax to service rural/remote areas of HRM	5	5	2	9	6	6	6	8	1	10	7	5	5	4	4	7	4	5	14	9	6
Not all areas should be treated equally	6	5	2	1	3	5	2	5	4	0	1	5	5	5	4	2	5	3	6	5	2
I would pay less tax	1	3	2	2	1	2	0	3	1	5	0	5	2	2	1	0	1	3	0	3	2
Community should work together	4	2	0	2	2	2	3	3	0	0	3	2	2	3	3	2	5	1	0	1	0
All areas of HRM benefit/use services	3	2	0	1	1	2	1	2	1	0	1	2	2	3	1	1	4	1	0	0	2
If we didn't support it we wouldn't have the services	3	2	2	1	1	2	1	3	1	5	1	2	2	3	0	1	1	2	0	3	2
Other	3	3	0	6	4	2	2	3	4	5	3	7	2	4	1	5	3	9	3	3	6
Don't know/No answer	9	7	6	9	4	12	12	6	7	5	10	14	6	13	6	2	16	5	9	4	6
<b>SAMPLE SIZE (#)</b>	<b>113</b>	<b>59</b>	<b>53</b>	<b>85</b>	<b>139</b>	<b>171</b>	<b>89</b>	<b>145</b>	<b>76</b>	<b>21</b>	<b>69</b>	<b>42</b>	<b>178</b>	<b>114</b>	<b>69</b>	<b>85</b>	<b>76</b>	<b>185</b>	<b>35</b>	<b>75</b>	<b>100</b>
	<b>310</b>																				<b>33</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR9a: TOTAL MENTIONS

[ASK ONLY IF 'SUPPORT' IN Q.TR8] What is the primary reason you would SUPPORT a tax system based on the level of municipal services provided? PROBE ONCE: Any other reasons?

OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES				
	HFX	DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500 or more	
65	60	64	75	65	70	61	60	63	74	62	70	52	66	55	68	76	51	72	51	65	71	67
8	9	8	11	5	9	7	12	5	9	10	7	7	8	9	12	2	9	5	17	11	7	6
8	6	8	2	13	9	7	6	11	4	10	9	7	7	6	6	11	4	9	14	12	7	12
4	6	5	2	1	3	5	2	5	4	0	1	5	5	5	4	2	5	3	6	5	2	6
2	4	2	0	2	2	2	3	3	0	0	3	2	2	3	3	2	5	1	0	1	1	0
2	3	2	2	1	1	2	1	3	1	5	1	2	2	3	0	1	1	2	0	3	2	3
2	1	3	2	2	1	2	0	3	1	5	0	5	2	2	1	0	1	3	0	3	2	0
2	3	2	0	1	1	2	1	2	1	0	1	2	2	3	1	1	4	1	0	0	2	0
5	4	5	2	6	6	3	2	4	8	5	3	10	4	4	4	7	3	5	9	4	3	15
8	9	7	6	9	4	12	12	6	7	5	10	14	6	13	6	2	16	5	9	4	6	6
310	113	59	53	85	139	171	89	145	76	21	69	42	178	114	69	85	76	185	35	75	100	33

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR9b: FIRST MENTION

[ASK ONLY IF 'OPPOSE' IN Q.TR8] What is the primary reason you would OPPOSE a tax system based on the level of municipal services provided?

	OVERALL %			COMMUNITY			GENDER			AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES	
	HFY	DART	BED/SACK	BED/OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/Duplex/condo	Less than \$1500	\$1500 - less than \$2500 or more		
All areas of HRM should be treated equally	24	31	29	29	26	29	30	22	14	22	25	32	32	25	38	23	26	30	13	17	33	18	
All areas of HRM should share the cost	18	13	24	43	26	15	17	19	14	17	17	24	32	16	23	32	15	19	50	17	25	27	
Should not pay for services you don't receive	6	6	6	14	3	10	0	0	19	0	6	17	5	6	8	5	0	8	25	17	17	0	
Hard to implement/decide who uses services	15	0	0	0	9	5	0	13	4	0	6	17	5	6	15	5	7	8	0	0	0	27	
All areas of HRM benefit/use services	0	13	12	0	9	3	0	10	4	0	6	0	8	3	0	9	0	11	0	17	8	9	
Would not be fair/turn into a two-tier system	3	6	0	0	3	3	6	0	4	0	0	5	0	0	0	5	0	5	0	17	0	0	
Like that taxes are now linked to property value/status quo	3	0	0	0	3	0	6	0	0	6	0	0	0	0	0	5	0	3	0	0	0	9	
Costs a lot to service the community where I live	3	0	0	0	0	3	0	0	4	0	0	0	0	0	0	0	0	3	0	0	4	0	
Other	9	19	18	0	3	21	6	17	11	14	17	8	11	19	0	14	19	8	0	0	13	0	
Don't know/No answer	21	13	12	14	17	15	24	13	15	57	8	11	8	25	15	5	33	5	13	17	0	9	
<b>SAMPLE SIZE (#)</b>	<b>74</b>	<b>34</b>	<b>16</b>	<b>7</b>	<b>35</b>	<b>39</b>	<b>17</b>	<b>30</b>	<b>27</b>	<b>7</b>	<b>18</b>	<b>12</b>	<b>37</b>	<b>32</b>	<b>13</b>	<b>22</b>	<b>27</b>	<b>37</b>	<b>8</b>	<b>6</b>	<b>24</b>	<b>11</b>	

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR9b: TOTAL MENTIONS

[ASK ONLY IF 'OPPOSE' IN Q.TR8] What is the primary reason you would OPPOSE a tax system based on the level of municipal services provided? PROBE ONCE: Any other reasons?

	OVERALL %	COMMUNITY				GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES				
		HFV	DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500	> \$2500 or more
All areas of HRM should be treated equally	32	29	38	35	29	28	35	37	26	29	22	25	41	31	46	27	30	35	25	33	33	36	
All areas of HRM should share the cost	24	24	13	24	57	29	41	20	19	14	28	17	27	22	23	36	19	24	50	17	25	36	
All areas of HRM benefit/use services	8	6	13	12	0	9	0	10	11	0	11	0	11	3	8	14	0	14	13	17	13	18	
Hard to implement/decide who uses services	7	15	0	0	0	9	0	13	4	0	6	17	5	6	15	5	7	8	0	0	0	27	
Should not pay for services you don't receive	7	6	6	6	14	3	0	0	19	0	6	17	5	6	8	5	0	8	25	17	17	0	
Would not be fair/turn into a two-tier system	4	6	6	0	0	6	12	0	4	0	0	8	5	0	0	9	0	8	0	17	0	9	
Like that taxes are now linked to property value/status quo	3	6	0	0	0	3	6	3	0	0	6	0	3	3	0	5	4	3	0	0	0	9	
Costs a lot to service the community where I live	1	3	0	0	0	3	0	0	4	0	6	0	0	0	0	0	0	3	0	0	4	0	
Other	12	9	19	18	0	3	6	17	11	14	17	17	8	19	0	14	19	8	0	0	13	0	
Don't know/No answer	16	21	13	12	14	17	24	13	15	57	17	8	11	25	15	5	33	5	13	17	0	9	
SAMPLE SIZE (#)	74	34	16	17	7	35	17	30	27	7	18	12	37	32	13	22	27	37	8	6	24	11	

TABLE TR10: ABILITY TO PAY TAXES

Some say a household's municipal tax bill should reflect a household's ability to pay taxes. Such a system might take into consideration a household's amount of income, family assets, the size of the family, and so on. Would you completely support, mostly support, or completely oppose a tax system based on ability to pay?

	OVERALL %	COMMUNITY				GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE		MUNICIPAL PROPERTY TAXES				
		HFV	DART	BED/ SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500	> \$2500 or more
Completely support	18	22	19	15	14	17	20	18	16	23	16	24	17	25	18	9	27	13	26	20	14	4	
Mostly support	41	46	35	36	40	36	44	50	41	32	33	37	38	47	38	36	43	39	39	49	34	35	
Mostly oppose	17	15	15	20	18	16	16	18	16	20	13	13	19	14	17	22	12	21	13	17	21	15	
Completely oppose	20	12	31	24	22	26	16	10	22	29	20	15	22	10	23	31	13	24	22	12	28	46	
Don't know/No answer	4	5	0	4	5	3	4	2	7	3	5	4	3	3	5	1	6	3	0	2	2	0	
SAMPLE SIZE (#)	401	155	78	74	94	183	218	110	180	111	30	54	224	154	84	108	109	229	46	84	127	48	
TOP 2 BOX SCORE (Completely/Mostly support)	59	68	54	51	54	63	70	59	48	57	67	61	55	72	56	45	70	52	65	69	48	40	

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR11a: FIRST MENTION

[ASK ONLY IF 'SUPPORT' IN Q. TR10] What is the primary reason you would SUPPORT a municipal tax system that reflected a household's ability to pay taxes?

	OVERALL %	COMMUNITY		GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES					
		HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K - \$74.9K	\$75K+	Apartment	Single Home	Townhouse/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	\$2500 or more
Fair for those with less ability to pay tax	52	61	33	39	59	44	58	51	57	45	35	50	48	56	53	55	51	59	49	47	50	46	58
Should be based on what you can afford/Depends on income	14	9	19	16	18	14	13	21	11	8	18	8	18	15	14	13	18	9	16	20	7	30	5
Current system does not work well	3	4	5	3	0	3	3	3	3	4	6	5	6	1	3	2	2	3	3	3	2	3	0
Social responsibility/Everyone has to pay	3	1	10	5	0	2	4	0	5	4	6	3	0	3	2	4	4	3	3	0	2	2	11
Those with more money should pay more	3	4	0	3	4	4	2	4	3	2	0	2	9	2	3	2	4	1	4	3	7	2	0
I would pay less tax	2	2	5	3	0	3	1	3	1	4	6	5	0	1	3	2	0	1	3	3	5	2	0
To allow people to keep their homes	2	2	5	0	0	2	1	0	2	4	0	3	3	1	1	0	4	0	3	0	3	2	5
Seems like a good idea	1	1	2	3	0	1	1	1	1	2	0	2	0	2	2	0	0	1	1	3	3	0	0
People should live within their means	1	1	5	0	0	1	1	0	2	2	0	5	0	0	2	2	0	3	1	0	2	0	0
More equitable	1	1	2	0	2	1	1	0	3	0	0	0	6	1	0	4	2	0	2	3	0	5	0
Taxes are too high/Have increased too much	1	1	0	3	2	3	0	1	2	0	0	2	0	2	1	2	1	0	3	0	2	0	5
Other	7	6	7	13	6	11	4	6	5	13	6	6	3	9	6	6	6	7	7	10	9	5	5
Don't know/No answer	9	9	7	13	10	10	9	10	7	13	24	10	6	8	12	6	6	13	8	7	9	5	11
<b>SAMPLE SIZE (#)</b>	<b>236</b>	<b>105</b>	<b>42</b>	<b>38</b>	<b>51</b>	<b>98</b>	<b>138</b>	<b>77</b>	<b>106</b>	<b>53</b>	<b>17</b>	<b>62</b>	<b>33</b>	<b>124</b>	<b>111</b>	<b>47</b>	<b>49</b>	<b>76</b>	<b>119</b>	<b>30</b>	<b>58</b>	<b>61</b>	<b>19</b>

THE URBAN REPORT - FOURTH QUARTER 2005

HRM TAX REFORM INITIATIVE

TABLE TR11a: TOTAL MENTIONS

[ASK ONLY IF 'SUPPORT' IN Q.TR10] What is the primary reason you would SUPPORT a municipal tax system that reflected a household's ability to pay taxes? PROBE ONCE: Any other reasons?

OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE				MUNICIPAL PROPERTY TAXES			
	HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K-\$74.9K	\$75K+	Apartment	Single Home	Townhouse/Duplex/condo	Less than \$1500	\$1500 - less than \$2500	\$2500 or more
55	64	36	45	59	46	61	52	61	45	35	55	52	58	56	60	53	62	51	50	50	49	63
14	9	19	18	18	15	13	21	12	8	18	10	18	15	14	13	18	9	17	20	7	31	5
5	7	7	3	0	3	6	4	5	6	6	5	6	4	5	2	4	5	3	7	2	3	11
4	2	10	8	0	3	4	1	6	4	6	5	0	4	4	4	4	5	3	0	2	2	11
3	5	0	3	4	4	3	4	3	4	0	2	9	3	3	4	4	1	5	3	9	2	0
2	1	2	3	4	4	1	1	3	2	0	2	0	3	1	2	6	0	4	0	2	3	5
2	2	5	3	0	3	1	3	1	4	6	5	0	1	3	2	0	1	3	3	5	2	0
2	2	2	0	2	1	2	1	3	0	0	0	6	2	1	4	2	1	2	3	0	5	0
2	2	5	0	0	2	1	0	2	4	0	3	3	1	1	0	4	0	3	0	3	2	5
2	1	2	3	2	2	1	1	1	4	0	2	0	2	3	0	0	1	2	3	3	0	0
1	1	5	0	0	1	1	0	2	2	0	5	0	0	2	2	0	3	1	0	2	0	0
7	6	7	13	6	11	4	6	5	13	6	6	3	9	6	6	6	7	7	10	9	5	5
9	9	7	13	10	10	9	10	7	13	24	10	6	8	12	6	6	13	8	7	9	5	11
236	105	42	38	51	98	138	77	106	53	17	62	33	124	111	47	49	76	119	30	58	61	19



# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR11b: FIRST MENTION

[ASK ONLY IF 'OPPOSE' IN Q.TR10] What is the primary reason you would OPPOSE a municipal tax system that reflected a household's ability to pay taxes?

	OVERALL %	COMMUNITY			GENDER		AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES			
		HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apartment	Single Home	Townho user/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500 or more
Homeowners should pay taxes regardless/ Shouldn't live in a home you can't afford	21	26	17	18	21	20	21	21	20	8	15	16	25	21	18	22	15	22	25	21	24	14
Unfair to residents who are in good financial shape	17	26	19	15	5	19	14	17	18	8	15	32	15	16	12	21	22	17	13	4	16	24
Like that taxes are now linked to property value/status quo	14	14	11	21	11	11	10	18	10	25	15	5	14	8	6	19	11	16	13	4	17	17
Too difficult to manage/implement	9	5	11	12	8	9	3	10	10	0	8	5	11	11	12	7	4	9	13	13	6	14
Residents who overextend themselves financially would pay less tax	9	5	8	9	16	8	11	14	11	4	17	0	8	11	12	7	7	10	13	21	8	3
High income families would end up paying more	6	7	3	3	11	8	4	10	6	4	0	16	5	8	3	7	11	5	6	0	8	3
I would pay more tax	3	7	0	3	0	5	0	7	3	0	0	5	3	0	0	7	4	3	0	0	0	3
It would be abused	3	0	0	0	11	0	6	3	1	4	0	4	0	0	12	0	0	2	6	4	2	7
Other	12	7	25	9	8	10	14	10	8	18	33	8	16	21	9	7	19	10	13	25	8	7
Don't know/No answer	7	5	6	9	11	9	6	7	4	12	8	5	6	5	15	3	7	8	0	8	8	7
<b>SAMPLE SIZE (#)</b>	<b>150</b>	<b>43</b>	<b>36</b>	<b>33</b>	<b>38</b>	<b>80</b>	<b>70</b>	<b>29</b>	<b>71</b>	<b>50</b>	<b>12</b>	<b>26</b>	<b>19</b>	<b>38</b>	<b>33</b>	<b>58</b>	<b>27</b>	<b>103</b>	<b>16</b>	<b>24</b>	<b>63</b>	<b>29</b>

# THE URBAN REPORT - FOURTH QUARTER 2005

## HRM TAX REFORM INITIATIVE

TABLE TR11b: TOTAL MENTIONS

[ASK ONLY IF 'OPPOSE' IN Q.TR10] What is the primary reason you would OPPOSE a municipal tax system that reflected a household's ability to pay taxes? PROBE ONCE: Any other reasons?

	OVERALL %	COMMUNITY			GENDER			AGE			EDUCATION			HOUSEHOLD INCOME			TYPE OF RESIDENCE			MUNICIPAL PROPERTY TAXES		
		HFX	DART	BED/SACK	OTHER HRM	M	F	18-34	35-54	55+	L.T. H.S.	Grad H.S.	Some P.S.	Grad P.S.	< \$50K	\$50K- \$74.9K	\$75K+	Apart-ment	Single Home	Townho use/ Duplex/ condo	Less than \$1500	\$1500 - less than \$2500 or more
Unfair to residents who are in good financial shape	25	33	18	13		26	21	21	32	8	23	32	26	26	21	29	22	26	25	17	25	34
Homeowners should pay taxes regardless/ Shouldn't live in a home you can't afford	21	28	17	21	23	20	21	23	20	8	15	16	26	21	18	24	15	23	25	21	24	17
Like that taxes are now linked to property value/status quo	17	16	17	13	21	11	10	21	14	25	19	11	16	11	12	21	11	19	13	13	21	17
Residents who overextend themselves financially would pay less tax	11	7	11	12	16	11	14	11	10	17	19	0	11	11	18	9	7	13	13	29	8	7
Too difficult to manage/implement	11	7	17	12	8	13	3	11	14	0	15	11	11	11	18	9	7	11	13	13	8	17
High income families would end up paying more	6	7	3	3	11	8	10	6	4	0	4	16	5	8	3	7	11	5	6	0	8	3
It would be abused	3	2	0	0	11	1	3	3	4	0	8	0	3	0	12	0	0	2	13	4	2	10
I would pay more tax	3	9	0	3	0	6	7	4	0	0	0	11	3	0	0	9	4	4	0	0	3	7
Other	13	7	25	12	8	10	10	8	20	42	8	16	10	24	9	7	22	10	13	25	8	7
Don't know/No answer	7	5	6	9	11	9	7	4	12	8	12	5	6	5	15	3	7	8	0	8	8	7
<b>SAMPLE SIZE (#)</b>	<b>150</b>	<b>43</b>	<b>36</b>	<b>33</b>	<b>38</b>	<b>70</b>	<b>29</b>	<b>71</b>	<b>50</b>	<b>12</b>	<b>26</b>	<b>19</b>	<b>93</b>	<b>38</b>	<b>33</b>	<b>58</b>	<b>27</b>	<b>103</b>	<b>16</b>	<b>24</b>	<b>63</b>	<b>29</b>

# Table Interpretation

## How To Use The Tables

The following section presents a brief overview of how to interpret the tables included in this report.

### Standard Table

For presentation of data, CRA tables adhere to the standard illustrated below. Each table is labeled according to its corresponding question number in the survey (i.e., Question 1 becomes Table 1), and the question wording precedes the data table.

TABLE 1:

Please tell me whether you are completely satisfied, mostly satisfied, mostly dissatisfied, or completely dissatisfied with the service you received at Company XYZ?

		Opinion of all qualified respondents	Opinion of all qualified respondents by selected subgroups (e.g., AGE)		
		OVERALL %	19-34	35-54	55+
Response Categories	Completely satisfied	33	32	37	26
	Mostly satisfied	37	37	37	38
	Mostly dissatisfied	17	26	12	17
	Completely dissatisfied	10	0	8	18
	Don't know/No Answer	4	5	5	2
<b>SAMPLE SIZE #</b>		<b>400</b>	<b>115</b>	<b>177</b>	<b>108</b>
<b>TOP 2 BOX (Completely/Mostly)</b>		<b>71</b>	<b>69</b>	<b>74</b>	<b>64</b>

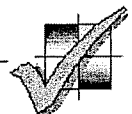
**Read As:** "Overall, 33 percent of respondents are completely satisfied with the service they received at Company XYZ."

The TOP 2 BOX row shows the combined percentage of the first two response categories in the data table. Note: TOP 2 BOX figures are calculated using the actual response counts. Simply summing the percentages of the first two response categories may produce a slightly different figure due to the effect of rounding.

OVERALL SAMPLE SIZE indicates the number of persons who responded to the particular question asked. It may vary based on survey skip patterns.

As the sample is divided into AGE subgroups, the sample sizes become smaller and the attendant margin of error increases on survey skip patterns.

All percentages presented in the tables have been rounded to the nearest whole number and, consequently, may not always total exactly 100 percent. In this example, the sum is 101 percent for respondents aged 55+.



## Multiple Mention Tables

### FIRST MENTION / TOTAL MENTIONS

Some interview questions are “open-ended,” meaning respondents can say whatever is on their mind. Such open-ended questions allow respondents to offer multiple responses or reasons for their opinion. These open-ended responses are recorded verbatim and coded (i.e., grouped) into conceptually meaningful categories after interviewing is completed among all respondents.

Typically, CRA records the first mention (i.e., top of mind or most important factor) separately from the subsequent responses and presents this in a table noted as “First Mention.” The “First Mention” table adheres to the standard table format noted in the preceding section.

To accommodate for the fact that respondents often provide more than one response, CRA also presents results for all responses in a separate table titled “Total Mentions.” It is important to note that **percentages in a “Total Mentions” table do not sum to 100 percent**. In the example illustrated below, the sample number of respondents is 400. However, since a respondent can offer more than one response to an open-ended question, that respondent may offer two, three, or more responses. For example, the total number of responses to an open-ended question may total 700, while the interview base remains 400 individual respondents. Accordingly, when one calculates total responses as a percentage of the base, the result is greater than 100 percent.

For the presentation of “Total Mentions” data, CRA tables adhere to the standard illustrated below. Each table is labeled according to its corresponding question number in the survey (i.e., Question 2 becomes Table 2), and the question wording precedes the data table.

**TABLE 2: TOTAL MENTIONS**

In your opinion, what is the most important issue facing country XYZ today? PROBE: And what other important issues are there?

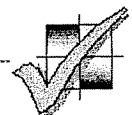
**Read As:** Overall, 31 percent of respondents mention health care as one of the most important issues facing country XYZ today.

	OVERALL %	INCOME		
		L.T. \$35K	\$35K – \$49K	\$50K+
Health Care	31	27	37	34
Unemployment	27	26	30	30
Economy	21	16	26	22
Tractor Insurance	14	11	16	15
Taxation	13	12	16	13
Crime	11	11	8	11
Other	5	5	2	8
None	1	1	2	0
Don't Know/No Answer	9	15	2	5
<b>Sample Size #</b>	<b>400</b>	<b>149</b>	<b>86</b>	<b>123</b>

**Grouped Responses**

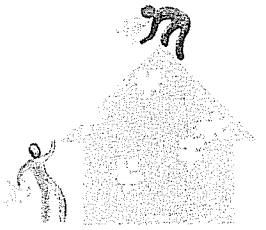
**As noted above, due to multiple responses, category percentages may not sum to 100%, in this example the sum is 138%.**

**Some subgroups (e.g., INCOME) may not sum to the full sample size, in this example 400, due to respondent refusals (e.g., refusal to disclose an income range).**



# WORKING TOGETHER

## to Rebuild the Municipal Tax System In HRM



### ✦ WHAT IS TAX REFORM?

Tax reform means re-thinking the municipal tax system in HRM. Currently, the only way HRM can tax residents is on the “market value” of their property. Reforming the municipal tax system would mean exploring other tax systems rather than relying on market value.

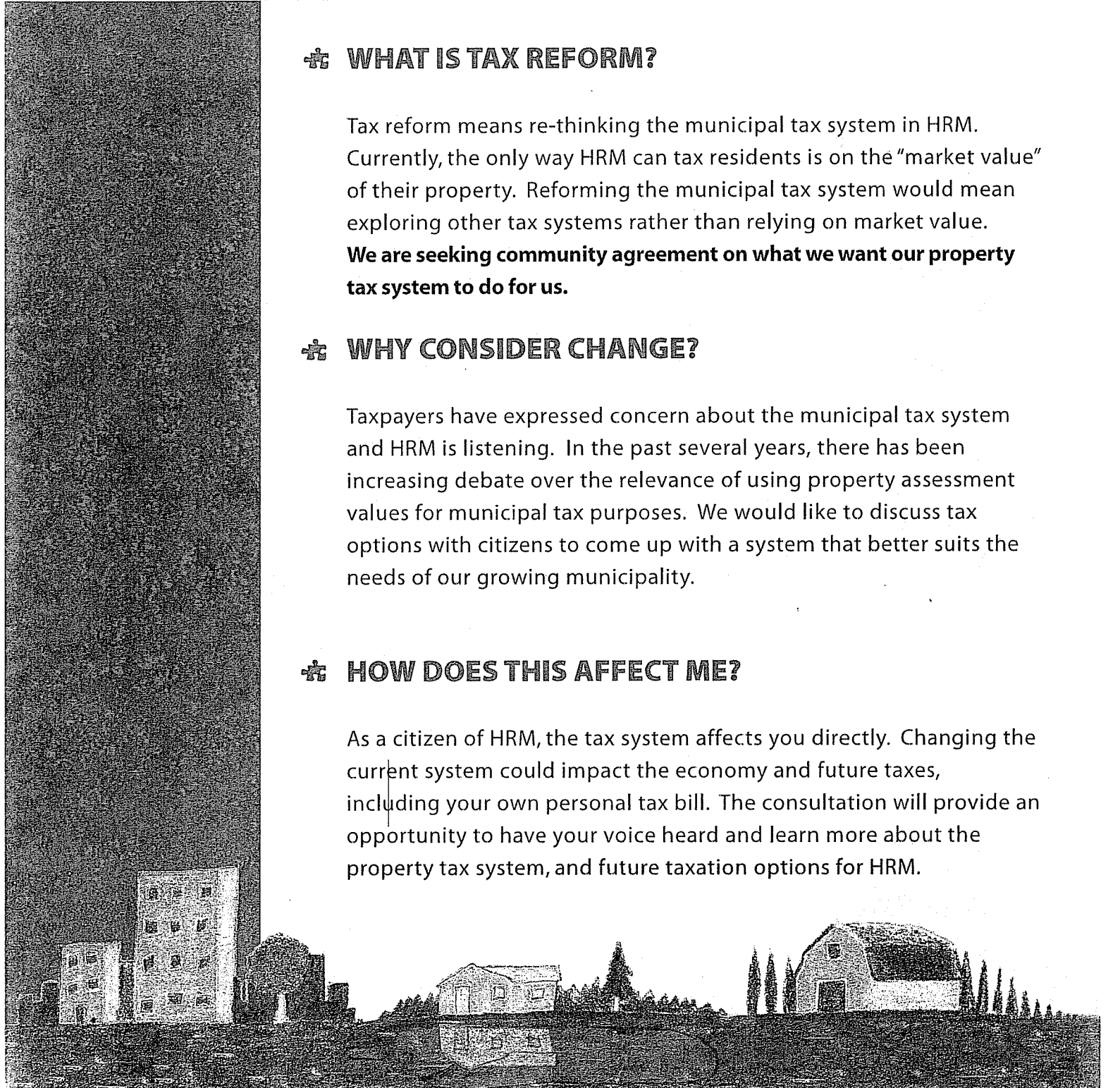
**We are seeking community agreement on what we want our property tax system to do for us.**

### ✦ WHY CONSIDER CHANGE?

Taxpayers have expressed concern about the municipal tax system and HRM is listening. In the past several years, there has been increasing debate over the relevance of using property assessment values for municipal tax purposes. We would like to discuss tax options with citizens to come up with a system that better suits the needs of our growing municipality.

### ✦ HOW DOES THIS AFFECT ME?

As a citizen of HRM, the tax system affects you directly. Changing the current system could impact the economy and future taxes, including your own personal tax bill. The consultation will provide an opportunity to have your voice heard and learn more about the property tax system, and future taxation options for HRM.



## Did You Know?

Property tax pays for municipal services such as police, fire, roads, and solid waste to name a few. It also includes provincial costs that the municipality is required to pay, such as education.

Currently, **75%** of municipal revenues come from property tax. Other sources of revenue include user fees for sewer, deed transfer taxes, and transit fares.

Property tax is charged, based on the estimated "market value" of your property. This value is determined by the provincial assessment service.

Market value is the amount of money that a property is expected to sell for.

## WHAT DO WE WANT OUR T

### *What should property taxes be based on?*

Historically, property assessment related very closely to a family's income level. Many think assessment values reflect the level of municipal services. However, property value assessments are not always reflective of a person's ability to pay or the municipal services available. Is it time for a change?

**Should the property tax system be based on the services available? Or, should it be based on ability to pay? Would a combination of the two work?**

### *What is important to you in a municipal tax system?*

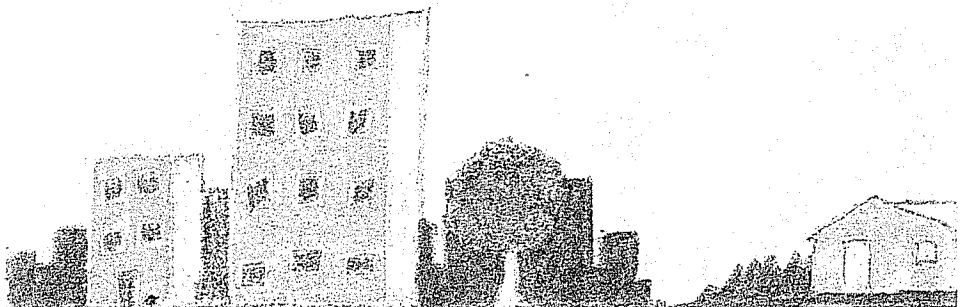
It is not enough to say that the municipal tax system needs to be changed. HRM needs to develop a clear and meaningful vision for the tax system. What is important to you?

- Tax bills are stable and predictable from year to year
- The tax system is easy to understand
- The tax system results in consistency between taxpayers in similar circumstances
- The tax system supports economic growth

### *What options might exist for a new tax system?*

Provincial law limits what municipalities can do. HRM may have to seek legislative amendments. Some options may be more difficult to implement than others. The following are a few of the options that could work in HRM. What options appeal to you?

- Keep the current "market value" property tax system
- Use another property assessment method other than "market value"
- Implement a municipal sales, liquor, or fuel tax
- Apply a dwelling unit, acreage, frontage, or property charge
- Introduce new user fees





# X SYSTEM TO DO FOR US?

## Quick Facts:

Scenario:

Discussion point:

### Case 2 - Income and Ability to Pay

Scenario:

Michelle has owned her home for many years. Her income consists of a modest pension that is fixed. Michelle doesn't qualify for a low income rebate. Each year her home rises in value, hence, her taxes take up a bigger share of her income.

Discussion point:

Should property taxes be based on the ability to pay?

### Case 3 - Income and Services

Scenario:

Claude owns a home with a low assessment value and knows that other people in HRM, including some of his neighbours, pay higher property taxes. His municipal services have been increasing, and so has his income. Claude is worried that his municipal property taxes may increase after tax reform.

Discussion point:

Should property taxes be based on municipal services? Should they reflect someone's ability to pay? Or, some combination of the two?

Property taxes were first levied in Nova Scotia in 1882 and originally included all forms of wealth such as cash, furniture and silverware.

Residential taxes per single home range from under \$1,000 to over \$30,000. (The average is around \$1,800).

HRM has an urban, suburban, and rural general property tax rate. Suburban and rural residents do not typically pay for transit service or sidewalks.

The commercial tax is 2.7 times the residential rate.





# LET'S TALK TAXES!

HRM is looking for your insight on municipal tax reform

## HOW DO I GET INVOLVED?

If you have an idea of how HRM's tax system could be improved, or if you feel things are just fine the way they are, we encourage you to get involved. You can call, write, or e-mail us at the contacts provided.

You may wish to share your ideas with others at a tax Roundtable, where HRM residents will be brought together to discuss "What we want our tax system to do for us." HRM will be seeking a broad representation of all taxpayers to attend these sessions.

Ideas discussed at the Roundtables will be further explored at a Tax Conference. Results from the Roundtables and options from the Conference will be brought to Regional Council later in 2007 for their review and further direction.

**To provide your comments or register for a Roundtable, please contact us at:**

**Phone message system: 490-4886**

**fax: 490 - 4938**

**E-mail: [taxreform@halifax.ca](mailto:taxreform@halifax.ca)**

**TDD / TTY 490 - 6645**

**Toll free in NS # 1 800 835 6428**

**Tax Reform PO Box 1749 Halifax NS, B3J 3A5**

**To request more information, please contact:**

Corporate Call Centre at 490-4000 or log onto our Website at [www.halifax.ca/taxreform](http://www.halifax.ca/taxreform)

## SCHEDULED ROUNDTABLE DATES

### **Wednesday - TBA**

Cole Harbour Place-Westphall Room  
Cole Harbour

### **Wednesday - TBA**

St. Margaret's Centre  
Tantallon

### **Monday - TBA**

Dartmouth Sportsplex  
Dartmouth

### **Thursday - TBA**

LeBrun Centre - Lion's Den  
Bedford

### **Monday - TBA**

Sackville Community Centre  
Sackville

### **Wednesday - TBA**

Keshan Goodwin Library  
Halifax

### **Thursday - TBA**

St. James United Church  
in Sheet Harbour - Eastern Shore

### **Monday - TBA**

Musquodoboit - Rural High School  
Musquodoboit

### **Thursday - TBA**

Porter's Lake Community Centre  
Porter's Lake

### **Wednesday - TBA**

Pier 21 - Heritage Hall  
Business Community