

Taxes Supporting Growth with the Regional Plan

What is HRM's Regional Plan?

- HRM's Regional Plan is a long-range, region-wide plan that outlines where, when and how future growth and development should take place in HRM. The Plan was adopted in June 2006.
 - The Regional Plan (Chapter 5) discusses taxation and its relationship to the Plan.
 - *HRM by Design*, a planning project currently underway, is expected to make recommendations on the level of density HRM should seek within the Regional Centre.

What does the Regional Plan say about Taxes?

- As part of a financial component of the Regional Plan, Tax Reform should:
 - ensure a competitive taxation environment;
 - encourage efficient forms of development;
 - encourage demographic and economic growth/development.

How does the Tax Reform Project support the Regional Plan?

- HRM's Tax Reform Project will look at both commercial and residential taxes in HRM. Building on the HRM's Regional Plan, we need to know:
 - Does the current tax system support good land use decisions? Or does the current tax system encourage growth or development activity not in line with the Regional Plan?
- To encourage economic growth and efficient forms of development, Tax Reform proposes to support two key components of the Regional Plan, transit services and compact development:
 - The Regional Transportation (transit & road) charge taxes those who benefit the most from regional transportation infrastructure, i.e. those who use regional roads the most. Commuters benefit from reduced road congestion and deferred road expansion costs, due to improved regional transit services.
 - Compact development is encouraged through low local road and hydrant charges, and reduced tax rates on other services. This reflects that multi-unit buildings are efficient for the municipality to service.

What we need to Figure Out?

- What incentives/disincentives does HRM's current tax system provide to encourage or discourage the type of growth that we want to see in our municipality (in the future)?
- How should the new tax system support desired growth patterns and growth areas?
- Is the level of taxation hindering economic growth and, if so, should broad tax relief be encouraged or should tax incentives be targeted to achieve key economic objectives?

For More Information

- See HRM's Tax Reform website at: <http://www.halifax.ca/taxreform/index.html> , or
- Call HRM's Tax Reform phone line at: (902) 490-4886, or
- E-mail us at: taxreform@halifax.ca .