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Halifax Regional Council
July 3, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



For Cathie O'Toole, Acting Director of Finance

DATE: June 26, 2007

SUBJECT: Tax Reform - May 2007 Consultations

INFORMATION REPORT

ORIGIN

On September 26, 2006 Council authorised the Tax Reform Committee to undertake consultation with the public. This report details the results of the initial round of consultations.

BACKGROUND

On April 16, 2004 Council passed a motion to look at alternatives to the current property tax system. It has been discussed on a number of occasions after that date. The Tax Reform Committee (TRC) was created by Regional Council in September 2006 to lead the “Rebuilding Foundations” level of the project and to undertake public consultations on tax reform. It is made up of Councillors, residents, and representatives of the business community. In the May of 2007 the first round of public consultations took place.

DISCUSSION

The attached report discusses the findings from the spring tax reform public consultations.

BUDGET IMPLICATIONS

N/A

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.

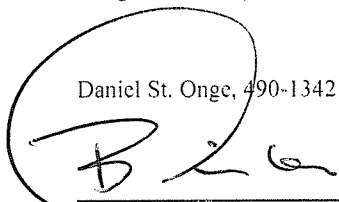
ATTACHMENTS

HRM Tax Reform Project - Summary Report - Tax Reform Spring Consultations

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 :

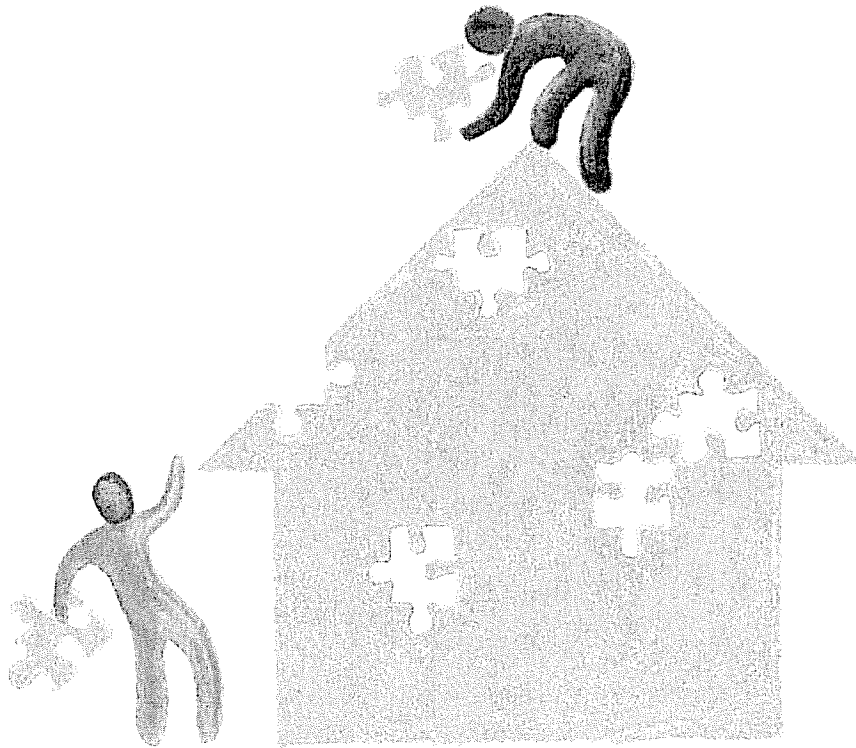
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HRM Tax Reform Project-
Rebuilding the Municipal Tax System in HRM



Summary Report -
Tax Reform Spring Consultations

Executive Summary

The HRM Tax Reform Committee (TRC) has been mandated to look at alternatives to the current municipal tax system. In doing such, they developed a public consultation plan that would engage the public in the process of rebuilding the municipal tax system. As a result, the TRC had their first set of public workshops in May, 2007 to gather public input on the principles and foundations of a strong municipal tax system. Individuals were also encouraged to send written in submissions.

A full 85% of those attending the workshops felt that they were a useful exercise. As a result of the feedback provided through workshops and other submissions, it can be concluded that:

- Equity and transparency are key principles that are important to people. Other important principles were stability, adequacy, simplicity, broad-based and economic competitiveness.
- While there was no majority consensus, over 40% felt the foundations of the municipal tax system should be based a combination of both services and ability to pay.

A wide variety of other themes appeared at the workshops.

- Some argued that HRM should provide core services, with everyone sharing in the cost. Any additional services, however, should be paid for by those receiving the service.
- There was little satisfaction with the status quo. Over 95% agreed there was a need for tax reform. Concern was expressed with the market value system.
- Municipal spending was discussed with some stating expenditures should be declining.
- Participants were clearly concerned with the administrative costs of the current and any potential tax system.
- Many at the workshop volunteered their own tax proposals. Ideas included user fees, income tax, flat taxes and poll taxes.

Overall, nearly 150 individuals attended workshops and another 30 sent written submissions. Not all areas of HRM were well represented. Representation was weak from younger individuals, renters and mobile home owners, women, those with low or modest tax bills and individuals with lower incomes.

The following report summarizes the sentiments heard during the Spring. The TRC has yet to consider what a tax system based on these ideas would look like, and will be exploring that issue over the summer. Once the TRC has determined possible options, they will return to Regional Council for direction, and then to the public for further input.

Background

Tax Reform has been discussed by Regional Council and Committee of the Whole (COW) on a number of occasions. A motion was passed by Council on April 16, 2004 to look at alternatives to the current property tax system. Council discussed tax reform on March 8, 2005, September 6, 2005 and again during the COW Focus Areas on January 25, 2006. Tax Reform is described in the Regional Plans recommendations (Chapter 5 “Economy and Finance”) and is listed as one of the CAOs 2006-2007 Goals and Objectives. On September 26, 2006 Council gave direction to staff to continue the Tax Reform project at the “Rebuilding Foundations” level, with substantial public consultations. To lead the project at this level, Council created the Tax Reform Committee (TRC), comprised of Councillors, residents, and representatives of the business community.

Tax reform is designed to address issues with both residential and commercial taxation. The Tax reform project can best be described as encompassing six key issues:

- Rapidly rising, uneven market values, unrelated to municipal services or income levels,
- Resources being shifted to fund mandatory education,
- Issues surrounding urban, suburban and rural taxation and services (eg tax boundaries),
- The need to encourage growth and development,
 - Stronger connection between the tax system and the Regional Plan
- The requirement for a competitive taxation regime
- Unclear philosophy/ long term objectives for the current tax system.
 - Limited sensitivity to ability to pay
 - Weak connection between taxes and services.

There are four critical factors that will determine the success of the tax reform project.

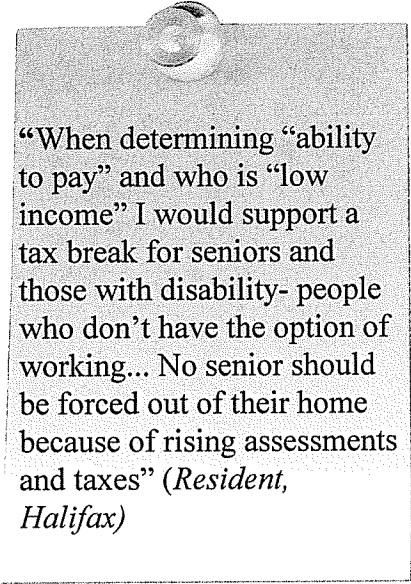
- Agreement on objectives
- Ability to accept change
- Ability to innovate
- Council leadership

Community involvement, understanding and interaction is critical to the success of tax reform. Tax discussions can be both complex and emotional and can be difficult to communicate. Hence, communications and organization is critical to the Tax Reform project.

Objectives of this Report

The objective of this report is to summarise the results of the spring consultations on Tax Reform. The spring consultations sought to identify:

- ▶ “Principles” of a well thought out tax system and other issues of significant importance to HRM residents and businesses;
- ▶ What “Foundations” the municipal tax system in HRM should be based on, i.e. ability to pay, services, a combination of both, or some other foundation;
- ▶ How the views of residential and business persons may differ on these items.



“When determining “ability to pay” and who is “low income” I would support a tax break for seniors and those with disability- people who don’t have the option of working... No senior should be forced out of their home because of rising assessments and taxes” (*Resident, Halifax*)

This report will also be circulated to all workshop participants to allow them to see what was captured through the workshops in their areas, and throughout HRM. This report will help assure participants that their comments were heard, and will be taken into consideration during the next phases of the Tax Reform process. This report will also be circulated to Regional Council to communicate how the public feels the tax system in HRM should be rebuilt.

Public Consultation Process

At the “Rebuilding Foundations” level, the Tax Reform project requires significant public consultation. The TRC wanted to improve on the value of public participation through education on the current tax system and Tax Reform, all while encouraging active public participation throughout the Tax Reform process.

Changes to the tax system in HRM may not affect all taxpayers in the same fashion. In an attempt to create a tax system that better reflects basic principles, some tax bills may increase while others may decrease. It is important, then, to incorporate taxpayers in the design phase, and throughout the tax reform process.

Advertising Campaign (Appendix A)

The spring consultation phase was advertised through numerous means including the Chronicle Herald, the Daily News, the Daily News weekly, the Masthead, the Coast, and HRM Today. In addition, radio announcements were made on 97.5 FM and CBC radio. An advertisement on

“Assessment branch of the provincial government must be responsible to the taxpayer.” (*Resident, Hammonds Plains*)

Eastlink TV Guide Channel also ran for the week of May 23rd to May 30th. A general press release, and the updated website (www.halifax.ca/taxreform) were also important tools used in the advertising process.

Information brochures and posters were dispersed throughout HRM at grocery stores, libraries, recreation centres, and HRM customer service centres. Information brochures and posters were also distributed to the post office in Sheet Harbour. Lastly, the sign in front of the Firefighter’s Community Centre in Hammonds Plains was used to advertise the workshop in that area for a week prior to the session.

Staff also contacted rate payer and homeowner associations and individuals that had expressed interest in Tax Reform in the past (including those who had applied to be members of the Tax Reform Committee).

Most individuals found out about the tax workshops through newspaper advertisements and word of mouth.

Workshops

In the interest of gathering meaningful information in a limited amount of time, the TRC proposed a series of five spring workshops (four residential, and one business) across HRM between May 23rd and May 31st, 2007. The purpose of the workshops were to focus conversation around preferred principles and foundations of a municipal tax system. These workshops were designed to accommodate up to 50 participants at each location where participants would work in small groups through scenarios designed to focus conversation around “what the municipal tax system should be based on”.

In all the advertisements, interested individuals were asked to pre-register to ensure the facilities were large enough to accommodate those interested, and also to ensure participants could receive relevant information prior to the sessions. Participants were able to register over the phone with staff, via e-mail, fax, written submission, and through an internet registration form via the Tax Reform website.

A pre-workshop package (Appendix B) was mailed out in advance containing the Tax Reform information brochure, a list of possible principles for municipal taxation (with their definitions) and a series of 10 fact sheets containing background information relevant to municipal taxation. In addition, those attending the business meetings were sent information on HRM’s Municipal Expenditure and Revenue Model.

As an introductory exercise, each group member was given a list of Principles for a municipal tax system with definitions (see Appendix B). Those that pre-registered for the workshop received the information in the mail or via e-mail prior to the session. Group members were asked to indicate four of the ten principles that they felt were most important to them. If people felt the definitions did not represent what was most important to them, then they were encouraged to add their principle to the list for others to consider. Of their top four, participants were asked to indicate which principle was the most important to them. All chosen principles were marked on a group chart, with a star placed next to the principles that people felt were most important.

Following the principles exercise, the group then moved on to discuss two of four provided scenarios designed to discuss the Foundations of the municipal tax system (see Appendix C). These were based on the following topics: the cost of delivering services, the level of services provided, sharing in the cost of providing services, and ability to pay. In the Business Community workshop, the groups were provided with one of the cases covered by the residential groups, and one of two additional cases designed specifically for the business community (Appendix C). At all sessions, facilitators were present at each group to ensure the conversations would be meaningful to the Tax Reform process, and to capture the groups comments on municipal taxation. In addition, the overall meeting was lead by a professional facilitator.

At the end of each session participants were asked to fill out a feedback form providing their opinions on the usefulness of the sessions, their opinions on the needs for tax reform, and their choice for foundations (see Appendix D).

After the first session at the St. James Church in Halifax, it became apparent that participants were frustrated with the structure of the cases, and felt that they were not given the opportunity to communicate all of their concerns. To address this, facilitators began ending each session with an open “brainstorming” exercise that allowed participants to address any additional concerns they may have with the current tax system, and voice their suggestions for change.

Other forms of communication

In addition, those that could not, or chose not to attend the workshop were encouraged to send in their ideas on Tax Reform to the Tax Reform Committee either through e-mail, regular mail, or fax. Numerous submission were received this way, and continue to come in. An on-line comment form has been added to the Tax Reform website, and the TRC will continue to receive submissions over the summer months and into the next phase of the Tax Reform project.

"Address inequalities within residential sector and within commercial sector" (Member of the Business Community)

Level of Participation

In total, 145 residents and business owners participated in the workshops across HRM. The workshops in Halifax, Cole Harbour, and Hammonds Plains all had comparable levels of participation with approximately 40 people attending each. The Sheet Harbour workshop had a turnout of 13 people with another 5 people in attendance to observe. The turnout in Sheet Harbour was expected to be larger; however, an unforeseen event in the community, and difficulties in advertising in rural areas may have led to a lower turnout. The Business Community workshop attracted 21 business persons from across HRM.

In addition to the participants, observers included Councillors from across HRM, members of the TRC, representatives from the media, HRM staff, and staff from the provincial government.

Of those who attended, 119 (or 82%) filled out the provided feedback forms to help the TRC gauge how the process worked, and to determine demographic information on those who attended. Of those that filled out the forms, roughly 95% wanted to continue to be involved in the Tax Reform process.

Staff also received over 30 submissions through mail, e-mails, and phone. It should be noted, however, that some of the written submissions came from people that attended the workshops, and in some cases people attended more than one workshop.

Representation

In all, the workshops demonstrate just how difficult it is to consult with all areas and segments of the municipality. For instance, most participants were males (69.2%) and owners of single family homes/duplexes or condos (96.5%). Only 3% were apartment dwellers, even though nearly 40% of individuals in HRM live in apartments. Over 70% had family income over \$70,000.

In my own case, I see that I am paying 6 to 7 times as much as a neighbour perhaps 500 metres away. Of course he is happy paying the low end of the scale just as I am unhappy paying at the high end. It is in no way an equitable sharing of the cost of services. As far as I am concerned the person that I gave in this example and I should be paying the same amount. We get the same services." *(Written submission, resident, East Chezzetcook)*

Demographically, those who attended workshops tended to be older. Nearly two-thirds were over 55 years of age. This compares to the general population (over the age of 20 years) where only 25% are 55 years of age.

Age Range of Workshop Participants

	Number and % Responding		% for HRM in 2001 Census
Age 20-24	0	0.0%	9.8%
Age 25-44	17	16.0%	43.9%
Age 45-54	19	17.9%	19.8%
Age 55-64	42	39.6%	11.8%
Age 65 years and older	28	26.4%	14.6%
Total	106	100.0%	100.0%
no answer	13		

Those attending workshops were more likely to have high tax bills. Approximately 40% of participants had bills over \$3,000 compared to the general home ownership of about 10%. Those with low tax bills were under represented.

Recent Property Tax Bills for Workshop Participants

	Number and % Responding		% Single Family Homes in HRM (2007)
Under \$1,000	3	3.0%	15.7%
Between \$1,000 and \$1,500	15	14.9%	21.9%
Between \$1,500 and \$2,000	25	24.8%	27.0%
Between \$2,000 and \$3,000	19	18.8%	24.1%
Between \$3,000 and \$4,000	18	17.8%	6.4%
Over \$4,000	21	20.8%	4.9%
Total	101	100.0%	100.0%
no answer	18		

While all areas of HRM were represented, nearly 55% of all participants were from the Former Halifax County. Some parts of the former County may have been more heavily represented than other areas of the County. For instance, suburban tax areas were generally well-represented. Roughly 18% of participants were from the suburban tax zone even though only 7% of single family homes are located there. Rural areas in HRM (both in western and eastern HRM) were well represented. As rural HRM is a very diverse area, there may, however, be points of view that were not captured. The more urbanized parts of the former County were somewhat under-represented.

Where the Workshop Participants Lived

	Number and % Responding		% Single Family Homes in HRM (2007) % Dwellings in HRM (2007)	
by Former Municipal Unit				
City of Halifax	23	23.2%	23.1%	38.5%
City of Dartmouth	20	20.2%	15.1%	18.3%
Town of Bedford	3	3.0%	4.9%	4.1%
County of Halifax	53	53.5%	56.9%	39.1%
Total	99	100.0%	100.0%	100.0%
by Taxation Area				
Urban	59	59.6%	68.4%	78.9%
Suburban	18	18.2%	6.8%	4.6%
Rural				
- Western HRM	10	10.1%	11.0%	7.4%
- Eastern HRM	12	12.1%	13.7%	9.1%
Total	99	100.0%	100.0%	100.0%
no answer	20			

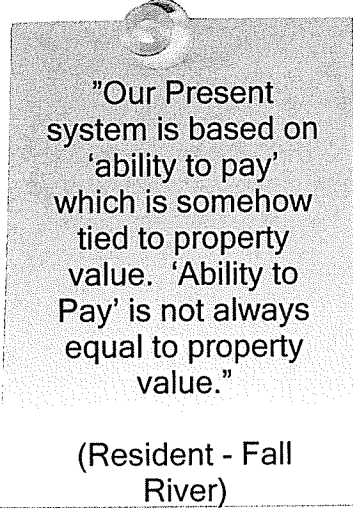
Bedford, Halifax and Dartmouth had prudent levels of participation compared to the number of single family homes. When compared to figures that include apartment dwellers, however, the former City of Halifax was under-represented at the workshops.

To a certain extent the consultations may have attracted those who had specific issues with the tax system and left out those who may have been satisfied or had dissatisfaction but for different reasons.

Principles of the Tax System

Principles

During the small group discussions, participants were asked to select the most important principles for a good municipal tax system. There was concern expressed by some participants that the definitions were not clear, or that they did not cover what they felt would be a key principle for a municipal tax system. As such, facilitators encouraged people to add their own definitions to the list to ensure that they were comfortable with their selection of their top principles. As a result, 11 additional principles were added by individuals through various workshops.



"Our Present system is based on 'ability to pay' which is somehow tied to property value. 'Ability to Pay' is not always equal to property value."

(Resident - Fall River)

When indicating their top four preferences, several principles were clearly coming through as being very important; specifically "equity" was by far the most frequently chosen with 102 people saying that it was in their top 4. In addition, "transparency" (67) and "stability" (52) were also chosen more frequently than others. "Adequacy"(48) rounded out the top 4 with "simplicity" (46), "broad based" (45), and "economic competitiveness" (36) close behind as favorites.

When asked to narrow their choice down to the principle that was most important to them, equity and transparency remained the top choices with 49 and 16 people respectively.

Not everyone felt comfortable choosing their top principles, and so the resulting numbers are not representative of everyone that took part in the workshops; approximately 87% of participants took part in the exercise.

It is clear that while different people have a variety of ideas surrounding what constitutes suitable principles for a municipal tax system, there is some consensus around the importance of equity and transparency. It was also clear, however, that "equity" might mean different things to different people and that there was no consensus on a definition.

Equity- As mentioned above, equity was a key recurring concern with attendants at all the workshops in HRM, both residential and commercial. The general comments from the residential workshops indicated there was little equity with the current system, and that increasing assessments are the driving factor behind those inequities. While the residential workshops focussed mainly on the inequity within the residential sector, those attending the commercial workshop discussed the inequity between the residential and commercial tax payers in addition to inequities within the commercial sector.

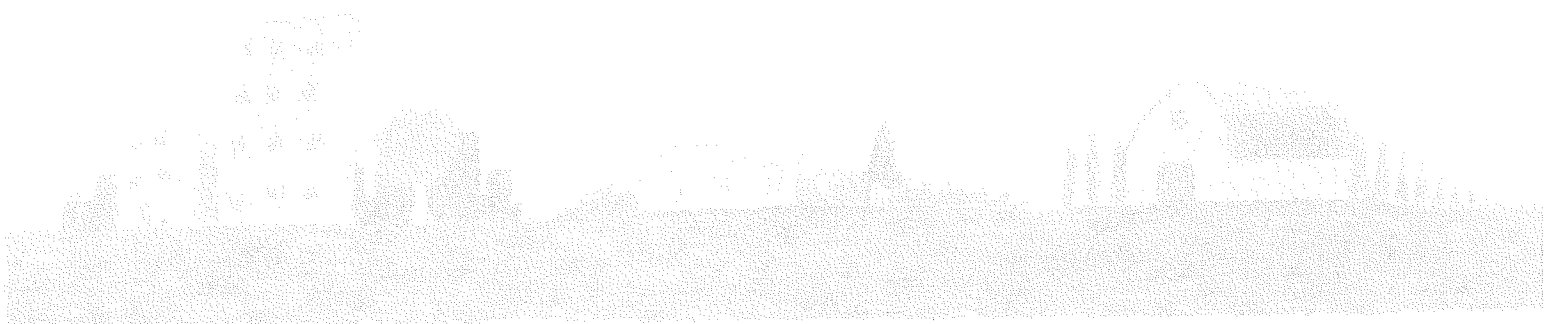
While it was clear that people thought that the current system lacked equity, there was no clear consensus on what an equitable system would look like, or what an equitable tax system should be based on.

Stability- While equity was clearly a key topic for people, there was also a concern with stability. Some suggested that there was a need to freeze the system to also ensure stability. While some felt that stability was the key factor for them (ie. didn't care that they were paying more than their neighbours for the same services, as long as there was stability), many indicated that starting from the beginning, fixing the system, and then freezing the system to add stability would be the most effective way of reforming the system.

Transparency- Transparency was another reoccurring topic that emerged throughout the sessions, especially in connection with accountability. People commented that there was a lack of transparency and accountability that stemmed from the provincial government handling the assessment side of property taxation, and the municipal government setting the tax rates.

Another note on transparency was the lack of understanding how the municipality spends its money. People suggested that there was not enough clarity on how municipal tax dollars are being spent. This point was especially made at the business community meetings.

Lastly, people felt that there was no clear link between what they were paying, and the services they were receiving. People stated that they would be more comfortable paying their municipal taxes if they knew where the money was going.



Foundations of the Tax System

The cases used to capture people’s ideas on the foundations of the municipal tax system revealed a variety of comments. During the workshops, no real clear consensus was reached as to whether the tax system should be based on ability to pay, the cost of providing municipal services, or the level of services provided. Feedback forms suggested that individuals preferred a combination of ability to pay and service based taxation. While there was strong support from some for an ability to pay system, the feedback results suggest most do not see this as the backbone of the system.

Several reoccurring themes did develop during the workshops that will help the TRC to move forward in looking at a series of Tax Reform options to bring back to the public in the next phase to confirm that reform is heading in the right direction.

Service Based system- Many people at the sessions found value having a system based in some part on the level of services received. While there was some favour toward charging people based

I think the tax system should be based on

	Number	%
Municipal Services	29	26.6%
Ability to Pay	12	11.0%
Both Service and Ability to Pay	47	43.1%
Other (Various)	21	19.3%
Total	109	100.0%
no answer	10	

on the cost of providing services, it was not as strong of a theme as basing taxes on the level of services provided. Many agreed that if it costs relatively the same to service two properties, they should be paying comparable taxes. Also, some felt that people should be rewarded for living in cost efficient housing, such as condos. Yet people thought that their specific circumstances should be taken into consideration (ie. if they are forced to have a large lot size because of the need to have a septic and well system, they should not be penalized by the tax system). So while the idea of charging people based on the cost of services was often favoured in theory, when the issues was further explored many felt that this was secondary to the level of services received, and people’s ability to pay.

On the other hand, many attending the Business Community meeting were looking for more connection between the cost of the services they receive, and the tax bill they are paying.

“... assessed values ... constitutes a tax at a rate that can increase annually on ‘presumed’ capital gain that may never actually be realized for tens of years ...”
(Written submission, Resident, HRM)

“While no system will be perfect residents should reasonably pay for the services they receive... Certain services should be the same for all...with the same rate paid by all and the same services provided to all.” (*Written submission, Resident, Dartmouth*)

Sharing in Services- One of the main reoccurring themes that emerged was the need for HRM to establish a set of core services that are provided to everyone in HRM, and that everyone should share in paying for these services. For additional services that were not deemed to be core services, many felt that those should be funded through other means, such as user pay. Distinguishing between “core” services, and “luxury” services was important to people in determining how revenue for funding these services should be collect.

Some also noted that when taxing these “core” services, it may not be on an HRM wide basis. Each community could be looked at individually with their level of services and community’s ability to pay taken into consideration.

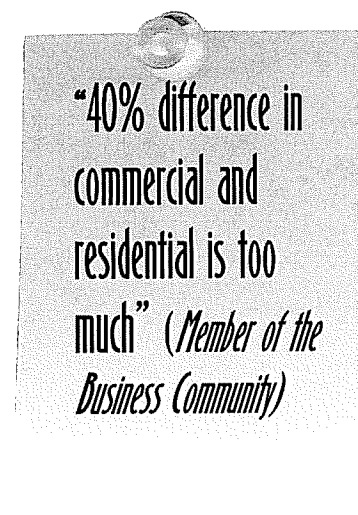
Ability to pay- While participants often saw logic in basing the system on the level of municipal services received, others believed that there was a larger need to consider one’s ability to pay. In several instances there was a strong debate between those who supported ability to pay and saw it as critical and others who were equally opposed, seeing it as stepping into the social area and away from a service based or other type of system. The debate occasionally focused on individual situations. For instance, while many felt that ability to pay and individual circumstances should be taken into consideration, it was also thought that people should be held accountable for their own decisions. If people chose to live above their means, they should not get a break on their property taxes. However, if people had purchased a home that was within their means, and rising assessment values or other circumstance beyond their control were behind their inability to pay, participants believed that there should be programs in place to help those individuals. These fears were summed up by one participant who stated that he was “afraid” that the time had come to adopt an income tax system at the municipal level.

In most cases, people saw value in having programs in place that would not force people out of their homes. Specific preference was given to seniors who may have a more restricted ability to pay than younger people. It was also suggested that young families can have an equally difficult time with their ability to pay.

Some participants favoured a tax system that was based solely on ability to pay, and some focussed on instituting an income tax. However, on the whole, the feedback forms seem to confirm that most were more comfortable having a system that was based both on service, and one’s ability to pay.

No consensus was reached as to what constitutes one’s ability to pay, or what should be taken into consideration when taxing someone on their ability to pay.

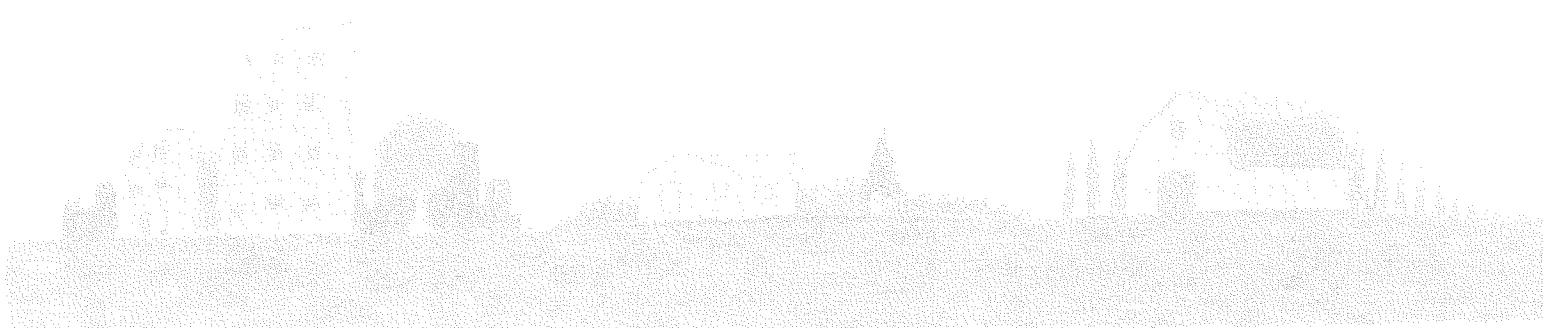
Commercial multiplier- Those attending the Business Community meeting had similar issues with the current tax system as those attending the residential meetings. There was a lot of concern with equity within the commercial sector, and many felt that this inequity was a key issue to address through Tax Reform. In addition to the inequity within the commercial sector, many believed that there was also a need to address the inequity between the commercial and residential sectors. Many indicated that they were paying much more than the residential sector, but were not receiving equal services. Some suggested that the commercial multiplier should be reexamined to determine if it was a fair basis for calculating commercial taxation. Others thought that the multiplier should be capped so that there would be no future increases.



Reconfirming Past Findings

In November, 2005 staff worked with the Corporate Research Associates Inc. to administer a municipal wide survey on the principles and foundations of the municipal tax system; results were roughly similar to those found at the spring workshops. When exploring the principles, the survey showed that equity followed by transparency were most important to residents. When probed on the foundations of the tax system, 77% indicated they would either mostly or completely support a system that was based on the level of municipal services received. In addition, 59% indicated that they would either mostly or completely support a municipal tax system based on ability to pay. Due to the complexity of the question, individuals were not asked if they preferred a combination of services and ability to pay.

The workshops were used to further test people's preference for one system or another, and to probe further in a manner that is difficult to do in a telephone survey. The preliminary results are indicating that people would be most comfortable with a combination of both service based and ability to pay.



Other Reoccurring Themes

The Need for Tax Reform - Little satisfaction was expressed with the status quo for a wide variety of reasons. Overall, 74% completely agreed that there was a need for tax reform while another 22% somewhat agreed.

Municipal expenditures- A considerable amount of time was spent discussing municipal expenditures. Many indicated that taxes should not be increasing, but rather they believed that the municipality's spending should be decreasing. Others stated that HRM was living beyond its means, or that it is delivering services in areas (ie social areas) where it should not. Some suggested service levels were constantly increasing, and stressed that there needed to be a standard service levels for the core services, and that other services should be considered luxuries that are only provided if there is money left over. Various comments were made that increasing assessments, and the resulting increase in taxes, are a cash grab for the city and that the city needs to get its spending under control.

One theme that came out at the business workshop was a concern that business tax payers have no real voice when it comes to municipal taxation and expenditures, as they do not get a vote.

Market Value Assessment- Assessment issues were another common theme that was prominent throughout the workshops. Some participants believed that increasing assessments were the main factor behind many of the tax system's problems. Some thought that there was little or no connection between the actual value of their home and the assessed market value derived by the province; this, they believed, is mainly because assessors are not looking at individual properties before assigning an assessed value.

One issue that came up was a belief that the strong economy was allowing people to purchase more expensive homes, and that this in turn is driving up the assessed value of more modest homes. There was also an expressed concern with the people moving to Nova Scotia, and building larger, more expensive homes, and presumably driving up the assessed value of their neighbour's property. In addition, waterfront property, and its increasing assessment values was also a concern. Many stated that these issues needed to be addressed, and that their homes should be assessed at the sale value, and then frozen at that level until sold again.

Another concern was with the appeal system for assessments. Some described the process as confusing, and felt that the time-lines associated with the process were arbitrary, and that it should be revised to be more user friendly, and customer oriented.

While it was argued that increased assessments could be a good thing, as it means the value of one's asset has increased, others felt that they would not benefit from the increased value of their

"No system is perfect, but I believe a system that assesses municipal taxes based on income, rather than property assessments is a far more equitable system. Such a system would avoid the current issues where property assessments increase significantly without a corresponding increase in ability to pay" (*written submission, resident, Dartmouth*)

property because either they have no plan to sell, or they do not feel they would actually be able to sell their property for the assessed amount.

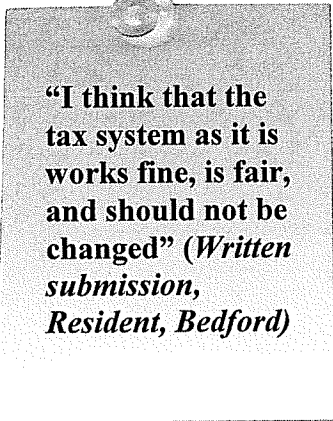
Despite the concerns with increasing assessments, there was still those that felt that market value assessments were still the way to go. It was felt that assessments, were they more reflective of actual market value, still has value as the basis of the tax system. At the Business Community meeting, some stated that an accurate market value assessment-based system would be the best possible system for municipal taxation (ie the “best of the worst”).

Administrative Costs- Concerns were raised around the level of administrative costs the municipality currently incurs with the assessment system. In addition, people were weary of the municipality moving towards taxation tools that would be more costly to administer. Some felt that the municipality could cut down on administrative costs by administering an income tax, and piggy-backing on the provincial and federal system already in place. However, others felt that moving to an income tax should be avoided, as it would be too costly for the municipality to administer.

Tools/Taxation ideas- Many people came to the sessions with ideas for specific improvements to the municipal tax system. Many of the tools mentioned included : user fees, an income tax, a flat tax per dwelling, poll taxes, levy limits, capping programs, and deferral programs. While the discussion of these tools was not the main focus of these workshops, comments will be useful for moving into the next phase of the tax reform process.

It was clearly communicated by some at the business meeting (May 31st) that the municipal government should not get any new taxing powers. It was feared that any new tax would be used to increase the revenue collected by the municipality, and not used to replace existing tools. Specific concern was expressed over the possibility of a liquor tax or a parking tax.

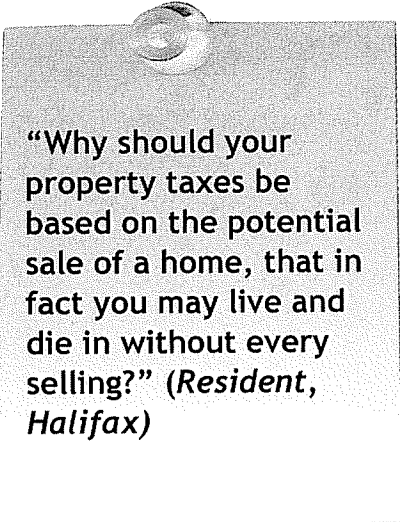
It was also suggested that the municipality should receive more of the revenue collected by the provincial and federal governments. This would make better use of the taxes already collected, as at the end of the day there is only one tax payer, and all levels of government should work together to ensure all taxation revenue is being spent efficiently. That being said, participants also felt that the municipality should not be paying for services that are not their responsibility (eg. education).



“I think that the tax system as it is works fine, is fair, and should not be changed” (Written submission, Resident, Bedford)

Evaluation of the Process

Initially, there was a level of distrust and cynicism on behalf of the participants. Comments were made that the Tax Reform exercise would be a waste of time, that nothing would be changed, or that HRM was really looking for a way to increase their revenues, and in the end, all would end up paying more. Some disliked the process of the workshops, and felt that they were too rigidly structured. However, at the end of the process, 85.2% of respondents either somewhat or completely agreed that the workshops were a useful exercise.



“Why should your property taxes be based on the potential sale of a home, that in fact you may live and die in without every selling?” (Resident, Halifax)

As previously mentioned, after the first workshop it was clear that people felt that the process involving the case studies was too rigid, not allowing people to have their say. The process was then modified to allow for a “brainstorming” session, and the probing questions associated with each case study were cut back to allow the group to have a more free flowing discussion, with the facilitator’s role to probe deeper on the issues when necessary. The result was a much more relaxed discussion on municipal taxation, and participants at the remaining sessions seemed more at ease with the process. The basic objectives of the workshops remained the same.

In addition, staff received some calls from people questioning the choice of location, and the number of workshops to be held. It is expected that in the next round of workshops, the TRC will hold more meetings that will cover more geographic locations across HRM. The TRC was prepared to add additional meetings during this phase of public consultation if necessary; however, none of the meetings attracted more than the sessions were able to accommodate, so additional meetings were not necessary. This lower turn out was likely due to the broad topic discussed, and it is anticipated that there will be a much larger turn out when the topic is more focussed on tangible taxation options. It is worth noting that individuals at workshops travelled from other areas of the municipality. For instance, nearly half the participants in the Halifax workshop came from outside the former City boundaries. There was no workshop in Dartmouth, however roughly 20% of all participants came from Dartmouth. Conversely, few from the Cole Harbour area attended a workshop, even though a workshop was available in the area. These results suggest that the workshops may have attracted less from a specific area than they did a specific type of homeowner.

A more aggressive advertising campaign may be needed for the next round of workshops. In doing so, the advertising campaign will have to be more inclusive to the rural areas. During this phase there was not enough lead time to get advertisements in all the community newspapers. Next time it will be important to advertise in local papers, as many people in the rural areas of HRM do not have access to cable, Halifax newspapers, or other forms used for advertising in this phase. The best way to reach the rural audience may be with a mass mail-out that reaches all households in HRM.

Steps should also be taken to ensure that there is a greater representation of all demographic components of HRM at the next round of consultations. As any change will have differing effects on people across HRM, it is important to also reach those who were not present in this phase of the project, ie. people under the age of 35, low tax homes, lower income households, renters, etc. Again, a mass mail-out would help ensure that people who fit these demographics are aware of the workshops, but more may have to be done to make the meetings more appealing and accessible to all (eg. Child care options, etc.).

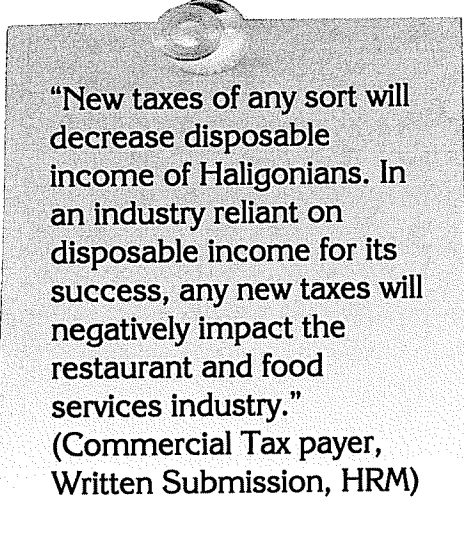
Next Steps

This report will be used as an update to Council, and will be sent out to all those who participated in the spring phase of public consultations, and posted on the web. The TRC will continue to collect feedback from the public on the principles and the foundations of the municipal tax system over the summer as they move forward on developing options for change.

It has been noted through the spring consultations that there are misconceptions that exist with the municipal tax system. These include assessment system practices, the services people currently pay taxes for through their tax bills, and the division of responsibility between municipal and provincial governments. These may represent problems with transparency under the current tax system. The TRC will review the current tax system and any proposed tax options to determine how they can be made more transparent. Further educational efforts between HRM and the community may be required.

Where there was no clear consensus on what the municipal tax system should be based on, the TRC may need to build time into the Tax Reform project to go back to the public to confirm that they are heading in the right direction when forming options for change; this will likely take part over the summer and into the fall.

The public could be invited to help further clarify important issues such as what is equity, what constitutes one's ability to pay, and what is defined as a core service. Those who participated in the spring workshops, as well as those groups that were missed, could be asked to comment further or invited to a series of focus groups that will allow the TRC to probe deeper on these issues. This could help ensure they are moving forward in the right direction when forming options.



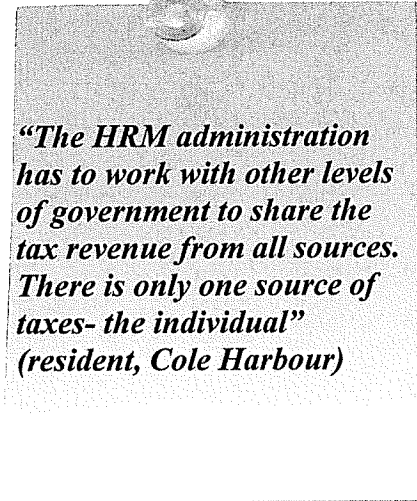
**"New taxes of any sort will decrease disposable income of Haligonians. In an industry reliant on disposable income for its success, any new taxes will negatively impact the restaurant and food services industry."
(Commercial Tax payer, Written Submission, HRM)**

Conclusions

While there was no strong consensus for what the municipal tax system should be based on, there were enough reoccurring themes that emerged that will allow the TRC to move forward with the Tax Reform process. People feel strongly that the current system is not fair. Many participants felt there should be a group of “core” municipal services that are provided to everyone in HRM, and for those services, everyone should share in the funding. Other argued that when applying municipal taxes, people’s ability to pay should be taken into consideration.

Keeping the public involved throughout the development of the options for Tax Reform will help reconfirm these themes, and ensure any options for change are based on the foundations developed by HRM as a community. Implementing any change has its difficulties; however, ensuring that taxpayers have a place in developing options will help ensure that potential changes are based on strong foundations that are supported by HRM.

The TRC will continue to engage the public throughout the Tax Reform process, and ensure that their needs and ideas are reflected in Tax reform options for an improved Tax System.



***“The HRM administration has to work with other levels of government to share the tax revenue from all sources. There is only one source of taxes- the individual”
(resident, Cole Harbour)***

Appendix

Appendix A..... Advertisement Campaign for Spring Workshops

Appendix B..... Tax Reform Information sent to pre-registrants

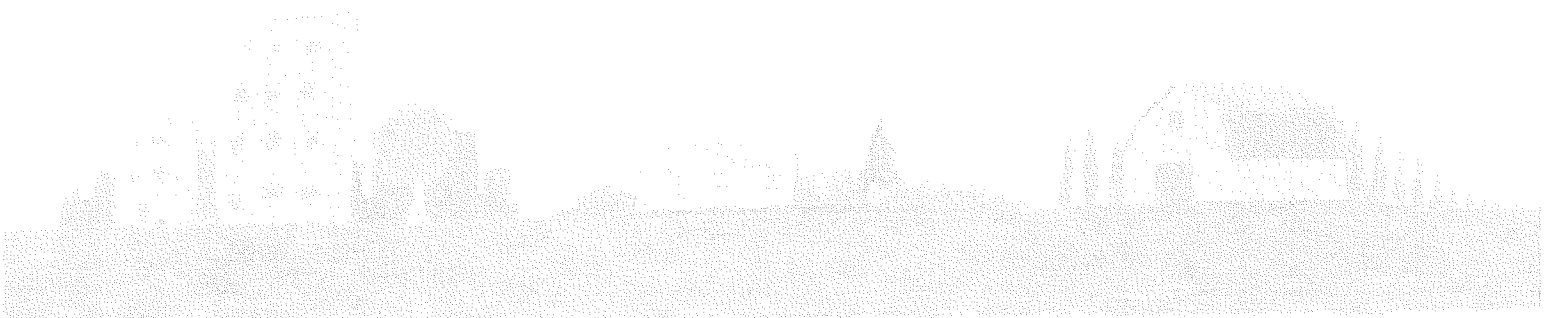
- Information Brochure
- Principles
- Fact Sheets
- MERA Model

Appendix C..... Tax Reform Workshop Scenarios

Appendix D..... Principles - 1st Choice

Appendix E..... Feedback Forms

Appendix F..... Feedback Form Results



Tax Reform
Advertising for Public Consultations May 2007

DRAFT
Updated: May 17, 2007

Tactic	Details	Timing
Discussion Paper	Gone to Print	3,000 units delivered Monday, May 14 th
Poster	Gone to Print	500 units delivered Monday, May 14 th
Ads in daily papers	Herald – 1/8 page Daily News – 1/4 page Daily ads are booked.	Sat May 12 Sun May 13 Sat May 19 Sun May 20 Tuesday May 22 Sat May 26 Sun May 27
Ads in weekly papers (Daily News)	Bedford/ Sackville Cole Harbour Clayton Park	Will be distributed to an additional 93,000 households by Friday, May 18 th
Ad in Masthead News	1/4 page Tantallon Bedford Hammonds Plains	Distributed May 16 th
Ad in the Coast	Free weekly distributed throughout HRM	Distributed May 23 rd – 30 th
HRM Today	1/4 page add – goes to every household in HRM	Distributed Mid May
Ad on Eastlink Channel 8	Production of ad and still images	Run from Wednesday, May 23 – Thursday, May 31
Radio PSAs	1) Info Radio 97.9 FM (free) 2) CBC Talkback (free of charge) 1-800-582-5526	1) Will run one day week of May 8, one day week of May 14 and each day leading up to the workshops 2) will leave message on Mon, May 14 and Friday, May 18
Press Release	Sent out the week before the public meetings	May 14 th
Website	Button on mainpage to lead to tax reform pages www.halifax.ca/taxreform	May 10 – 31 TBD
	Form to fill out for case studies	TBD

WORKING TOGETHER

to Rebuild the Municipal Tax System In HRM



✦ WHAT IS TAX REFORM?

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

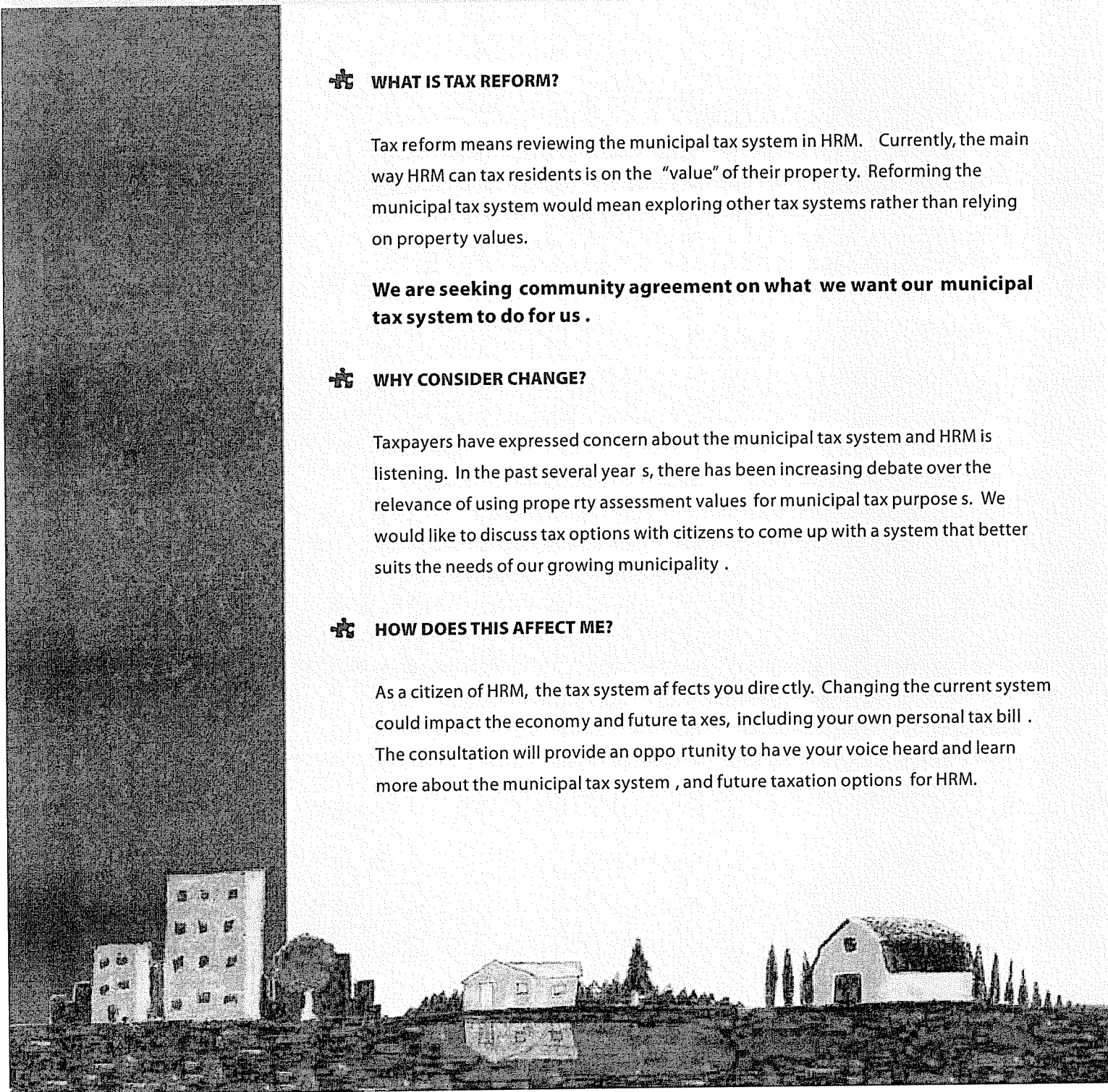
We are seeking community agreement on what we want our municipal tax system to do for us .

✦ 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 municipal tax system , and future taxation options for HRM.



Did You Know?

Municipal taxes pay 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, over 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 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 TAX SYSTEM TO DO TO US?

What should the municipal 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 municipal 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?

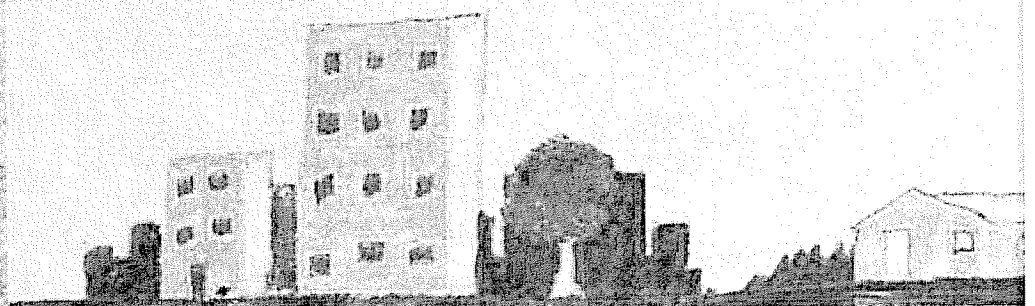
It is not enough to say that the municipal tax system needs to be changed. HRM needs to develop a clear and meaningful vision for the tax system. How can it support a strategic vision for the Municipality? What is important to you?

- 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 tax system based on property values
- Implement a municipal sales, income, liquor, or fuel tax
- Apply a frontage, acreage, or property charge
- Apply a flat tax such as a dwelling unit fee
- Increase tax relief for low & middle income tax payers



Quick Facts:

WHAT DO WE WANT OUR TAX SYSTEM TO DO TO US?

Case 1 - Services

Scenario:

A middle-aged couple have lived on their waterfront property for over twenty years. Recently a lot of development has occurred around them. Because of this their property assessment has been increasing dramatically, despite the fact that their municipal services have remained the same.

Discussion point:

Should municipal taxes be based on the level of services available?

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 municipal 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 municipal taxes be based on municipal services? Should they reflect ability to pay? Or, a 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 \$35,000. (The average is around \$1,900).

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 rate is 2.86 times the residential rate. The average commercial tax bill is \$35,000.



WORKING TOGETHER TO REBUILD THE MUNICIPAL TAX SYSTEM IN HRM

LET'S TALK TAXES

HRM is looking for your insight on municipal tax reform

HOW DO I GET INVOLVED?

In December 2006, HRM's Regional Council established a Tax Reform Committee (TRC) that will provide an important link between HRM and the community. If you have an idea on how to improve HRM's tax system, or if you feel things are just fine the way they are, we encourage you to get involved. The TRC will be accepting submissions from the general public via the contact options provided on this page.

You may also wish to share your ideas with others at the Tax Workshops, where HRM residents will be brought together to discuss re-building the municipal tax system. HRM will be seeking a broad representation of all taxpayers to attend these sessions. Initial sessions are scheduled to begin in the spring of 2007, with follow up sessions resuming in the fall.

Should the municipal tax system be based on the service available? Or, should it be based on the ability to pay? Would some combination of the two work?

What Principles are important to you in a municipal tax system?

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

Phone message system: 490-4886

fax: 490 - 5622

E-mail: 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**

SCHEDULED WORKSHOPS

May 23 - Halifax

St. James Anglican Church Hall
2668 Joseph Howe Drive
7:00 - 9:00 pm

May 24 - Sheet Harbour

Lions Centre
183 Pool Rd.
7:00 - 9:00 pm

May 28 - Cole Harbour Place

51 Forest Hills Parkway
7:00 - 9:00 pm

May 30 - Hammonds Plains

Firefighters Community Hall
2041 Hammonds Plains Road
7:00 - 9:00 pm

May 31 - Business Community

Halifax Forum
2901 Windsor Street
9:00 - 11:00 am

The following principles have been developed to guide decision making about the type of municipal tax system that should be created for HRM.

Please read each principle and its corresponding definition. Place a check (✓) next to the four (4) principles you feel are most important to HRM's tax system. Identify one of those four as your top priority and place a "1" beside that principle.

Please check your top 4, then mark "1" next to top priority	Principle	Definition
	Adequacy	The tax system should produce the necessary revenue in the most efficient manner possible.
	Balance	To the degree the possible, government should avoid over-reliance on any one tax or set of taxes. The tax system should be balanced among a number of taxes.
	Broad Base	Individual taxes should be broadly based, minimizing tax exemptions, to provide even treatment of all taxpayers and to keep tax rates as low as possible.
	Economic Competitiveness	To the extent possible, the tax system should be designed to enhance provincial and local economic development or at the least should not hinder development.
	Efficiency	The tax system should not unnecessarily or unintentionally interfere with private economic decisions.
	Equity	Taxes are applied fairly and consistently to all taxpayers.
	Intergovernmental Linkages	Tax decisions should recognize the connections between provincial and local tax systems.
	Stability	The tax system should be constructed to avoid unpredictable shifts due to changing economic conditions or other factors. The system should promote certainty for taxpayers and government.
	Simplicity	The tax laws should be as simple as possible to minimize compliance costs for taxpayers and enforcement cost for government tax administrators.
	Transparency	The tax system is clear and understood by taxpayers.
	Other	

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 its growth centres.

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 what extent should the Municipality use its tax system – as a “stick” or “carrot” – for desired, sustainable growth?

What does the Regional Plan say about Taxes?

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

What we need to Figure Out?

- What incentives/disincentives does HRM's current tax system provide to encourage/discourage the type of growth that we want to see in our municipality (in the future)?
- How would one describe/measure: i) "efficient forms of development" and ii) desirable (economic) growth?
- How should the new tax system support desired growth patterns and growth areas?
- How should the Regional Planning land-use boundaries be reflected by a new tax system?
 - Could transit taxes follow the Plan's (present or future) transit maps?

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 .

What is the Current Tax System in HRM

Property Tax was first used in the 1880's. At that time the value of one's home was seen as being a proxy for their wealth or ability to pay. Today, all property values (known as assessments) are estimated by the Provincial Government. The property tax rates are set by the municipality.

What are the General Tax Rates?

Prior to amalgamation in 1996 each municipal unit each had a "general" tax rate (levied on each property) and a host of area rates (levied on properties within specific areas). In total there were about 250 combinations of different tax rates. Today there are three general tax rates. Most major services (eg police, fire, roads) are included in each rate. However,

- **Urban** - Includes transit, sidewalks, recreation and crosswalk guards;
- **Suburban** - Includes recreation and crosswalk guards. Transit and sidewalks are area rated if the service is available;
- **Rural** - Transit, sidewalks, recreation and crosswalk guards are area rated if they are available.

What other Taxes and Fees Exist?

HRM is more dependent on property tax than any other major city in Canada. In addition to property taxes, however, there are a number of other taxes and fees that exist. These include

- Deed Transfer Tax, a 1.5% tax charged on the sale price of all properties;
- Pollution Control Charge, an amount charged on sewers users for all sewer costs;
- Water charges, levied by the Halifax Regional Water Commission on central water users for all piped water costs;
- Other property taxes levied on forest, farm and recreational property;
- Local Improvement Charges are a tax levied to pay for the first-time installation of sewer and water installations, sidewalks or paving of gravel roads;
- Hydrant charges - levied on properties within 1,200 feet of a hydrant;
- Other fees including transit fares, building permits, recreational fees, etc..

What Issues Exist with Property Taxes?

Many taxpayers feel that home values (and hence property taxes) don't fairly represent either the services they receive or their ability to pay for taxes.

- Some feel they should only pay for sidewalks, transit or recreation centres if they use or have the service. Defining who benefits is often difficult;
- Lower income communities can find it difficult to afford area-rated services such as sidewalks, transit or recreation;
- In many cases property taxes can consume a high percentage of income (Rebates or deferrals of property taxes are available for those under \$28,000).

For more information

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

HRM, the Province, and Property Taxes

What does the provincial government have to do with municipal taxes?

- Municipalities in Nova Scotia must adhere to the Municipal Government Act (MGA), which is a provincial law. The MGA and other laws stipulate how municipal governments collect taxes
 - The Province assigns assessed values to all properties in Nova Scotia
 - The Halifax Regional Municipality, and other local governments then set their tax rates based on these assessed values
 - Lastly, the provincial government also receives a portion of the property taxes collected by HRM

How much of my property taxes go to the provincial government, and what does it pay for?

- A typical property tax bill in 2006 was \$1,789.00
- Over 25% of general tax revenue in HRM goes to the Province to fund provincial services such as education, correctional services, assessment services and public housing
- In 2007-2008, these funds will be recovered by HRM through a special area rate to increase the transparency around provincial property taxation

Doesn't the province also provide money to HRM?

- HRM receives 1.5% of total revenue from the provincial and federal governments, less than most major Canadian cities

How does this relate to Tax Reform?

- While Tax Reform does not directly address the fiscal imbalance between the provincial and municipal governments, the Union of Nova Scotia Municipalities have completed a report that addresses these concerns titled: "A Question of Balance: An Assessment of the State of Local Government in Nova Scotia"

What role does the province play in Tax Reform?

- Recommendations from the Tax Reform project may require Provincial legislative changes
- HRM is talking with the provincial government about strengthening the municipal tax system, and ensuring that municipalities have the proper administrative tools

For more information

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

Costs of Municipal Services to Homes and Businesses

How Much do my Municipal Services Cost?

- When you go to a store, you typically pay each time you buy something. For public services, like roads or garbage pick-up you don't pay each time the service is used.
 - Partially for that reason, most people don't know how much public services actually cost
- Even public services with user fees, like swimming passes or bus tickets, don't usually charge the full price when you use it.
- HRM has done several studies that look at the cost of services, including:
 - *Settlement Pattern and Form, with Service Cost Analysis* (2005) which looked at the effect of density on the cost of providing services to HRM households
 - It indicates that some homes may cost three times as much to service as others
 - That study, however, did not look at the "other side of the equation" – how much tax revenue was received from various dwelling types
 - *The Municipal Expenditure and Revenue Allocation Model or MERA* (2007) looks at the demands of commercial properties and residential properties (and the users of these properties) on municipal services, as well as the direct and indirect benefits received
 - MERA suggests that commercial properties pay more for the services they receive, and residential properties pay less for the services they receive
 - Other information suggests that over 80% of homes (both urban and rural) pay less than the cost of services
 - What does this say about the current tax system? How might this impact the competitiveness in HRM?
 - *How your Municipal Tax Dollars are Spent* (2006) which highlighted how much of your tax dollars go to different HRM services, as well as some provincial services
 - For example, did you know that the police service costs a typical household about \$21/month, and library services are less than \$5/month?

Should People Pay what it Costs?

- Often times the costs of these services are not well known – to residents and businesses.
- Would a tax system based on people paying for the costs of services (to them), lead to:
 - A positive environment for residential and commercial growth?
 - More efficient delivery of municipal services?
 - Could tax dollars be managed better if everyone paid what it cost?
- Sometimes, a fee for service system is simply impractical. For example, how could the police send a bill to a person arrested for a crime... could they invoice the victim?
 - Many municipal services are "common goods" that benefit the community as a whole
 - The tax system plays a role in allowing the costs of these services to be appropriately shared by community members
- Not everyone can afford to pay fees or taxes. How should a household's (or business') ability to pay be considered in a new tax system?

For More Information

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- Call HRM's Tax Reform phone line at: (902) 490-4886, or
- E-mail us at: taxreform@halifax.ca

What is HRM's Financial Health like?

HRM is the physically largest municipality in Canada and one of the few to have both urban and rural areas. Things have changed since amalgamation in 1996:

- The number of homes has risen by 20% and inflation has grown by nearly 30%.
- A new solid waste system with green-bin composting and recycling has been created to replace the old Sackville Landfill.
- As part of a "service exchange" the Province took over social services but gave local roads to HRM. HRM provides service to some provincial roads in the urban core in exchange for the Province maintaining local roads in rural areas.

What are Taxes and other Funds used for?

Today HRM has an operating budget of \$645m and a capital budget of over \$200m. Tax raised are used for a wide range of services, although not everyone pays for every service:

- municipal services include police, fire, transportation services (roads, sidewalks, streetlights), transit, solid waste, recreation services (recreation facilities, programs, playgrounds), sewer and water (through user fees) and libraries
- HRM is also required to pay for a variety of provincial services including education, corrections, housing and the cost of the assessment system
- All of this is detailed in HRM's audited Financial Statements

So What's the Debt Like?

Since the introduction of its Multi-Year Financial Strategy, one of HRM's strengths has been its strong financial health:

- Debt has fallen steadily since 1996 - 1997 and now sits at \$265m
- Debt per Dwelling Unit is less than prior to amalgamation
- Reserves are still weak, but have shown steady growth
- HRM's rating has been increased from 'A Stable' to 'A Positive'

How do we Compare to Other Municipalities?

Comparing expenditure levels can be tricky. Service level and quality differs. HRM has undertaken some comparative benchmarks by dwelling unit. For example:

- HRM's spending is in the bottom third of Canadian municipalities
- Expenditures per Dwelling Unit (after inflation) have risen 7.5% since 1996

So How Does All this Relate to Tax Reform?

Tax reform is about how we share in the costs of the municipality, not about which services we wish to provide and what they cost. Those types of decisions are made through the annual budget debate.

For more information

- See HRM's Tax Reform website at: <http://www.halifax.ca/taxreform/>, or
- HRM's Tax Reform phone line at: (902) 490-4886, or
- Email us at: Taxreform@Halifax.ca, or
- For HRM budget information see <http://www.halifax.ca/budget/index.html>

How Much Tax Does Everyone in HRM Pay

The HRM tax rate is applied on the assessed value of a home. Assessed values in turn vary dramatically with home size, location and a host of other market factors. So even though many homes have similar tax rates, the actual tax bill can differ significantly between properties. Currently, HRM collects \$260m in Residential and \$180m in commercial property taxes.

How Much is the Average or Typical Tax Bill?

Everyone has to pay property tax - vacant land, trailers, apartments, farms, cabins and the single family home. Renters pay tax indirectly through their rent.

- An average single family home will pay about \$1,800 as part of the general tax rate plus other taxes such as area rates.
 - Tax bills can range from a few hundred dollars to over \$35,000.
 - About 20% pay under \$1,000, 50% between \$1,000 and \$2,000 and 30% over \$2,000.
- Apartments and condos receive almost identical levels of municipal services. It is more cost effective for HRM to provide services to them than to other homes.
 - As part of their rent, an apartment pays about \$600 per year in tax
 - Condos pay an average \$1,600, almost as much as a single family home.
- Across HRM tax bills can also vary dramatically. For example,
 - the highest and lowest residential tax bills are on the Peninsula of Halifax.
 - Homes on waterfront pay about 25% more than homes elsewhere.

What About Commercial and Other Taxpayers?

Commercial tax bills tend to be far higher than residential bills.

- Commercial tax rates are on average 3.5 times as high as residential tax rates.
- Commercial tax bills range as high as several million dollars.
- While commercial taxpayers pay about 40% more than the cost of services, over 80% of homes (both urban and rural) pay less than the cost of services.
- Many other taxpayers (universities, schools, hospitals and churches) pay little or almost no tax but still use municipal services.

How Do Taxes in HRM Compare to Elsewhere in Canada?

Comparing taxes across Canada means looking at the average or typical tax bill (not simply at the tax rate). Keeping in mind that services often differ.

- For a single family home taxes are in the bottom third for Canadian cities.
- Residential Deed Transfer Taxes are considered high compared to other cities.
- Commercial taxes are more difficult to benchmark.

For more information

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

Perspectives on Commercial Property Tax in HRM

HRM's Tax Reform Project will look at both commercial and residential taxes in HRM. Building on the Chamber's Economic Strategy we need to know

- How do we properly define a competitive level of municipal tax?
- How does the level of municipal services or tax affect competitiveness?
- Are there different competitiveness issues for different businesses?

What are Commercial Taxes Based Upon?

- Municipal taxes are currently based on assessed value (estimated market value) of properties, as estimated by the provincial assessment services. The tax rate is set by HRM.
 - For leased properties, rents collected by owners are evaluated ("income" method)
 - For owner-occupied properties, assessment is based on cost to purchase ("cost" method)
- Tenants may be assessed a Business Occupancy Tax (BOT), which is currently being phased out
- HRM fees include a 1.5% Deed Transfer Tax on the purchase of properties.

So How High or Low are Commercial Taxes in HRM?

- There are about 11,400 businesses registered and 5,250 private commercial properties in HRM.
- The average commercial property, employing 25 people, pays about \$35,000 annually in municipal tax. Taxes vary significantly by business, ranging from less than \$100 to more than \$1,000,000.
- In HRM, the commercial tax rate is nearly three times higher than the residential tax rate. This "commercial multiplier" averages about **3.5**, if you include the Business Occupancy Tax (BOT).
 - Across Canada, the commercial tax rates are often higher than the residential rate. It can range from **2.3** in Regina to **5.4** in London (industrial properties).
 - It is difficult to benchmark HRM's commercial taxes to other Canadian cities. Some studies (Chamber of Commerce, KPMG) have found them high while other information suggests they may be comparable to most cities.
 - In HRM, commercial properties contribute 41% of all property tax revenues, down from 45% in 2002-03.

What's the Link between Commercial Taxes and Services?

- Commercial properties are provided many of the same services provided to residential services including transportation (roads and transit), police, and fire. Solid waste is provided only to small residential properties (6 units or less) and rural businesses.
- Commercial and residential properties use and benefit from municipal services in different ways
 - Some services may be of greater benefit to residential properties, e.g. playgrounds
 - Some services may be used more by commercial properties, e.g. arterial roads
- HRM has analysed the cost of providing municipal services to commercial and other properties
 - Preliminary results show that commercial properties contribute about 38% of all municipal revenues but directly use only 26% of municipal services. These results are an average and would vary from firm to firm.

What does this mean for Competitiveness in HRM?

- What does commercial tax mean for HRM's business climate or competitiveness? Does it have an undesired economic effect on HRM residents?

For More Information

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Figuring out Assessment

What is Assessment?

In Nova Scotia, the assessment service assigns a value to every property based on the expected selling or “market” value. This is done by:

- maintaining a data base that keeps a record of the characteristics of every property
- analyse the sales of properties in different areas and looking for similar characteristics at a specific date and time.
- In Nova Scotia a re-assessment is done every year.
- Under Provincial law HRM can not change the value of your assessment. Individuals, however, can appeal their assessment.

How do property assessments relate to my municipal tax bill?

- Each year HRM is provided with the value of every property in the municipality. Municipal expenditures are divided into that total assessment to determine the new tax rates for that year.
 - Every home receives a tax bill based on that year’s property value and tax rate.
- HRM has lowered the tax rate in six of the last eight years. Not everyone’s property value changes by the same amount, so not everyone benefits equally from any rate decline.
- HRM provides tax relief for low income families through tax rebates and deferrals.

What is the “Assessment Cap”?

- The Provincial Government’s Cap Assessment Program (CAP) is designed to protect property owners from dramatic increases in market value. It "caps" assessment increases for eligible properties.
 - For example, in 2007, the cap rate was set at 10%, meaning an eligible home could rise in value no more than 10%.
 - Starting in 2008, the cap rate will be set at the Consumer Price Index (CPI).
- The Union of Nova Scotia Municipalities (www.unsm.ca) has conducted an analysis of the cap program. It has concluded that:
 - it provides relief to those “experiencing rapid increases in property taxes”
 - It will “lead municipalities to set higher property tax rates to maintain tax revenue” with rates rising to “compensate for flattening assessment values”.
 - “Uncapped properties will pay more tax and shoulder additional burden.”

For more information

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- For the UNSM’s “Cap Program Analysis Report” see www.unsm.ca. For the Nova Scotia Government’s “Legislated Review” of the Cap Program see <http://www.gov.ns.ca/snsmr/muns/cap.asp>.

- For more information on property assessments see <http://gov.ns.ca/snsmr/asmt/ps/value/>.

Municipal Taxes in Canada and around the World

Are properties assessed the same as they are in Nova Scotia elsewhere in Canada?

- Market value assessment is the main assessment method used by all provinces
 - In Nova Scotia, assessments are conducted annually, while in other areas they are conducted every two to four years
- While the assessment method is the same, many municipalities have different categories for tax rates - for example in Nova Scotia there are differing tax rates for urban, suburban and rural properties. Cities such as Ottawa have up to 22 tax classes for setting tax rates

Do other municipalities in Canada have other taxes besides property taxes?

- A review of municipalities has shown that property taxes are the main source of revenue for local governments across Canada
- While the Province of Manitoba transfers 2.2% of their personal income tax revenue and 1% of their corporate income tax revenue their municipalities, currently in Canada, no local government is permitted to levy an income tax
- A business occupancy tax is a common revenue source for municipalities across Canada and is levied in St. John's, Winnipeg, Edmonton, and Calgary. It is currently being phased out in Nova Scotia, and was eliminated in Ontario in 1997
- A deed transfer tax is another common source of revenue for municipalities
- The City of St. John's has the ability to levy a municipal fuel tax. Vancouver levies a fuel tax for transit and road services within the Greater Vancouver Regional District. Winnipeg, Edmonton and Calgary receive transfers from their province for fuel sold.
- Amusement and entertainment taxes are available for use to municipalities in Newfoundland, Quebec, Manitoba and Saskatchewan
- Dwelling unit charges are used in Cape Breton Regional Municipality as a revenue source, and a similar flat property tax is used in some municipalities in Saskatchewan

How do local governments levy taxes in other Countries?

- A review of international municipalities shows that market value is used commonly throughout the U.S. and Europe for property taxes. Some local governments in the U.S. use acquisition value for assessing properties which reflects the market value of the property when it was acquired, and limits the growth of the assessment from that point
- Due to legislative limits on the growth of assessment, many US municipalities have been moving toward taxes such as income or sales
- European countries such as Finland, Sweden and Switzerland rely more heavily on income tax for funding local government services than property taxation
- While there are varying ways of assessing properties in Australia, local governments have many of the same revenue sources as local governments in Canada; they rely heavily on property taxes, user fees, and government grants

Could any of these options work in HRM?

- Access to diverse taxation tools can be beneficial to local governments. Over reliance on any tool can cause just as many problems as being over reliant on property taxation
- Gaining access to additional revenue tools could mean changes to the MGA by the Government of Nova Scotia.

For more information

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The MERA Model

HRM's Municipal Expenditure and Revenue Allocation Model

Preview Report

Purpose of the Model

The Tax Reform process will look at foundations of HRM's tax system. One option for the "foundation" would be look at a system that is based on services, rather than one that is considered a "wealth tax". HRM should have a sense of the potential shift to a service-based – who receives them, who drives the costs of services and who benefits from them – foundation could mean for residential and commercial taxpayers. As well, it is beneficial to think about how HRM could build a service-based foundation for a new tax system.

How the Model Works

The MERA Model allocates costs of municipal services to three types of properties: residential, commercial and institutional (public). The costs are allocated based on an estimate of: i) who uses or creates the need for the services, i.e. the cost driver, and ii) who (potentially) benefits. Taxes, user fees and other revenues are allocated based on an estimate of who pays various revenues.

Summary of Results

MERA Model Summary	Residential	Commercial	Public & Exempt*
<i>Municipal Revenues Received</i>	56%	37%	7%
<i>Related Municipal Costs</i>	64%	27%	9%
<i>Revenues / Costs</i>	87%	138%	79%

**includes federal, provincial and municipal government properties, universities, schools, hospitals & churches*

What does this Tell Us?

In the above table, "Revenues / Costs" could be thought of as whether they "Pay Their Own Way." MERA suggests that Institutional/Exempt and Residential properties pay about 80% to 85% of the cost of their Municipal Services. By contrast, commercial properties pay almost 40% more, on average, than the direct benefits to them – **the business community, overall, subsidizes residential, non-profit and exempt properties.** Keep in mind that this model looks at each of the three classes of properties as a group. Certainly, thousands of individual residential and other properties would be "paying their own way."

What we still Need to Figure Out

What does this suggest about the effective tax burden on residents and businesses in HRM? What are the economic impacts of this? How does this affect the competitiveness of businesses operating in HRM? Are some businesses more seriously impacted than others by this? What is the right balance of residential and business tax that would lead to the best climate for sustainable commercial and residential growth?

Re-Building the Municipal Tax System Case Discussions for Workshops

Scenario 1- Sharing in Services (e.g. - Sidewalks, Recreation):

We wish to discuss how we might share in the cost of providing municipal services. For example, we could look at sidewalks. Picture a growing community that is experiencing increased road traffic. The traffic can be attributed to both people from the community, and people traveling through the community on their way to work. The community is concerned that there are no sidewalks on the busy road. Similar issues might just as easily apply to a recreation or community facility.

1. Who should help pay for the services that are needed in this community?
 - People that live on the road, and will have the sidewalk in front of their house? Why?
 - All the people in the community? Why?
 - Those who drive through the community, and are creating the need for the sidewalk? Why?
 - All of HRM? Why?
2. What if this was a sidewalk
 - a. In low-income community?
 - b. on a quiet residential street?
 - c. on the way to a school?
3. How does this issue link to
 - a. Ability to pay. How do you measure ability to pay?
 - b. The Principles
 - i. Equity – What is Fair?
 - ii. Stability
 - iii. Simplicity

Scenario 2- Cost of Services (e.g. Condos and Apartments):

Even though services may be identical, the cost to provide services may vary between areas of HRM or between housing types.

1. Should homes that cost a lot to service pay the same or a different level of tax than those that cost less to service?

A community has a number of condominiums and apartment buildings of similar size. Services available to the buildings are very comparable. HRM's research into housing density has concluded that the cost to provide municipal services to apartments and condos is comparable. On average, people living in condos pay three times as much property tax as those living in apartments. [People in apartments pay taxes indirectly, through their rent.] On the other hand the income of the average condo owner is greater than of those in apartments. We need to understand if the current situation is equitable and why or why not.

1. Should condo owners and apartment renters be paying the same amount of tax because it costs HRM relatively the same amount to service the two different types of building?
2. Should condo owners and apartment renters be paying the same amount because they are receiving the same level of services?
3. Or, is it okay that condo owners pay more because on average they have a greater ability to pay than those living in apartments?

Looking at another comparison, Based on research undertaken, HRM's cost to provide municipal services to a condo or apartment is about half that of providing services to single family homes.

1. Assuming that the service level is the same, should condo owners be paying less because they are less expensive to service than single-family homes?
2. What if the people living in single-family homes had less ability to pay? Should they still pay more than those living in condos, since they are less expensive for HRM to service?
3. How does this issue link to
 - a. Ability to pay. How do you measure ability to pay?
 - b. The Principles
 - i. Equity – What is Fair?
 - ii. Stability
 - iii. Simplicity

Scenario 4 - Ability to Pay (Low/Medium income):

One of the critical issues we need to understand is ability to pay. Ability to pay refers to whether people at different income levels can afford their taxes or fees. Some communities may have a high proportion of low income families. That may make it difficult for the community to afford certain services. To what extent might we adjust or change the tax system to allow for ability to pay. Could we allow for reduced taxes or for user fees?

For discussion purposes, suppose a family lives in a community comprised of a variety of housing types and income levels. Property owners in the area have been experiencing an increase in their property assessments, and therefore their property tax bills have been increasing. One low-income family is finding it increasingly difficult to pay their tax bill.

1. Is it fair that this family is paying the same amount for services as others in their community if they have less ability to pay?
2. One family is a retired couple on a fixed income that has lived in their home for over 30 years? New homes recently built have driven up their assessment. While they appreciate the higher house value they find it difficult to afford their taxes. They aren't ready to sell. Should they pay the same amount (or same %) of their income as other families in different circumstances? Why or why not?
 - a. What if the retired couple was a young working class family who have lived there for 10 years?
3. Two families living in similar homes receive the same municipal services, and pay the same amount of municipal taxes, despite the fact that they have different levels of income

Value of House is \$175,000

Family No 1

Tax Bill = \$ 2,100

Income = \$35,000

% of income = 6%

Family No 2

Tax Bill = \$ 2,100

Income = \$70,000

% of income = 3%



- Is it fair that they are paying the same amount in taxes for the same services, even though they have different levels of ability to pay?
- Why, or why not?
 - What if an individual with \$210,000 lived in one of the homes? Should they pay \$2,100 (i.e. 1% of their income)?

3. Consider the same families. What if they pay the same percentage of their income in municipal taxes?
- Is it fair that these two families pay differing amount for municipal tax for the same services?
 - Is it fair that they are both paying the same percentage of their income on property taxes?

Value of House is \$175,000

Family No 1

Tax Bill = \$ 1,050

Income = \$35,000

% of income = 3%

Family No 2

Tax Bill = \$ 2,100

Income = \$70,000

% of income = 3%



- What of the high income individual with \$210,000 in income. Should they pay the same percentage (3% = \$6,300).
4. How does this issue link to
1. Ability to pay. How do you measure ability to pay?
 2. The Principles
 - i. Equity – What is Fair?
 - ii. Stability
 - iii. Simplicity

Scenario 5- Benefits (Recreation Facilities):

Recreation and Community Facilities exist across HRM. They can provide a meeting place for the community, recreation for families, and places for youth to blow off steam. Not every community in HRM, however, has a recreation facility. These facilities are expensive to build and to operate. Some individuals may travel quite far to use such a facility (e.g. rink, pool, soccer field) while other families in the immediate community may never go there. Who should share in the costs? Is it the individuals who use the facility or is there a wider benefit?

For example, a family lives in a community with a recreation facility that offers a wide variety of programs. They feel that since they do not use the facility, they should not have to pay for the maintenance and provision of the recreation centre.

1. Does this family benefit from having a recreation centre in their community?
2. What are the societal benefits from the provision of a recreation centre?
3. Keeping these benefits in mind, who should share in funding a community recreation centre?
 - Those that live within a certain distance of the recreation centre? What is an appropriate distance?
 - Those that directly use the centre's programs?
 - Everyone in the community?
 - All of HRM?
4. A single parent family lives in the community. They are worried that if recreation programs are funded by only those that use the programs, they will not be able to use the centre's programs. Is it fair that some families will be excluded from using the programs because of their ability to pay?
 - If no, should HRM help these families?
5. What if the community is a low income community? How should HRM help this community fund their recreation centre?
6. How might these principles differ for another type of service? For example Education or roads.

Principles	In top 4	Number One Principle	
Equity	102	Equity	49
Transparency	67	Transparency	16
Stability	52	Adequacy	13
Adequacy	48	Broad Based	9
Simplicity	46	Economic Competitiveness	9
Broad Based	45	Balance	6
Balance	39	Stability	5
Economic Competitiveness	36	Accountability	4
Intergovernmental Links	19	Simplicity	4
Efficiency	16	Intergov't links	2
Process efficiency	7	Social impacts	2
Accountability	6	HRM restrai spending, fiscal discij	2
Social impact/issues	4	Process efficiency	2
Independent from staff	3	Efficiency	1
Green development	3	Federal money to Municipality	1
Different Taxes and User fees	2	Green Development	0
User pay	1	Ensure required rev match requir	0
Ensuring Revenues match Expenditures	1	Independency from staff	0
Compare and contrast	1	Compaire and contrast	0
HRM restrai spending, fiscal discipline	0	User pay	0
Federal money to municipality	0	Differnet Taxes and User fees	0

So Tell us How we did

I found the workshops a useful exercise?

- Completely agree
- Somewhat agree
- Somewhat disagree
- Completely disagree

I found out about the workshops through ?

- Newspapers _____
- The Radio _____
- Someone told me _____
- Other _____

I think there is a need for tax reform

- Completely agree
- Somewhat agree
- Somewhat disagree
- Completely disagree

I think the tax system should be based on

- Municipal Services _____
- Ability to Pay _____
- Both Service and Ability to Pay _____
- Other _____

Do You want to continue to be involved?

- Yes, please keep in touch
- No, but thanks very much

Any other Comments (use the back or as much paper as you wish)?

Name: _____
 Address: _____
 Phone: _____
 Email: _____

If you don't mind, can you answer the following.

The Community where I live is: _____

My gender is:

- Male
- Female

My home is a (check one):

- Single Family Home
- Duplex or townhouse
- Condo
- Mobile Home
- Apartment
- Other _____

My most recent property tax bill is:

- Under \$1,000
- Between \$1,000 and \$1,500
- Between \$1,500 and \$2,000
- Between \$2,000 and \$3,000
- Between \$3,000 and \$4,000
- Over \$4,000

My age is:

- 18 to 24 years old
- 25 to 34 years old
- 35 to 44 years old
- 45 to 54 years old
- 55 to 64 years old
- 65 years of age or older

My family income level:

- Under \$30,000
- \$30,000 to \$50,000
- \$50,000 to \$75,000
- over \$75,000

This information will help us understand which groups we've reached. If you wish, feel free to leave any area blank.

My highest level of education is:

- Some public school
- Graduated high school
- Some Graduated university/community college
- Graduated university/community college
- Other _____

Do you own or rent a home?

- Own _____
- Rent _____
- Other _____

Consultation Report

Feedback forms results

So Tell us How we did

I found the workshops a useful exercise?

Completely agree	28	23.5%	24.3%
Somewhat agree	70	58.8%	60.9%
Somewhat disagree	13	10.9%	11.3%
Completely disagree	3	2.5%	2.6%
Completely disagree - wrong subject	1	0.8%	0.9%
Other	0	0.0%	0.0%
Sub-Total	115	96.6%	100.0%
NA	4	3.4%	
Total	119	100.0%	

I found out about the workshops through ?

Newspapers	55	46.2%	47.0%
Newspaper and Radio	1	0.8%	0.9%
Newspaper, Contacted by HRM	1	0.8%	0.9%
Newspaper, Councillor	1	0.8%	0.9%
Newspaper, Radio, Someone told me	1	0.8%	0.9%
Newspaper, Poster	1	0.8%	0.9%
The Radio	7	5.9%	6.0%
Someone told me	22	18.5%	18.8%
Councillor	2	1.7%	1.7%
Council Broadcast (Eastlink)	1	0.8%	0.9%
Contacted by HRM	2	1.7%	1.7%
Chamber	1	0.8%	0.9%
Industry Association, BIDC	2	1.7%	1.7%
All	1	0.8%	0.9%
Other	5	4.2%	4.3%
TV	1	0.8%	0.9%
Email	9	7.6%	7.7%
Newsletter	1	0.8%	0.9%
Sign	3	2.5%	2.6%
Sub-Total	117	98.3%	100.0%
NA	2	1.7%	
Total	119	100.0%	

I think there is a need for tax reform

Completely agree	87	73.1%	74.4%
Somewhat agree	25	21.0%	21.4%
Somewhat disagree	3	2.5%	2.6%
Completely disagree	2	1.7%	1.7%
Other	0	0.0%	0.0%
Sub-Total	117	98.3%	100.0%
NA	2	1.7%	
Total	119	100.0%	

I think the tax system should be based on

	Number	%	%
Municipal Services	28	23.5%	25.7%
Municipal Services and Consumption Tax	1	0.8%	0.9%
Ability to Pay	6	5.0%	5.5%
Ability to Pay - Income Tax	5	4.2%	4.6%
Ability to Pay - User Fees	1	0.8%	0.9%
Both Service and Ability to Pay	46	38.7%	42.2%
Both Service and Ability to Pay - Flat Fee	1	0.8%	0.9%
Other	3	2.5%	2.8%
Assessment	1	0.8%	0.9%
Market Value	4	3.4%	3.7%
Market Value at Purchase Time	1	0.8%	0.9%
Market Value Plus CPI	1	0.8%	0.9%
Fair Market Value at Sale or through Taxes ((1	0.8%	0.9%
Inflation	1	0.8%	0.9%
Fairness, Equality	2	1.7%	1.8%
Means and Usage	1	0.8%	0.9%
Square Footage	1	0.8%	0.9%
Provincial Tax System	1	0.8%	0.9%
Footprint, Dwelling, Lot Charge	1	0.8%	0.9%
Flat Tax	1	0.8%	0.9%
Additional Tiers of Taxation	1	0.8%	0.9%
Land or Income Tax	1	0.8%	0.9%
Sub-Total	109	91.6%	100.0%
na	10	8.4%	
Total	119	100.0%	

Do You want to continue to be involved?

Yes, please keep in touch	110	92.4%	94.0%
No, but thanks very much	6	5.0%	5.1%
Maybe	1	0.8%	0.9%
Sub-Total	117	98.3%	100.0%
na	2	1.7%	
Total	119	100.0%	

The Community where I live is:

Halifax	3	2.5%	3.0%
Central Halifax	1	0.8%	1.0%
Clayton Park	2	1.7%	2.0%
District 12	1	0.8%	1.0%
Downtown	1	0.8%	1.0%
Fairmount	1	0.8%	1.0%
Halifax South	1	0.8%	1.0%
Halifax Peninsula	2	1.7%	2.0%
Hydrostone	1	0.8%	1.0%
Old Southend	1	0.8%	1.0%
Regatta Point	2	1.7%	2.0%
South End Halifax	3	2.5%	3.0%
Spryfield	1	0.8%	1.0%
West End	3	2.5%	3.0%
Sub-Total	23	19.3%	23.2%
Dartmouth	9	7.6%	9.1%
Downtown Dartmouth	2	1.7%	2.0%
Old Dartmouth	1	0.8%	1.0%
Keystone Village	1	0.8%	1.0%
Manor Park	1	0.8%	1.0%
Westphal	2	1.7%	2.0%
Woodlawn	3	2.5%	3.0%
Woodlawn Heights	1	0.8%	1.0%
Sub-Total	20	16.8%	20.2%
Bedford	3	2.5%	3.0%
County	0	0.0%	0.0%
Beechville	1	0.8%	1.0%
Brookside	1	0.8%	1.0%
Cole Harbour	6	5.0%	6.1%
Cow Bay	1	0.8%	1.0%
Eastern Passage	2	1.7%	2.0%
Ferguson's Cove	1	0.8%	1.0%
Glen Arbour	4	3.4%	4.0%
Haliburton Plains	1	0.8%	1.0%
Hammonds Hills	8	6.7%	8.1%
Harrigan Cove	1	0.8%	1.0%
Herring Cove	1	0.8%	1.0%
Ketch Harbour	1	0.8%	1.0%
Lower Sackville	1	0.8%	1.0%
Lucasville	2	1.7%	2.0%
Malay Falls	1	0.8%	1.0%
Miller Lake	1	0.8%	1.0%
Montague Gold Mines	1	0.8%	1.0%
Mooseland	1	0.8%	1.0%
Prospect	2	1.7%	2.0%
Sackville	1	0.8%	1.0%
Sheet Harbour	5	4.2%	5.1%
Sober Island	1	0.8%	1.0%
Spry Bay	1	0.8%	1.0%
Stillwater Lake	1	0.8%	1.0%
Tantallon	2	1.7%	2.0%
Watt Section	1	0.8%	1.0%
Waverley	1	0.8%	1.0%
West Dover	1	0.8%	1.0%
West Petpeswich	1	0.8%	1.0%
White Cedar Hills	1	0.8%	1.0%

West Dover	1	0.8%	1.0%
West Petpeswich	1	0.8%	1.0%
White Cedar Hills	1	0.8%	1.0%
Sub-Total	53	44.5%	53.5%
Sub-Total	99	83.2%	100.0%
na	20	16.8%	
Total	119	100.0%	

My gender is:

Male	74	62.2%	69.2%
Female	33	27.7%	30.8%
Sub-Total	107	89.9%	100.0%
na	12	10.1%	
Total	119	100.0%	

My home is a:

Single Family Home	90	75.6%	83.3%
Duplex or townhouse	7	5.9%	6.5%
Condo	7	5.9%	6.5%
Condo and Duplex/Townhouse	1	0.8%	0.9%
Mobile Home	0	0.0%	0.0%
Apartment	3	2.5%	2.8%
Other	0	0.0%	0.0%
Sub-Total	108	90.8%	100.0%
na	11	9.2%	
Total	119	100.0%	

My most recent property tax bill is:

	Number	%	%
Under \$1,000	3	2.5%	3.0%
Between \$1,000 and \$1,500	15	12.6%	14.9%
Between \$1,500 and \$2,000	25	21.0%	24.8%
Between \$2,000 and \$3,000	19	16.0%	18.8%
Between \$3,000 and \$4,000	18	15.1%	17.8%
Over \$4,000	21	17.6%	20.8%
Sub-Total	101	84.9%	100.0%
na	18	15.1%	
Total	119	100.0%	

My age is:

18 to 24 years old	0	0.0%	0.0%
25 to 34 years old	5	4.2%	4.7%
35 to 44 years old	12	10.1%	11.3%
45 to 54 years old	19	16.0%	17.9%
55 to 64 years old	42	35.3%	39.6%
65 years of age or older	28	23.5%	26.4%
Sub-Total	106	89.1%	100.0%
na	13	10.9%	
Total	119	100.0%	

My family income level:

Under \$30,000	6	5.0%	6.4%
\$30,000 to \$50,000	21	17.6%	22.3%
\$50,000 to \$75,000	32	26.9%	34.0%
over \$75,000	35	29.4%	37.2%
Sub-Total	94	79.0%	100.0%
na	25	21.0%	
Total	119	100.0%	