



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.4.2

Request for Council's Consideration		
<input checked="" type="checkbox"/> Included on Agenda (Submitted to Municipal Clerk's Office by Noon Thursday)	<input type="checkbox"/> Added Item (Submitted to Municipal Clerk's Office by Noon Monday)	<input type="checkbox"/> Request from the Floor
Date of Council Meeting: April 28, 2015		
Subject: Commercial Tax options analysis		
Motion for Council to Consider: Request a staff report and recommendations for changes to the commercial tax structure and for implementation approaches that shall: <ul style="list-style-type: none">• address concerns regarding small and independent businesses in the central business district and main street & commercial corridors• outline options to address these issues• contain pros and cons of various courses of action• be returned for Council consideration no later than October 2015 so consideration can be given by Council prior to the 2016/2017 budget .		
Reason: Small and independent business face challenges when faced with large spikes in assessed value driving up commercial tax, especially when the assessment increases are based on market value of the property rather than current use. This work is to be done in the context of maintaining the same overall level of commercial to residential tax ratio.		
Potential approaches to explore could include, but are not limited to: <ul style="list-style-type: none">• Providing a lower tax rate on the first \$750,000 of assessment• Changes to the boundaries of the urban and suburban tax areas to better align with CBD and commercial area boundaries.• Taxing building assessment value rather than land and building value.• Assessing net operating income on owner operated structures rather than market value.• Rolling average of assessment• Shifting 3-5% of commercial tax from assessed value to other metrics (size of the land, usage, etc)• A limit to the increase in tax payable each year (for example a maximum 5% increase)		
Outcome Sought: A collection of changes to the commercial tax process that will protect small business, owner operators, retail diversity especially on our main streets, commercial corridors and central business districts.		
<i>Councillor Waye Mason</i> <i>Councillor Tim Outhit</i>	<i>District 7</i> <i>District 16</i>	