

CITY OF CALGARY
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IN COUNCIL CHAMBER

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ITEM: 6.3 (2019-1052)
Public Distribution
CITY CLERK'S DEPARTMENT

Revenue Stability

City Budget 2019



About Us

- The Calgary and District Labour Council represents 45,500 members
- We were founded on February 16, 1901



The Current Situation



- The City has cut \$641 Million from the budget to date.
- The Province has removed \$13 million from the City Budget
- The Province has cut the Alberta Community transit fund a loss of \$100 million
- The Province has cut the Alberta Community Resilience Program a loss of \$81 million
- The downtown core has lost \$14 billion in value
- The devaluation of the core means a loss of \$257 million in taxes

New Revenue sources not cuts will solve the problem



- The revenue solutions should be available to all cities to stabilize their sources of revenue.
- You will not cut your way into a solution
- The City of Calgary needs a wider basket of taxes to stabilize it's revenue
- You need more revenue because the provincial government is transferring additional costs to municipalities
- We looked at a Land Transfer Tax, Personal Vehicle Levy, Portion of the Business Income Tax, a Portion of the Personal Income Tax, Larger portion of the property (relative to the school boards), greater share of the Tobacco and Cannabis tax, a greater Portion of the Tourism Levy
- We suggest the City should look at taxes on services like Skip the dishes, Taxis, Uber, Air BnB, and Netflix

Land Transfer Tax



Calgary Land Title Transfers (L.T.T)

Year	Number of L.T.T	Value of L.T.T	L.T.T Tax (0.5%)	L.T.T Tax (2.5%)
2008	32,362	\$ 17,399,513,522	\$ 86,997,568	\$ 434,987,838
2009	28,139	\$ 13,051,126,654	\$ 65,255,633	\$ 326,278,166
2010	28,489	\$ 380,274,000,000	\$ 1,901,370,000	\$ 9,506,850,000
2011	27,867	\$ 13,364,127,484	\$ 66,820,637	\$ 334,103,187
2012	30,954	\$ 15,835,757,265	\$ 79,178,786	\$ 395,893,932
2013	32,553	\$ 19,531,871,312	\$ 97,659,357	\$ 488,296,783
2014	35,220	\$ 19,877,587,338	\$ 99,387,937	\$ 496,939,683
2015	28,919	\$ 15,817,520,757	\$ 79,087,604	\$ 395,438,019
2016	25,612	\$ 134,765,000,000	\$ 673,825,000	\$ 3,369,125,000
2017	27,699	\$ 15,546,723,916	\$ 77,733,620	\$ 388,668,098
2018	25,109	\$ 14,864,681,299	\$ 74,323,406	\$ 371,617,032

Personal Vehicle Levy



Calgary Personal Vehicle Levy (P.V.L.)

Year	Total Motorized Vehicles Registered	PVL (\$25)	PVL (\$50)	PVL (\$60)
2009	843,825	\$ 21,095,625	\$ 42,191,250	\$ 50,629,500
2010	852,930	\$ 21,323,250	\$ 42,646,500	\$ 51,175,800
2011	867,376	\$ 21,684,400	\$ 43,368,800	\$ 52,042,560
2012	895,357	\$ 22,383,925	\$ 44,767,850	\$ 53,721,420
2013	934,296	\$ 23,357,400	\$ 46,714,800	\$ 56,057,760
2014	972,193	\$ 24,304,825	\$ 48,609,650	\$ 58,331,580
2015	1,005,109	\$ 25,127,725	\$ 50,255,450	\$ 60,306,540
2016	1,007,399	\$ 25,184,975	\$ 50,369,950	\$ 60,443,940
2017	990,144	\$ 24,753,600	\$ 49,507,200	\$ 59,408,640
2018	1,000,567	\$ 25,014,175	\$ 50,028,350	\$ 60,034,020
2019	1,021,618	\$ 25,540,450	\$ 51,080,900	\$ 61,297,080

City Portion of Corporate Income Tax



Remittance of Corporate Income Taxation (Calgary Share)

Year	Provincial CIT	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
2013	\$ 4,671,971,079	\$ 1,374,141	\$ 6,870,705	\$ 13,741,410	\$ 41,224,230
2014	\$ 5,239,214,285	\$ 1,540,981	\$ 7,704,906	\$ 15,409,811	\$ 46,229,434
2015	\$ 5,586,532,975	\$ 1,643,136	\$ 8,215,680	\$ 16,431,360	\$ 49,294,081
2016	\$ 4,443,006,346	\$ 1,306,797	\$ 6,533,984	\$ 13,067,969	\$ 39,203,907
2017	\$ 3,509,760,604	\$ 1,032,306	\$ 5,161,532	\$ 10,323,065	\$ 30,969,194
2018	\$ 3,747,233,305	\$ 1,102,153	\$ 5,510,765	\$ 11,021,530	\$ 33,064,590
2019	\$ 4,275,777,647	\$ 1,257,611	\$ 6,288,054	\$ 12,576,108	\$ 37,728,325

City Portion of City Income Tax



Remittance of Personal Income Taxation (Calgary Share)

Year	Provincial PIT	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
2013	\$ 9,423,643,400	\$ 2,771,724	\$ 13,858,621	\$ 27,717,241	\$ 83,151,724
2014	\$ 10,168,223,700	\$ 2,990,723	\$ 14,953,617	\$ 29,907,234	\$ 89,721,702
2015	\$ 10,698,263,200	\$ 3,146,621	\$ 15,733,105	\$ 31,466,210	\$ 94,398,630
2016	\$ 9,423,336,400	\$ 2,771,634	\$ 13,858,169	\$ 27,716,338	\$ 83,149,015
2017	\$ 10,169,800,400	\$ 2,991,187	\$ 14,955,936	\$ 29,911,871	\$ 89,735,614
2018	\$ 11,874,000,000	\$ 3,492,434	\$ 17,462,170	\$ 34,924,340	\$ 104,773,019



Remittance of Municipal Education Tax (Calgary Share)

Year	Education Property Revenue	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
	\$		\$	\$	\$
2016	2,412,000,000	\$ 709,428	3,547,141	7,094,282	21,282,847
	\$		\$	\$	\$
2017	2,446,000,000	\$ 719,428	3,597,142	7,194,285	21,582,854
	\$		\$		\$
2018	2,441,000,000	\$ 717,958	3,589,789	\$ 7,179,578	21,538,735
	\$		\$	\$	\$
2019	2,455,000,000	\$ 722,076	3,610,378	7,220,756	21,662,267

Remittance of Municipal Insurance Tax (Calgary Share)

Year	Insurance Tax	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
	\$		\$		\$
2016	555,000,000	\$ 163,239	816,195	\$ 1,632,391	4,897,172
	\$		\$		\$
2017	628,000,000	\$ 184,710	923,551	\$ 1,847,102	5,541,305
	\$		\$		\$
2018	612,000,000	\$ 180,004	900,021	\$ 1,800,042	5,400,125
	\$		\$		\$
2019	650,000,000	\$ 191,181	955,905	\$ 1,911,809	5,735,427

Remittance of Municipal Tobacco/Cannabis Tax (Calgary Share)

Year	Tobacco/Cannabis Tax	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
2016	\$ 953,000,000	\$ 280,301	\$ 1,401,503	\$ 2,803,006	\$ 8,409,019
2017	\$ 1,026,000,000	\$ 301,772	\$ 1,508,859	\$ 3,017,717	\$ 9,053,151
2018	\$ 903,000,000	\$ 265,594	\$ 1,327,972	\$ 2,655,944	\$ 7,967,832
2019	\$ 954,000,000	\$ 280,595	\$ 1,402,974	\$ 2,805,947	\$ 8,417,842

Remittance of Municipal Tourism Levy (Calgary Share)

Year	Tourism Levy	Remit (0.1%)	Remit (0.5%)	Remit (1%)	Remit (3%)
2016	\$ 57,000,000	\$ 16,765	\$ 83,825	\$ 167,651	\$ 502,953
2017	\$ 90,000,000	\$ 26,471	\$ 132,356	\$ 264,712	\$ 794,136
2018	\$ 90,000,000	\$ 26,471	\$ 132,356	\$ 264,712	\$ 794,136
2019	\$ 88,000,000	\$ 25,883	\$ 129,415	\$ 258,830	\$ 776,489



Skip the Dishes, Taxis, Uber, Air BnB, and Netflix

- We looked at modeling some taxation options on services like Skip the dishes, Taxis, Uber, Air BnB, and Netflix on these areas of the economy but there is no reliable source of data we could access.
- We recommend the City of Calgary examine these areas of the economy. You can request or access information that we cannot.



Conclusions



- The City of Calgary has a revenue problem.
- You need to lobby the Provincial government for those sources to stabilize revenue and take pressure off the business and residential property taxes.
- You will need the additional sources of revenue
- We've presented some options and modeled our estimates as to how much they could raise
- You will not cut your way into making Calgary a great City