



**Report Number:** C2019-0285  
**Meeting:** Combined Meeting of Council  
**Meeting Date:** 2019 March 18

## NOTICE OF MOTION

2019 03 18

### COUNCILLOR WOOLLEY

**RE: Alleviating the Tax Burden on Businesses and Creating Tax Equity Through Budget Reductions**

WHEREAS Calgary businesses are owned, operated, and employ Calgarians and form the economic anchor of our past and future success;

AND WHEREAS it is the job of our municipal government to facilitate an environment in which businesses may succeed in the current economic downturn;

AND WHEREAS costs continue to rise for businesses while the tax burden in Calgary is disproportionately borne by our business community;

AND WHEREAS the 2019 non-residential tax distribution is, under current formula, borne predominately by non-residential properties outside the downtown, due to the loss of an estimated \$250 million in municipal tax revenue previously generated by non-residential property tax assessment values in the downtown;

AND WHEREAS to alleviate the tax burden, changes should be shared by City of Calgary budget reductions and a smaller transfer to residential and non-residential ratepayers;

AND WHEREAS creating an equitable tax distribution between residential and non-residential ratepayers will reduce inequity in our system;

AND WHEREAS one-time funding from reserves could be used over the remainder of the budget to mitigate impacts of the transfer to the residential ratepayer through a Tax Rebate Program (TRP):

NOW THEREFORE BE IT RESOLVED that Council direct Administration to consider the following:

1. In 2019, approximately \$250 million in municipal tax previously generated by non-residential property tax assessment value in the downtown to be shared as follows:
  - a. City of Calgary Budget Reductions of \$100M;

- b. A transfer of taxes borne by non-residential property accounts to residential property accounts such that the overall tax responsibility is equally shared between non-residential and residential properties of \$80M; and
  - c. Allow redistribution from downtown non-residential accounts to other non-residential property accounts of \$70M.
2. A reconsideration of the March 5, 2019 decision of Council on Major Projects to remove \$54.1M from a Council directed Reserve and, in addition to the \$70.9M currently allocated to create the following:
    - a. \$125M Residential Tax Rebate Program over a 4-year period
  3. That the Calgary Police Service and any operating budget decisions approved in the One Calgary budget directly contributing to the delivery of our 10-Year Economic Strategy be excluded.

AND FURTHER BE IT RESOLVED that Administration report to the April 1, 2019 Strategic Council meeting with budget reduction options, impacts of the above proposal to operating and capital budgets and implications to the residential and non-residential property tax rate.

AND FURTHER BE IT RESOLVED that Council direct Administration to undertake a review of existing and potential revenue sources and streams that might offset the impacts of any budget reductions and report back as part of the service line review in Q3 2019.

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