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Town of Aurora

Member Motion

Mayor's Office

Re: Request the Redistribution of the Provincial Land Transfer Tax and GST to Municipalities for Sustainable Infrastructure Funding

To: Members of Council

From: Mayor Tom Mrakas

Date: November 5, 2024

Whereas municipalities face growing infrastructure needs, including roads, bridges, public transit, water systems, and other critical services, which are essential to community well-being and economic development; and

Whereas the current sources of municipal revenue, including property taxes and user fees, are insufficient to meet these increasing demands for infrastructure investment; and

Whereas the Province of Ontario currently collects the Land Transfer Tax (LTT) on property transactions in municipalities across the province, generating significant revenue that is not directly shared with municipalities; and

Whereas the Federal Government collects the Goods and Services Tax (GST) on property transactions, a portion of which could be directed to municipalities to address local infrastructure needs; and

Whereas redistributing a portion of the Provincial Land Transfer Tax and GST to municipalities would provide a predictable and sustainable source of funding for local infrastructure projects without creating a new tax burden on residents or homebuyers; and

Whereas a redistribution of a portion of the existing Land Transfer Tax and GST would allow municipalities to better plan and invest in long-term infrastructure initiatives, supporting local economic growth and improving the quality of life for residents;

1. Now Therefore Be It Hereby Resolved That Aurora Town Council formally requests the Provincial Government to consider redistributing a portion of the Land Transfer Tax collected on property transactions to municipalities; and

2. Be It Further Resolved That Aurora Town Council calls on the Federal Government to allocate a percentage of the GST collected on property sales to municipalities; and
3. Be It Further Resolved That this redistribution of the Land Transfer Tax and GST should be structured to provide predictable and sustainable funding to municipalities, allowing for better long-term planning and investment in infrastructure projects that benefit local communities, thus ensuring that local governments receive a fair share of the revenue to address critical infrastructure needs; and
4. Be It Further Resolved That copies of this resolution be forwarded to Prime Minister Justin Trudeau, Premier Doug Ford, the Ontario Minister of Finance, the Minister of Municipal Affairs and Housing, local Members of Parliament (MPs) and Members of Provincial Parliament (MPPs); and
5. Be It Further Resolved That copies of this resolution be forwarded to all 444 Municipalities in Ontario, the Federation of Canadian Municipalities (FCM), and the Association of Municipalities of Ontario (AMO) for their endorsement and advocacy.

Good day Elected Official,

For many years, we have advocated for our fair share of funding from both Provincial and Federal governments. Through FCM and AMO, we've pushed for reforms and for sustainable, predictable funding for municipal infrastructure. With both Provincial and Federal elections approaching, I believe it's time for us to unite and propose a solution for municipalities' fair share.

As we're asked to meet growth targets, our municipalities urgently need predictable, long-term funding to support critical infrastructure, including roads, bridges, and public transit. We need all levels of government to collaborate on a solution that doesn't rely solely on property taxes to fund essential infrastructure in our communities. That's why we're calling on the Province to allocate a portion of the Land Transfer Tax, and on the Federal Government to allocate a portion of the GST from new home sales—no new taxes, just a fair distribution of our own funds for our communities!

Bellow is a Motion I respectfully ask you to bring forward at your council.

This motion ensures that we have the resources to build and maintain the infrastructure that keeps our municipalities running smoothly, without increasing property taxes.

Please consider adding this Motion to your Council agendas. It is essential that our collective voices are heard. Local governments deserve predictable, long-term funding to support critical infrastructure. Together, we can build a brighter future for all Ontarians.

Motion: Request the Redistribution of the Provincial Land Transfer Tax and GST

to Municipalities for Sustainable Infrastructure Funding

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community well-being and economic development; and

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Regards,

Tom Mrakas

Mayor Town of Aurora

416-543-1624

