



FEDERATION  
OF CANADIAN  
MUNICIPALITIES

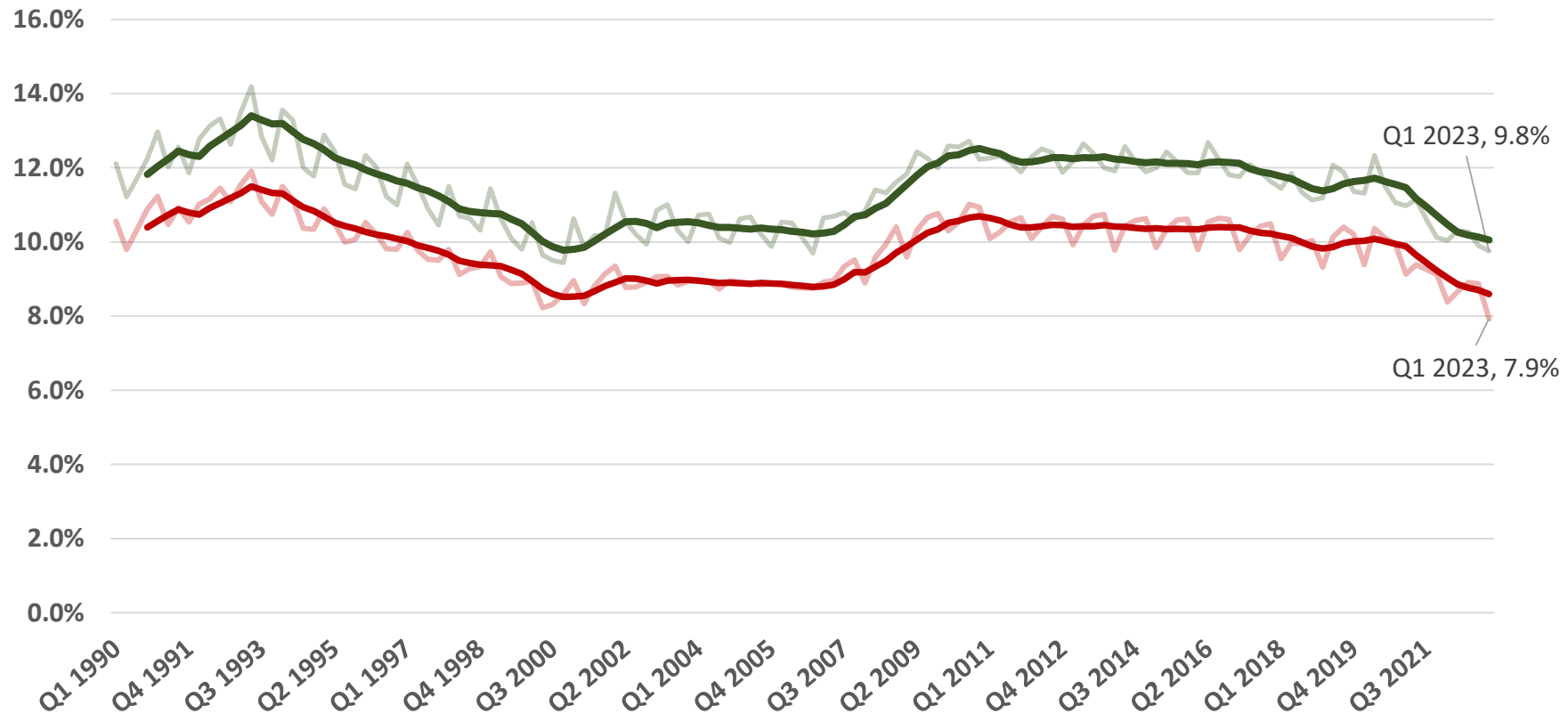
FÉDÉRATION  
CANADIENNE DES  
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# New Municipal Growth Framework: FCM Presentation

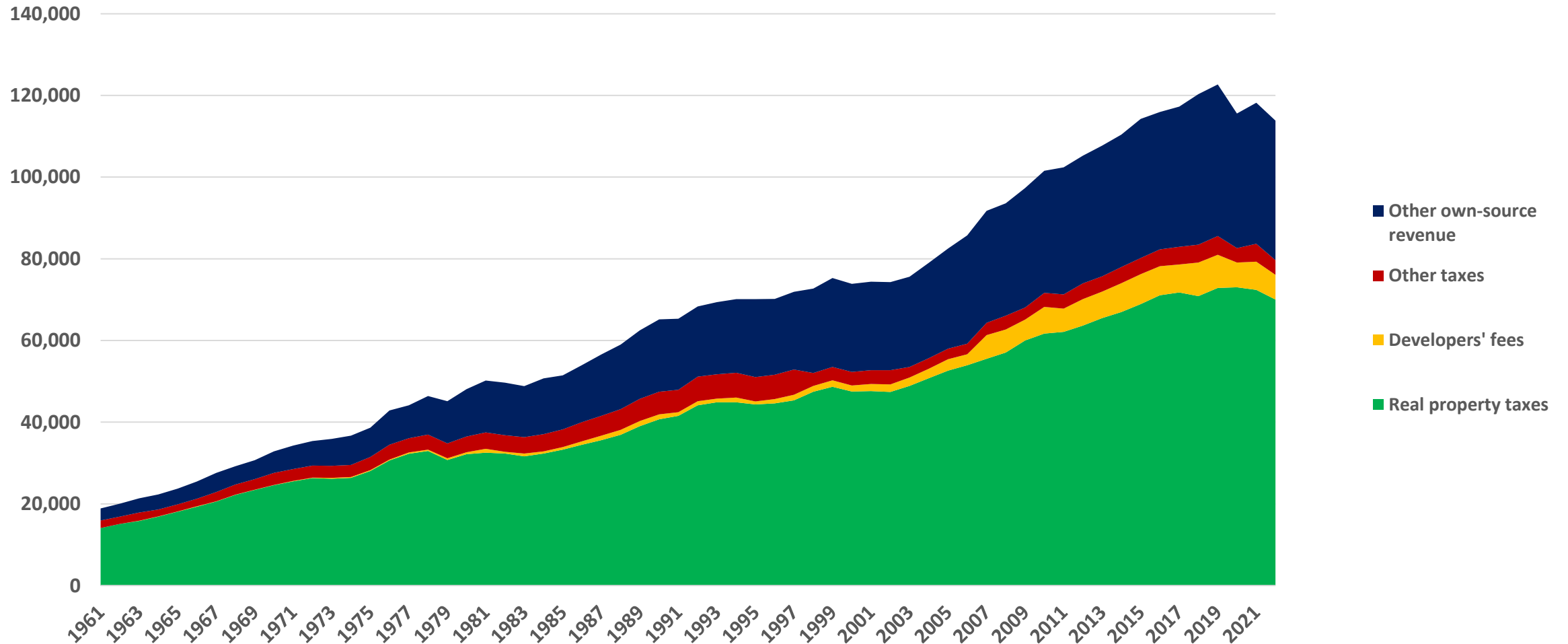
Presentation to the FCM Municipal Growth Consultation

September 28, 2023

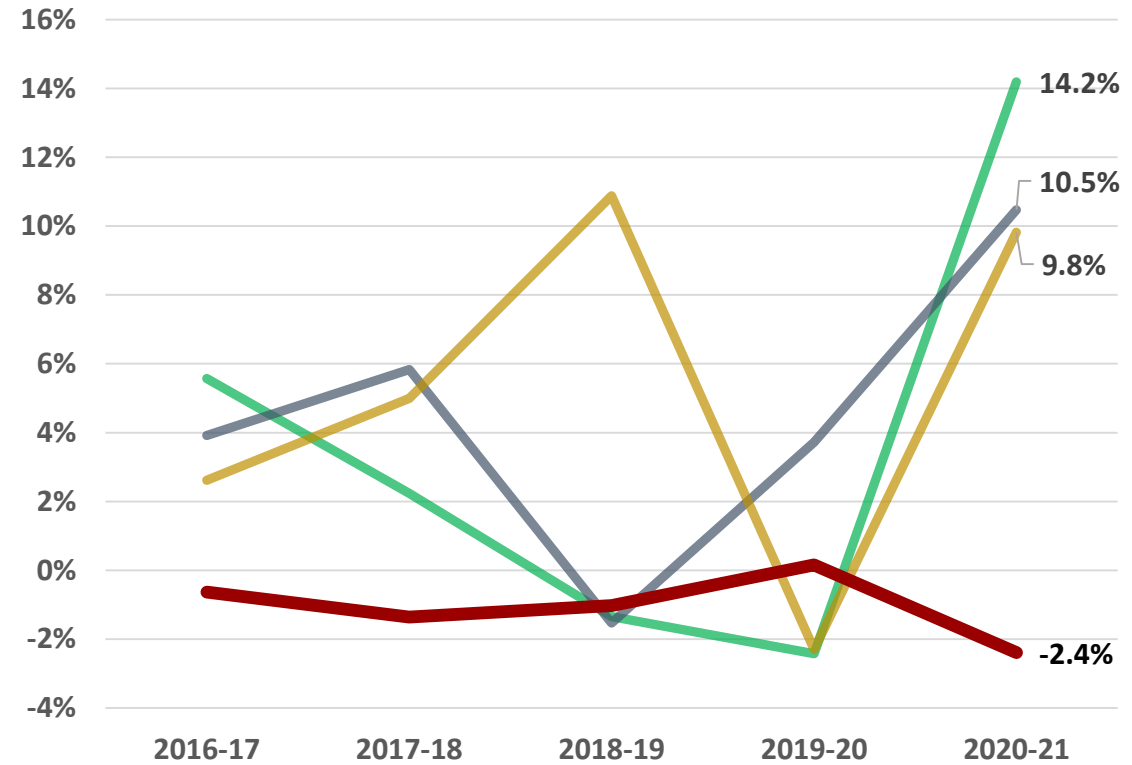
# Local government share of consolidated government tax revenue, 1990 to 2023



# Own-source revenue of local general governments, adjusted for inflation (M, indexed to 2021 dollars) and seasonality (Q2 SAAR), 1961 to 2022



# Percent change in municipal property taxes and non-municipal taxes, adjusted for inflation (indexed to 2021 dollars)



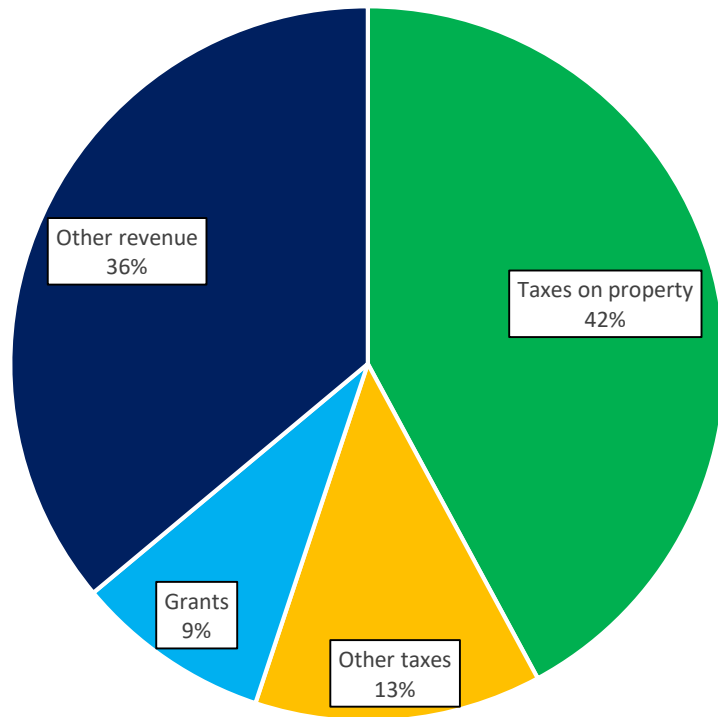
- General taxes on goods and services
- Taxes on income, profits and capital gains
- Taxes on payroll and workforce
- Municipal taxes on property

# Limitations of the property tax

- It was designed to cover the cost of municipal infrastructure and services related to property
- Doesn't grow in line with economic growth or inflation
- It's regressive – disproportionate impact on lower-income Canadians and small business
- Adds to the overall cost of housing
- Commercial property tax revenue is declining

# Revenue sources, Vancouver and Chicago, 2018

## Vancouver



## Chicago

