

The Regional Municipality of Durham

Corporate Services
Department –
Legislative Services
Division

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Alexander Harras M.P.A. Director of Legislative Services & Regional Clerk November 28, 2024

The Right Honourable Justin Trudeau
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Dear Prime Minister Trudeau:

RE: Motion Requesting the Redistribution of the Provincial Land Transfer Tax and GST to Municipalities for Sustainable Infrastructure Funding, Our File: C00

Council of the Region of Durham, at its meeting held on November 27, 2024, passed the following resolution:

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;

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

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;

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;

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;

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;

- Now Therefore Be It Hereby Resolved That The Regional Municipality of Durham Council formally requests the Provincial Government to consider redistributing a portion of the Land Transfer Tax collected on property transactions to municipalities;
- 2. Be It Further Resolved That The Regional Municipality of Durham Council calls on the Federal Government to allocate a percentage of the GST collected on property sales to municipalities;
- 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;
- 4. Be It Further Resolved That the province be reminded it has been asked by AMO and municipalities to develop a new and comprehensive funding arrangement with municipalities including the housing affordability taskforce recommendations;
- 5. Be It Further Resolved That a copy 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
- 6. Be It Further Resolved That a copy 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.

## Alexander Harras

Alexander Harras, M.P.A. Director of Legislative Services & Regional Clerk AH/tf

Hon. D. Ford, Premier, Province of Ontario
 Hon. P. Bethlenfalvy, Ontario Minister of Finance, MPP,
 Pickering/Uxbridge
 Hon. P. Calandra, Minister of Municipal Affairs and Housing

Hon. M. Holland, MP, Ajax

- J. Jivani, MP, Durham
- J. Schmale, MP, Haliburton/Kawartha Lakes/Brock
- P. Lawrence, MP, Northumberland/Peterborough South
- C. Carrie, MP, Oshawa
- J. O'Connell, MP, Pickering/Uxbridge
- R. Turnbull, MP, Whitby
- P. Barnes, MPP, Ajax
- L. Coe, MPP, Whitby
- J. French, MPP, Oshawa

Hon. T. McCarthy, MPP, Durham

Hon. D. Piccini, MPP, Northumberland/Peterborough South

L. Scott, MPP, Haliburton/Kawartha Lakes/Brock

Federation of Canadian Municipalities (FCM)

Association of Municipalities of Ontario (AMO)

All Ontario Municipalities

- A. Burgess, Director, Communications and Engagement
- B. Hannelas, Manager, Corporate Initiatives and Government Relations