

The Corporation of the City of Cambridge Corporate Services Department Clerk's Division Tel: (519) 740-4680 ext. 4585 mantond@cambridge.ca

April 23, 2025

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

At its Council Meeting of April 15, 2025, the Council of the Corporation of the City of Cambridge passed the following Motion:

**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;

 Now Therefore Be It Hereby Resolved That Cambridge City 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 Cambridge City 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 the Right Honourable Prime Minister Mark Carney, the Right Honourable 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
- 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.

Should you have any questions related to the approved resolution, please contact me.

Yours Truly,

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Danielle Manton City Clerk

Cc: (via email) Hon. Prime Minister Carney Hon. Premier Ford Ontario Minister of Finance Minister of Municipal Affairs and Housing Local MPs and MPPs Federation of Canadian Municipalities (FCM) Association of Municipalities of Ontario (AMO) All Ontario Municipalities