



Office of the City Clerk

December 5, 2024

Via email

All Ontario Municipalities

**Re: Kingston City Council Meeting, December 3, 2024 – New Motion 1 –
Request the Redistribution of the Provincial Land Transfer Tax and GST to
Municipalities for Sustainable Infrastructure Funding**

At the regular Council meeting on December 3, 2024, Council approved New Motion 1 with respect to Request the Redistribution of the Provincial Land Transfer Tax and GST to Municipalities for Sustainable Infrastructure Funding as follows:

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

The Corporation of the City of Kingston

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cityclerk@cityofkingston.ca

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;

Therefore Be It Resolved That Kingston City Council formally requests the Provincial Government to consider redistributing a portion of the Land Transfer Tax collected on property transactions to municipalities; and

That Kingston City Council calls on the Federal Government to allocate a percentage of the GST collected on property sales to municipalities; and

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

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

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.

Yours sincerely,



Derek Ochej
Acting City Clerk
/nb

**Reporting Out
City of Kingston
Meeting Number 2025-01
City Council Meeting**

Resolution Number 2025-18

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

Date: Tuesday, December 3, 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;

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CARRIED