

Add the Cost of Policing to the Local Rate in LSDs and Reduce the Special Provincial Levy on Homeowners in LSDs

Fact Sheet

Improving New Brunswick's property tax system: A white paper recommends reducing the special provincial levy in LSDs of 63.15 cents by 22 cents and adding the cost of policing to the local rate in LSDs over four years.

This will allow the effective implementation of the new cost-sharing model (starting in January 2013) that the Province is adopting for the way municipalities, rural communities and LSDs pay for and receive RCMP police services. Adding the cost of policing to the local rate in LSDs will ensure that all types of property pay for policing services, including non-owner-occupied residential (apartments, second homes and cottages) and non-residential (businesses).

The proposed 33.4 cent reduction to the provincial levy on apartments, second homes and cottages, as well as the 24 cent reduction of the provincial levy to other non-owner-occupied residential properties and the 33 cent reduction of the provincial levy to businesses will largely offset the tax increase from transferring the cost of policing to the local rate in LSDs on these types of properties in LSDs.

Recommendation 6: Add the cost of policing to the local rate in LSDs and reduce the special provincial levy on homeowners in LSDs.					
	2012	2013	2014	2015	2016
Special Provincial Levy in LSDs	\$0.6315	\$0.5765	\$0.5215	\$0.4665	\$0.4115