



Chamber keeps business taxes competitive

On May 14, the Calgary Chamber of Commerce defended local business at City Hall, successfully defeating a proposal to harmonize the city's business tax with the non-residential property tax.

"The Council motion, as worded, opened the door to future business tax hikes," said Geoff Pradella, Vice-President of Public & Government Affairs for the Calgary Chamber of Commerce. "We couldn't support the process for harmonization, because there was no substantive discussion of municipal taxation policy reform, and the need to address our tax burden, as the first and most critical step."

City Council was attempting to merge the taxes without loss of revenue for the city, or impact on the residential property tax rate, to produce administrative savings from the joint collection.

"Under this scenario, as the city increased its revenue need, it would have come from local business," said Pradella.

Calgary's business community is already paying at a rate six times higher than residents, and compares unfavourably with Edmonton businesses which pay 4.3 times their residential counterparts. Calgary is one of the last remaining Canadian cities to levy a business tax and surrounding communities - Airdrie, Cochrane, Strathmore, Okotoks, and High River have no business tax at all.

The Council motion was defeated by a vote of 4 to 3.

The Chamber was part of a coalition that objected to the tax proposal.