Section 4.—Municipal Finance

Subsection 1.—Municipal Assessed Valuations

The revenue resources of municipalities are limited, generally, to direct taxation based on assessed valuations of real and other types of property. In the Provinces of Prince Edward Island, Nova Scotia, New Brunswick, Manitoba and Alberta, municipalities assess and tax personal property. In Alberta municipal districts, the valuations of personal property assessed have risen sharply with the growth of the oil industry. In Manitoba, the personal property tax is used generally by all classes of municipalities except cities. Aside from property, the most important type of valuation for taxation purposes is business assessment, although not all provinces assess for business purposes separately and distinctly from real property valuations. A variation of methods, schedules and rates exists not only between provinces but also between municipalities within the same province. Some municipalities use the rental basis, others the value of floor space occupied and still others the capital value of the premises occupied. Three provinces have other miscellaneous types of assessment, the general nature of which are given in the footnotes to Table **37**.

The figures in Table **37** are not entirely comparable, on an interprovincial basis, from the standpoint of relative values of properties taxable for municipal purposes. Each province operates under its own assessment laws, which are not all similar either in application or in effect. For instance, in British Columbia cities and municipal districts, improvements cannot be taxed on a value in excess of 75 p.c. of taxable values or, in most of the villages, in excess of 50 p.c. of taxable values; the values actually taxed in 1952 ranged from nil to 75 p.c. Improvements were assessed generally for tax purposes at 50 p.c. of taxable values, but for all municipalities the total improvements actually taxed represented 52·6 p.c. of total taxable values. In addition, there are other intra-provincial inconsistencies between municipalities which, in turn, further affect interprovincial comparisons. These may be said to be caused by the lack of integrated municipal assessment systems and uniform standards for establishing values on a province-wide basis, under the direction and control of a central authority. However, there has been considerable progress towards uniformity and improved procedure in recent years.

Complete figures for tax-exempt properties are not available for each province, but the information given shows that these properties have assumed relatively high proportions. Most provinces have shown consistent increases in taxable assessed valuations that may be attributed largely to the war-born stimulus to business and industry and the continued buoyancy of the economy in the post-war years.

37.—Municipal Assessed Valuations, by Province, 1948-52

Province and Year	Taxable Valuations on which Taxes were Levied					Total Exemptions[2]
	Real Property	Personal Property	Business	Other[1]	Total	
	$	$	$	$	$	$
N'f'ld.—[3]						
1952	..	..	..	..	..	..
P. E. I.—[4]						
1948	12,272,825	5,353,199			17,626,024	7,456,500
1949	13,714,935	5,777,847	..	..	19,492,782	7,456,500
1950	16,872,045	6,085,510	..	..	22,957,555	7,788,500
1951	23,539,274	9,650,989	..	..	33,190,263	9,585,500
1952	25,767,825	9,822,300	..	..	35,590,125	9,595,500

For footnotes, *see* end of table.