

0.6% on anything in excess of that amount; for non-residents the tax is 20% of the purchase price. In addition, Ontario levies a tax of 20% on the increase in value on the sale of designated land (all real property except Canadian resource property). Quebec levies a 33% tax on the value of immovable property transferred to non-residents. Municipalities may levy duties on immovable property transferred. In Alberta, a fee is charged proportional to the registered value of land; \$10 for the first \$10,000 and \$1 for each additional \$1,000 up to \$100,000, and 50 cents per \$1,000 in excess of that amount. British Columbia and Saskatchewan do not have a land transfer tax but have an equivalent in land title fee which is based on land value.

Provincial property taxes. Most provinces levy, in varying degrees, real property taxes. In Prince Edward Island and New Brunswick, where services formerly carried out by municipal authorities were taken over by provincial governments, the real property tax field is shared by both provincial and municipal governments. The provincial governments levy a flat rate real property tax on a province-wide basis and each municipality has its own separate rate as required to meet its expenditure. All collections, however, are effected by the provinces which remit the municipal share to individual municipalities. Some provinces impose property taxes of limited application on land in unorganized areas not subject to a municipal rate. Nova Scotia imposes a property school tax on that portion of a land holding in excess of 404.7 hectares. A provincial property tax is levied in Ontario and Saskatchewan on the assessed value of real property in municipally unorganized territories where residents may enjoy provincial services. British Columbia's provincial property tax is levied on the assessed value of land and improvements in unorganized (non-municipal) areas at different rates between farmland and wild land.

22.6.3 Local taxes

For purposes of financial statistics local government is comprised of three principal categories — municipalities, local school authorities and special purpose authorities. Consequently, local taxes are levied by either one of these entities or by all of them depending upon the taxing powers granted to each of them by their respective provincial legislatures. For more than a century, the main source of revenue of local governments has been related to real properties within their jurisdictions. Various taxes have been gradually implemented to supplement the real property tax from which, however, they still derive the bulk of their revenue.

Local property tax. Municipalities throughout Canada levy taxes on real properties situated within their boundaries. Generally speaking, they set the rates and collect the proceeds of their own levy and levies made on behalf of other local governments in their area, such as local school authorities. However, in most of Quebec outside the Montreal area and in the unorganized parts of Ontario, school boards levy and collect their own real property taxes directly.

The real property tax rate is generally expressed in mills (rate per \$1,000 of the base) or as a rate per \$100 of the base. This base is the assessed value of each property. Methods of determining assessed value vary widely not only among the provinces but also among municipalities within a province. However, for taxation purposes, assessed value is considered to be a percentage of actual market value.

Business taxes. Among other taxes that municipalities levy, business taxes rank next to the real property tax as a producer of municipal revenue. Such taxes are levied directly on the tenant or the operator of a business. The bases on which business taxes are levied are very diversified among the provinces. The most common in use are: a percentage of the assessed value of real property, value of stock-in-trade, the assessed annual rental value of immovables and the area of premises occupied for business purposes.

Water charges. In general, municipalities recoup all, or part, of the cost of supplying water through special charges for water consumption. Such charges take various forms such as a charge based on the actual consumption of water, or a water tax based on the rental value of the property occupied.