

WINDSOR-ESSEX REGIONAL Chamber of Commerce

May 3, 2010

Mayor Francis and Members of Windsor City Council
Corporation of the City of Windsor
350 City Hall Square West
Windsor, Ontario N9A 6S1

Re: City of Windsor 2010 Tax Policies

Dear Mayor and Members of Windsor City Council:

Although the 2010 levies are lower for all business classes this is more a product of fiscal restraint in the budget we previously supported. The city still needs to review the actual tax policy and shift more of the tax burden away from the businesses and to the residential sector. Plainly stated, the ratio for all businesses from multi-residential to commercial, to large industrial, must be reduced.

Although this is unpopular in an election year, we need to follow the Provincial model and shift the tax burden away from the businesses and to the end users (HST). The residential tax rates have been addressed with a considerable care and are competitive with other similar municipalities across the province. The City of Windsor has reduced the residential tax rates in a period when these rates have been increasing. There is no fundamental reason to lower the tax rate for the residential base rate. Holding that rate (a zero change), while reducing all other rates will effectively begin to shift the tax burden.

Shifting the burden is what will sustain and attract new employment in the City. More jobs will help with affordability of residential taxes at any tax rate. We reiterate the need to provide incentives for new investment in the City of Windsor and we support the initiatives such as the Brownfield Redevelopment Community Improvement Plan. The Chamber urges the City of Windsor to approve as many incentive programs to attract new jobs, and retain existing jobs as possible to stimulate economic growth. These will, in turn, raise assessments for both residential and commercial properties once more jobs are created and there is more demand for commercial property development.

One way to improve the business climate is to have a written long term sustainable tax plan to aid the business community. The Chamber is pleased with lower business tax rates but continues to advocate for reductions of business tax ratios in subsequent budgets.

Sincerely,

Robert Rea
Chair of the Chamber's Finance & Taxation Committee