

Reduce the Provincial Taxation on Non-Owner Occupied Housing

Fact Sheet

Improving New Brunswick's property tax system: A white paper recommends reducing the \$1.4573 provincial rate by \$0.334 to \$1.1233 on apartments, cottages and second homes over four years.

In New Brunswick, owners of apartments, second homes and cottages pay significantly more provincial and municipal property tax than homeowners. Therefore, it is recommended to reduce the \$1.4573 provincial rate by \$0.334 to \$1.1233 on apartments, cottages and second homes over four years. This measure will move toward removing the unequal tax treatment on residential housing. Currently, rental housing is paying approximately double the tax rate applied to owner-occupied properties. The additional tax is passed on in rents to tenants, many of whom are seniors, students, and low-income individuals and families who cannot afford their own home. In some cases, this additional tax limits landlords in their ability to undertake effective maintenance programs, thereby potentially negatively impacting the quality of affordable rental housing being offered to New Brunswickers.

The \$0.334 reduction on apartments, second homes and cottages will be reduced at a rate of \$0.06 per year for the first three years (2013, 2014 and 2015) and \$0.1540 in the last year (2016).

Recommendation 3: Reduce the provincial taxation on non-owner-occupied housing.					
Property Type	Provincial Property Tax Rate				
	2012	2013	2014	2015	2016
Residential Non-Owner-Occupied Housing	\$1.4573	\$1.3973	\$1.3373	\$1.2773	\$1.1233