



FIRST NATIONS TAX COMMISSION
COMMISSION DE LA FISCALITÉ DES PREMIÈRES NATIONS





First Nation Property Tax Report - 2024

Presentation to:

31st Annual National Forum
First Nation Tax Administrators Association
October 2024

OVERVIEW

- 1 First Nations Tax Commission
- 2 Facts, Figures, and Trends
- 3 Current and Future Initiatives



FIRST NATIONS TAX COMMISSION

COMMISSION DE LA FISCALITÉ DES PREMIÈRES NATIONS

Established in 2005 under the First Nations Fiscal Management Act (FMA)

Consists of ten Commissioners, and led by Chief Commissioner C.T. Jules

Offices located in Tk'emlúps te Secwépemc, BC and Ottawa, ON

Provides support for First Nation taxation

FNTC FUNCTIONS & SERVICES

01

LAW &
BY-LAW DEVELOPMENT

02

LAW REVIEW

03

BY-LAW REVIEW

04

TRAINING &
EDUCATION

05

POLICY
DEVELOPMENT

06

SERVICE AGREEMENT
FACILITATION

07

REGISTRY &
GAZETTE

08

DISPUTE
RESOLUTION

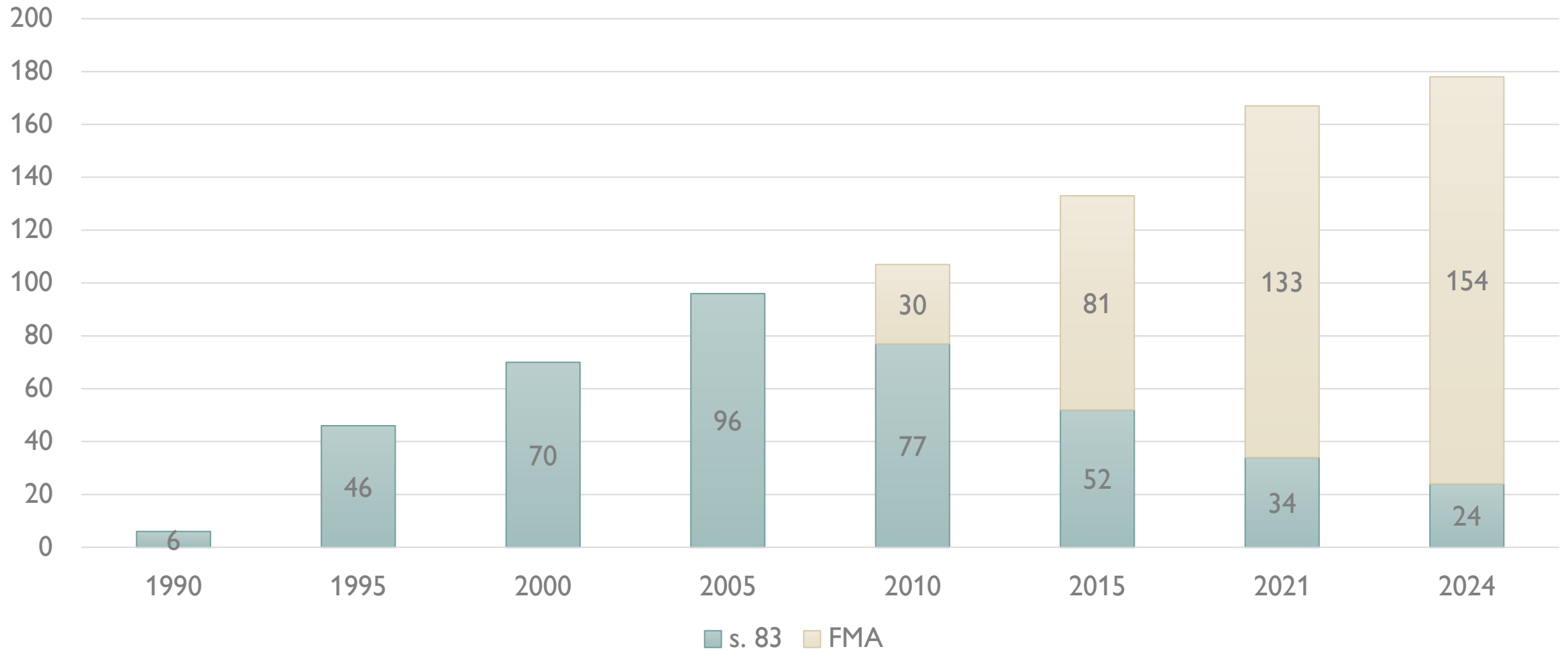


Facts, Figures, and Trends

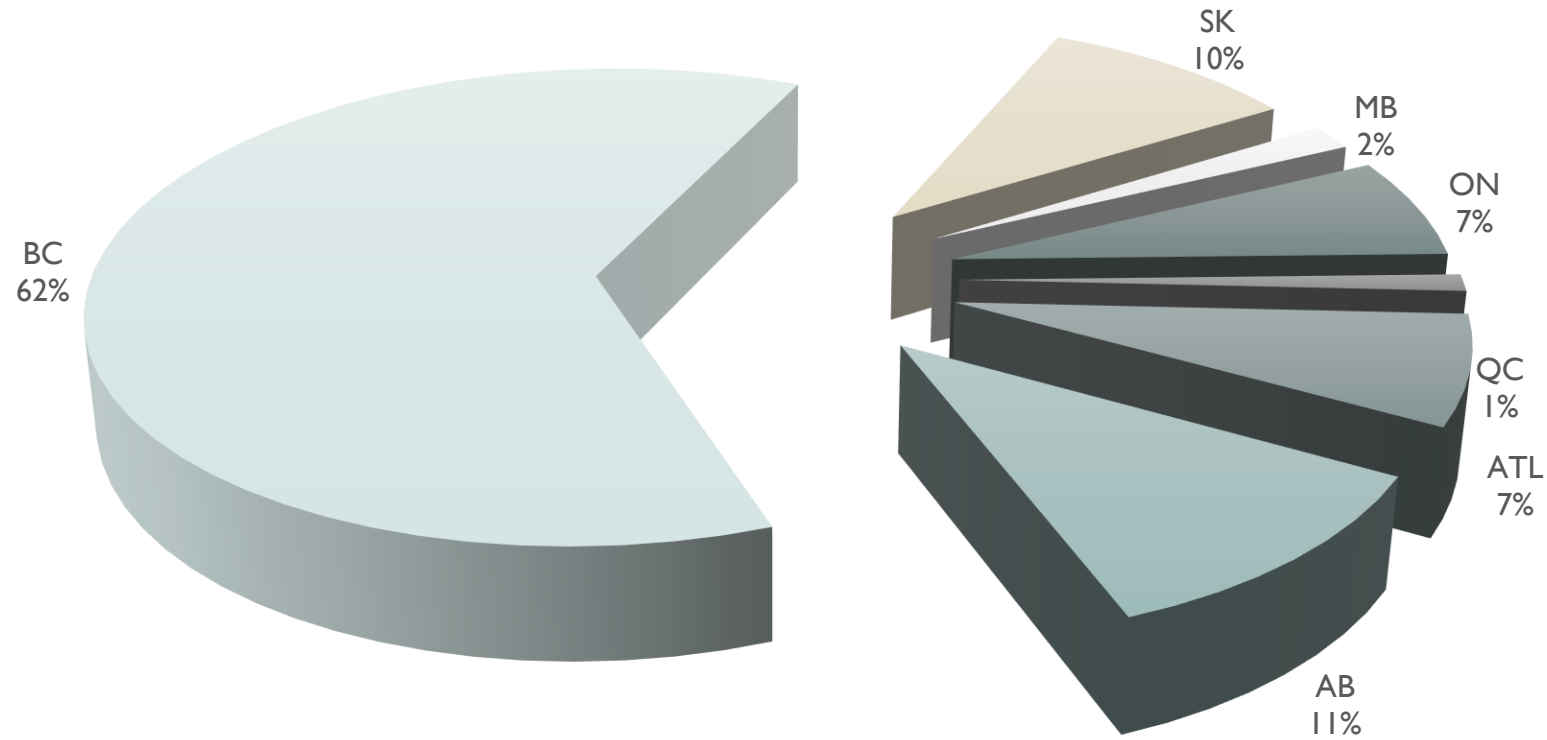
FMA and First Nations with Tax Jurisdiction

- Enacted in 2005, the FMA was initially used by **33** First Nations in 2007.
- Today, **364** First Nations are using it and **8** are waiting to join.
- Currently **87%** of taxing First Nations use the FMA.
- First Nations have established tax jurisdiction in **9 of 10** provinces.
- In 2024, **Doig River First Nation** (laws enacted in August 2024) became the 178th First Nation to establish property tax jurisdiction.
- In the 2023 taxation year, First Nations collected more than **\$122 million** on lands and properties assessed at over **\$16 billion**.
- Property transfer tax is a growing fiscal power generating nearly **\$7M** a year.
- Collectively First Nations submit over **280** tax laws and by-laws each year.

First Nations with Tax Jurisdiction - 1990 to 2024



2024 First Nation Tax Jurisdiction – By Region



■ AB ■ BC ■ SK ■ MB ■ ON ■ QC ■ ATL

First Nation Law and By-law Development

- **10** First Nations are currently developing property tax and assessment laws, **5** of which are new to taxation.
- **8** First Nations are working on repealing and replacing their FMA laws or amending them.
- **6** First Nations are developing other local revenue laws including DCC's and PTTs.
- Other law development work involves:
 - Business Activity Tax Laws (2)
 - Borrowing Agreement Law (1)
 - Development Cost Charges Laws (2)
 - Property Transfer Tax Laws (4)
 - Service Fee Laws (5)
 - Service Tax Law (1)



Current and Future Initiatives

Standards for First Nation Property Assessment Laws – Assessment Appeal Fees

- In September 2024, FNTPC approved changes to the Assessment Law Standards concerning administrative fees for assessment appeals.
 - Previously fees could not exceed \$30 for any property class.
 - Limit was increased to \$75 for residential properties and \$300 for any other class of property. Split classifications involving residential property are limited to \$75.
 - Changes enable First Nations to set higher fees to address effects of inflation or are consistent with fees set by jurisdictions off-reserve.

Proposed Changes to Annual Tax Rates Standards and Property Tax Standards – Base Tax

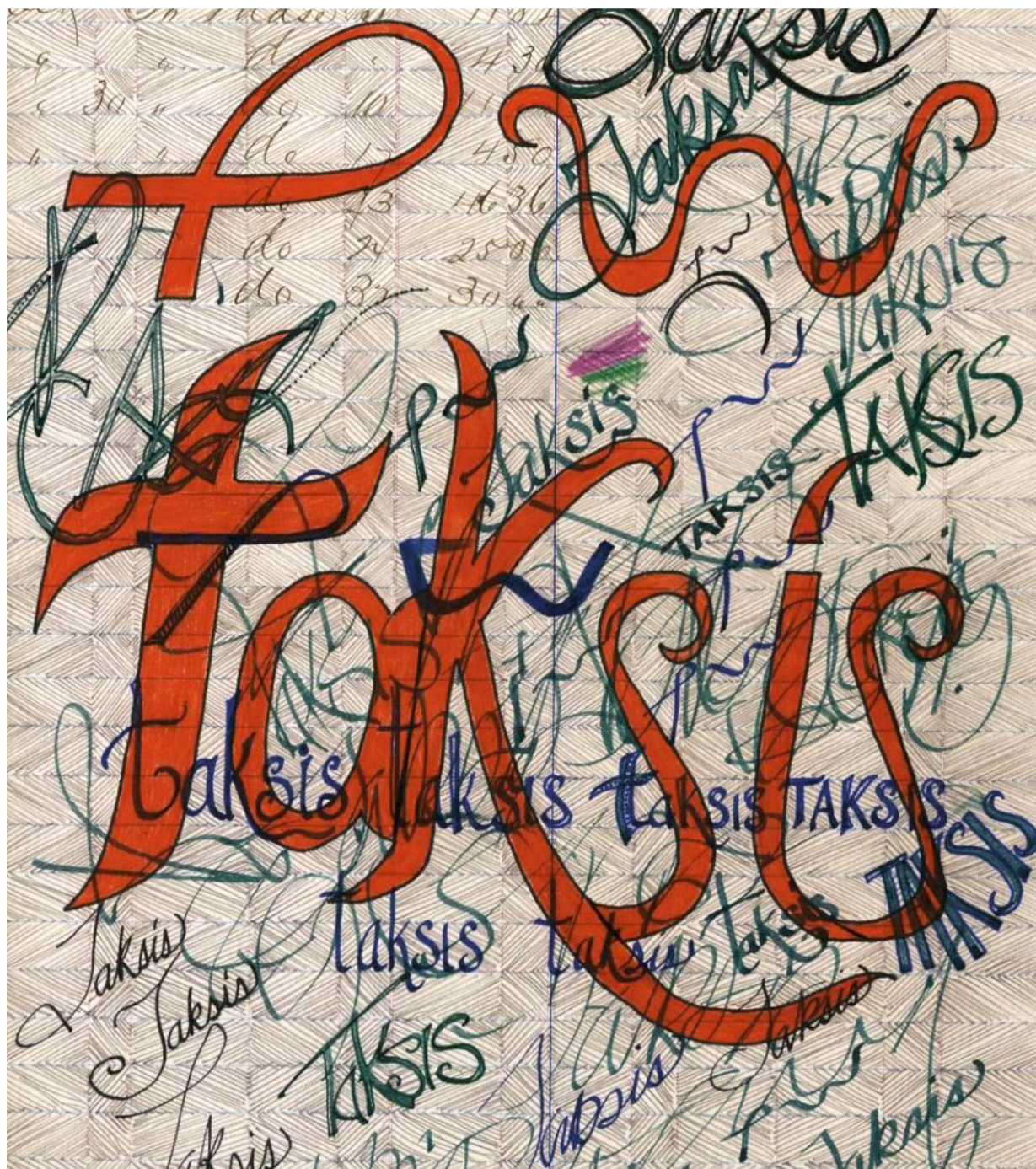
- FNTC approved proposed changes (Sep 2024) to the Annual Tax Rates Law Standards and Property Taxation Law Standards for the use of base tax in Saskatchewan (Public input begins October 7).
- Used by many SK towns. Supplements tax generated from property value tax.
- Proposed changes include:
 - different base tax rates for different property classes
 - base tax rates not exceeding RJ's base tax rates where the First Nation's property tax rates are identical to the RJ property tax rates.
 - max. amount typically \$1,000 unless RJ base tax rate exceeds \$1,000
 - base tax rate to be included in the average tax bill calculation
 - no minimum tax in a property class where a base tax is applied
 - base tax instead of minimum tax where a First Nation is transitioning from the use of service fees to taxes

First Nations Assessment Authority

- First Nations Property Assessment Authority (FNAA) Initiative is a FNTC-led project to conduct research and develop a business case for a national First Nation property assessment service provider.
- Objectives:
 1. ensure consistency in levels of property assessment services
 2. improve First Nation access to assessment services
 3. work to reduce property assessment costs for First Nations, and
 4. provide other appraisal services
- 2024/2025 Workplan
 - continued research and communication with First Nations, other governments, and assessment providers
 - organizing technical team

Other Policy Research

- Increasing flexibility in the use of property transfer tax revenue to support local revenue borrowing
- Transitioning to different reference jurisdictions
- Taxation on jointly-held reserves
- Electronic notification (e.g., digital bulletin board, on-line newspapers, etc.)
- Increasing efficiencies in assessment and assessment appeals (e.g., sample rules of procedure for ARBs, research on use of virtual hearings, videoconferences.)
- Continued support for regulatory changes (e.g., assessment appeal regulations, tax enforcement regulations, and regulations supporting Treaty First Nation access to FMA debenture financing.)



“Taksis” is from the Chinook language, meaning “tax”



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