



April 14, 2020

**Re: CC City Manager CM20-8**

COVID-19 is having a dramatic impact in all our lives in one way or another. We can appreciate that there is a significant impact on all levels of government as well as virtually every other group within our community, province, country and indeed the global village. The impact has been catastrophic to many and we still do not know when this might end.

Property tax is the most regressive tax being utilized by governments today. While it was an effective measurement of wealth long ago it is not today. Property tax does not factor in ability to pay which is contrary to more progressive forms of taxation like income and sales taxes.

One of the greatest challenges with property tax in a COVID-19 environment is that it does not take into account that in many cases those businesses that have been deemed non-essential have no cash flow because there are no transactions and no revenue generated but the tax remains. We appreciate that Regina City Council has deferred payment of the tax, but the grim reality faced by many businesses is that they still do not have the revenue to pay the tax even if it is down the road.

We respectfully request that Regina City Council consider providing relief to non-residential property owners by reducing the municipal portion of property taxes by 25% in 2020 by using reserves to backfill the shortfall and then increasing the mill rate factor in 2021 – 2025 for the non-residential class of properties to repay the entire amount. Essentially what we are asking for is a program to help businesses today that businesses and not the city nor residents would pay for over time. Moreover, we would like Regina City Council to strongly encourage all non-residential property owners to pass on the reduction in 2020 to their tenants.

We arrived at the 25% factor by estimating that the worst part of this crisis will be 90 days in duration but we can appreciate that it may be much longer and there is perhaps even a glimmer of hope that it may be shorter.

Thank you for the opportunity to provide input at this most challenging time for all of us.

John Hopkins  
Chief Executive Officer