

The New Deal Proposal

	<u>Estimated Initial Net Impact</u>
1) SALES TAX	
Transfer 2/3 of 1% of the current Federal GST	\$62 m
2) FUEL TAX	
OPTION A:	
Transfer 3 cents of the current Provincial fuel tax collected in Winnipeg	\$33 m
Implement 3 cents/L of new fuel tax Province wide and transfer the amount collected in Winnipeg (\$33 m collected in Wpg, \$27 m rest of Province)	\$33 m
OPTION B:	
Transfer 6 cents of the existing Provincial fuel tax collected in Winnipeg (\$66 m)	
3) INCOME TAX SHARING	
Convert all the grants the City currently receives from the Province (\$139 m) to an income sharing formula	\$0 m
4) PROPERTY TAX	
Provide a 4% reduction in property taxes followed by 5 additional years of tax freezes	\$ -15 m
5) EFFICIENCIES FROM REORGANIZING FACILITIES	
Implement efficiencies from investments in new facilities	\$10 m
	<hr/>
	\$123 m

This proposal provides \$138 m in new revenue along with a reduction in property tax revenue of \$15 m for a net increase of \$123 m annually for infrastructure investment.