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## Change land transfer tax, say realtors

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WINNIPEGREALTORS is stepping up its campaign to pressure the provincial government into changing its controversial land transfer tax.

The association has set up a website ([www.2muchltd.com](http://www.2muchltd.com)) where homebuyers and other Manitobans can learn more about the tax and the changes it has requested from the government.

It also provides a link for Manitobans to call or email their MLA to express any concerns they have about the tax.

The land transfer tax is a provincial tax homebuyers must pay before the title to their new home can be transferred to their name and they can take possession.

Because it's a graduated tax based on the selling price of a property, the higher selling prices rise, the more tax revenue the province takes in. For example, in 2007 it collected \$38.2 million, and by 2009 that figure had jumped to \$49.6 million.

The tax rate is 0.5 per cent for the portion of the selling price between \$30,000 and \$90,000, one per cent between \$90,000 and \$150,000, 1.5 per cent between \$150,000 and \$200,000 and two per cent on anything above \$200,000. So someone who buys a home for \$300,000, for example, pays \$3,650 in land transfer taxes.

The WR wants Manitoba to follow the lead of other provinces and exempt first-time buyers from having to pay the tax. It also wants it to reduce the burden on other buyers by either indexing the tax rates or adjusting the brackets on which they are applied.

Don Cook, chair of the association's civic and legislative affairs committee, said the only change the province has made in the 22 years since it introduced the tax as a way of offsetting the cost of registering land transfers was to boost the maximum rate to two per cent in 2004 from 1.5 per cent. Yet during that same period, the average selling price of a home in Winnipeg has soared by 300 per cent to nearly \$230,000, the association said.

"Instead of having a mill rate to help homebuyers out, the land transfer tax is a millstone," Cook said. "It impedes people's ability to buy a home and robs them of equity they may have built up in their home to help use as a nest egg for retirement."

-- Staff

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