

GAINING ACCESS TO THE BENEFITS OF THE FSMA

The FSMA is available to all First Nations, including those First Nations who are currently exercising their property tax jurisdiction under s.83 of the *Indian Act*. First Nations who add their name to the *First Nations Fiscal and Statistical Management Act* schedule will be able to take advantage of the new property tax powers and access the full range of services provided by the institutions.

In order to opt into the property taxation and borrowing provisions of the FSMA, the Chief and Council of an interested First Nation must provide a resolution of Council, to the attention of the Minister of Indian Affairs and Northern Development requesting to be placed on the Schedule. A courtesy copy of the resolution should be sent to the Indian Taxation Advisory Board.

Note: First Nations that are not a “band” as defined by the *Indian Act* but are party to a self-government agreement, may be able to opt into the property tax and borrowing provisions of the FSMA through the development of a regulation made under section 141 of FSMA.

Other Benefits of the *First Nations Fiscal and Statistical Management Act*.

The institutions created by the FSMA will help:

- improve First Nations access to capital so they can buy infrastructure more “cheaply”;
- ensure First Nations get the best infrastructure for their money;
- create better information about First Nation communities and their investment opportunities;
- promote these investment opportunities; and
- inspire investor confidence in First Nations.

**INDIAN
TAXATION
ADVISORY
BOARD**



**COMMISSION
CONSULTATIVE
DE LA FISCALITÉ
INDIENNE**

For more information about accessing the benefits (including a copy of the legislation or a sample BCR), please contact the Indian Taxation Advisory Board at mail@fntc.ca or:

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FIRST NATIONS FISCAL AND STATISTICAL MANAGEMENT ACT



SPRING 2005

In March 2005, the First Nations Fiscal and Statistical Management Act received Royal Assent. The legislation creates four institutions, including the First Nations Tax Commission.

Establishing of the First Nations Tax Commission

Since 1989, the Indian Taxation Advisory Board (ITAB) has assisted over 100 First Nations in exercising their property tax jurisdiction under s.83 of the *Indian Act*. Currently, 105 First Nations are generating \$44 million in annual property tax revenue. In addition to working with First Nations to develop property tax bylaws, ITAB has provided advisory services to the Minister of Indian Affairs with regard to property tax bylaw review and otherwise safeguarding the integrity of the First Nation property tax system as a whole.

The First Nations Tax Commission (FNTC) builds upon the success of ITAB and assumes ITAB functions under s.83 of the *Indian Act*. It also has responsibility for regulatory oversight for First Nation property tax under the *First Nations Fiscal and Statistical Management Act* (FSMA). The FNTC will:

- streamline the bylaw approval process and shorten approval times;
- provide greater representation for taxpayers and assurance to investors;
- offer increased training and educational opportunities for tax administrators; and
- offer an enhanced capacity for timely and professional dispute resolution.

The FNTC will be part of an overall system of improving First Nation economic growth as the FSMA will also create a First Nations Finance Authority, First Nations Financial Management Board, and First Nations Statistical Institute.

Protecting and Expanding First Nation Jurisdiction

Provisions of the FSMA offer participating First Nations stronger tax enforcement powers, greater clarity with respect to property tax laws, and mechanisms to improve taxpayer relations. First Nations exercising property tax jurisdiction under the FSMA will also be able to gain access to the full range of benefits offered by the other fiscal institutions including low cost long-term debt financing for infrastructure projects.