



ANNUAL REPORT

2024 • 2025



FIRST NATIONS TAX COMMISSION



Since time immemorial, our people have looked to the stars to orient ourselves and understand our place in the world. The North Star has been in the sky for millions of years and has been a guiding light that has helped our people find their way for generations. The Chinook word for the North Star is Kol-ilih-tsiltzil.

Today, many First Nations and the First Nations Tax Commission are guided by our own North Star. We envision a future where our lands are returned to our jurisdiction, and we build vibrant, self-sufficient economies that sustain our communities and contribute to the broader Canadian landscape.

This work is about more than taxes. It's about creating a pathway to self-determination, economic independence, and Land Back. We are working on a new fiscal relationship that supports independence, cultural revitalization and sustainable development.

Original artwork by Chief Commissioner C.T. (Manny) Jules.

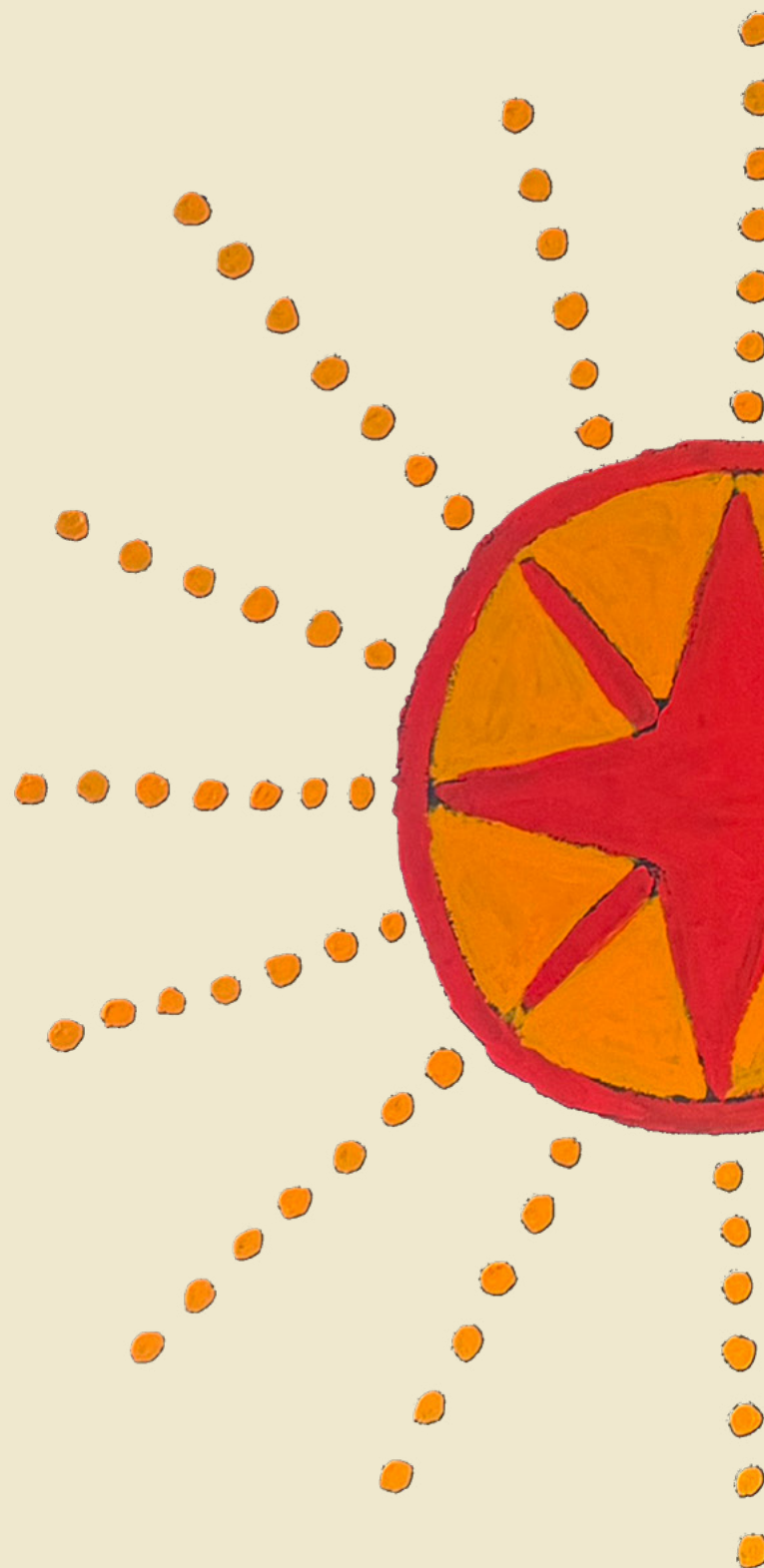
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THE FNTC

The First Nations Tax Commission (FNTC) is a First Nation-led institution dedicated to advancing frameworks for First Nation jurisdiction over local revenues, and assisting interested First Nations across Canada in developing and implementing their local revenue systems, increasing their local revenues, and growing their economies.

The FNTC was established under the *First Nations Fiscal Management Act* (FMA) and has been operational since 2007. It is funded annually through a contribution agreement with the Government of Canada. In 2023, Canada approved amendments to the FMA to broaden the scope of FNTC's mandate to better serve First Nations. The FMA amendments recognized the success and benefits of FNTC's work—and that of the other FMA institutions—and acknowledged the scope and complexity of advancing jurisdiction and building local capacity. The amendments also reflected the value and importance of establishing a new FMA institution—the First Nations Infrastructure Institute (FNII)—to support First Nations' community infrastructure initiatives.

THE FIRST NATIONS FISCAL MANAGEMENT ACT

The FNTC's mandate is set out in the FMA. In this context, the FNTC regulates, supports and advances First Nation taxation under the FMA, and also—through a Memorandum of Understanding with the Minister of Crown-Indigenous Relations—under section 83 of the *Indian Act*. The FNTC reviews and approves local revenue laws, builds capacity, helps reconcile First Nation government and taxpayer interests, and provides research, advocacy and advisory services to advance First Nation fiscal and economic jurisdiction.

Participation in the FMA by First Nations—and certain other Indigenous groups covered under the Act—is optional. Interested First Nations request to be added to the Schedule to the FMA. Once added to the FMA, participating First Nation governments can exercise FMA fiscal powers by enacting laws—including property tax laws and financial administration laws—and participate in pooled debenture financing for infrastructure and economic development.

GUIDING PHILOSOPHY AND CONCEPTS

The FNTC has long maintained that First Nations are governments within the Canadian federation, that jurisdiction defines governments, and that tax revenues enable jurisdiction. First Nation tax jurisdiction is the basis for revenue-based fiscal relationships between First Nations and the federal and provincial governments. Most importantly, the assumption of tax and other fiscal and economic jurisdiction by First Nations must be First Nation-led, optional, and supported by national First Nation institutions.

The FNTC strives to reduce the barriers to economic development on First Nation lands, increase investor certainty, and enable First Nations to be vital members of their regional economies. Working to fill the institutional vacuum that has prevented First Nations from participating in the market economy, the FNTC is creating a national regulatory framework for First Nation tax systems that meet or exceed federal and provincial standards. Through the development of a competitive First Nation investment climate, economic growth can be a catalyst for First Nation self-reliance.

MISSION

Operating within its legislated mandate under the FMA, the FNTC plays a significant leadership and facilitation role in supporting participating First Nations in advancing their development goals and aspirations, as summarized in FNTC's mission statement:

Our mission is to help First Nations advance self-determination and build strong economies by clearing the path for fiscal jurisdiction and laying the foundation for community development.

"Taksis"

A CHINOOK WORD FOR TAXATION

"Taksis" is a concept that First Nation communities have embraced and used for many generations. It's part of our heritage. Today, the FNTC is helping First Nation communities leverage that concept of gathering taxes to create a common and productive resource for the whole community.

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Message From The Chief Commissioner

I am pleased to present the 2024/2025 Annual Report of the First Nations Tax Commission.

On the occasion of the 20th anniversary of our founding legislation, I want to take this opportunity to honour the past and also to share thoughts on how—guided by our own North Star—we are navigating the future in our path to self-determination through the development of strong First Nation economies and communities.

Twenty years ago, on March 23, 2005, the *First Nations Fiscal and Statistical Management Act*—after receiving all-party support by Parliament—was given Royal Assent, and subsequently brought into law on April 1, 2006. The legislation created four institutions to be operated by and for First Nations: the First Nations Tax Commission, the First Nations Finance Authority, the First Nations Financial Management Board, and the First Nations Statistical Institute. The Tax Commission and the Finance Authority were built upon the established reputations and expertise of the pre-existing Indian Taxation Advisory Board and the First Nations Finance Authority. In 2012, the Government decided to wind down the Statistical Institute, and changed the name of the Act to the *First Nations Fiscal Management Act*, known today as the FMA.

At the time of Royal Assent, I called the passage of the FMA a triumph for First Nations and Canada that would usher in a new era of economic development, job growth and improved infrastructure. Twenty years later, the FMA is recognized as the most successful First Nations-led legislation in Canadian history, with three fifths of all First Nations across Canada now using the Act, and more participating every year.



Our work has been driven by the commitment to First Nation economic self-determination, where First Nations implement their fiscal powers and jurisdictions to grow their economies and land base so that they have more independent revenues to implement greater jurisdiction in their own affairs. This is our North Star. It is a strategy rooted in our pre-colonial governments, and it remains our guide during challenging periods of tariff, trade and economic uncertainty.

Guided by our North Star, and by working together, we have accomplished much in the last 20 years: increased First Nations' fiscal powers; improved community services and infrastructure; growing economies; and the implementation of jurisdiction over factors vital to our well-being. Tax-collecting First Nations have generated well over a billion dollars in tax revenues and leveraged billions more in community economic, infrastructure and service investments. More than 150 First Nation students have graduated from accredited programs of the Tulo Centre of Indigenous Economics, and many more have benefitted from the rich array of advanced courses, seminars and workshops now readily available. We have helped negotiate more than 50 service agreements between First Nations and local governments, for mutual benefit. We have also reviewed and approved over 5,000 tax laws and by-laws enacted by First Nations. More than 9,000 pieces of legislation have been published in the *First Nation Gazette*, readily available for research and reference in continuing advancement of First Nation jurisdiction.

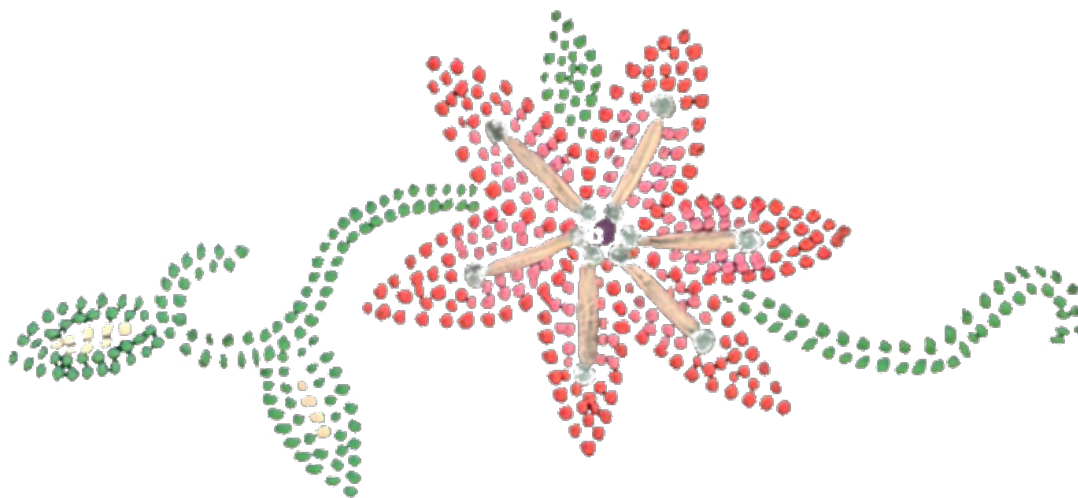
On February 18, 2025, the Tax Commission hosted a ceremony in Vancouver to celebrate and honour the First Nation leadership who cleared the path for progress and change within our communities, and who set us on our shared journey in advancing First Nation jurisdiction. It was a beautiful evening, highlighted by a Blanket Ceremony offering protection to the leaders in recognition of their contributions to move us forward in our goal of self-determination.

While there is much to celebrate from our past, I am enthusiastic and optimistic about our future. We have been joined by a new generation of First Nation leadership from across Canada who share our vision and goal of true and full self-determination. With the North Star as our guide, we will walk and work together to clear the path for fiscal jurisdiction, lay the foundation for community development, and help First Nations advance self-determination and build strong economies.

As always, accessing new fiscal powers and jurisdiction must be optional, and each First Nation must make that choice. I strongly believe the FMA provides an effective legislative path to complete the unfinished business of Canada to find a meaningful place for First Nation governments within the federation and the economy—true economic reconciliation.

Sincerely,


C.T. (Manny) Jules
Chief Commissioner



Highlights 2024/2025



This Annual Report reviews FNTC's activities and accomplishments over the past year—including both special initiatives and ongoing services and functions—in fulfillment of its mandate to support the development and implementation of First Nation local revenue jurisdiction and economic development.

Summarized immediately below are highlights of some major FNTC initiatives and achievements in 2024/2025.

CLEARING THE PATH FOR EXPANDED FISCAL JURISDICTION

March 2025 was the 20th anniversary of the passage of the *First Nations Fiscal Management Act* (FMA), so this past year presented an opportunity to reflect on our collective achievements in the two decades since 2005. At the February 2025 National Meeting of Taxing First Nations, we took time to remember and honour the leadership of the five First Nations of the Alliance Tribal Council, established in the late 1970s. Their foundational work eventually led to the FMA and the *Framework Agreement on First Nation Land Management*, and our continuing path to self-government. Over the year we continued our ongoing work with the First Nations Resource Tax Proponent Working Group to help develop, improve and advocate for important initiatives in tax jurisdiction and self-determination. We also continued working with First Nations to advance a legislative proposal to enable a Fuel, Alcohol, Cannabis and Tobacco (FACT) federal sales tax option, supported by the FACT Sales Tax Proponent Working Group.

STRENGTHENING FNTC EFFECTIVENESS AND EFFICIENCY THROUGH INNOVATION

Innovation plays an important role in ensuring that FNTC adapts to the fast-paced environment of economic and community development, advancement of First Nation jurisdiction, and evolving First Nation needs and priorities. Technology provides new tools and opportunities to improve operations, decision making and service delivery. The ongoing integration of FNTC's new Data and Statistics function is supporting data-driven decisions. The build-out of the system and integration of historical and current data will allow FNTC to identify trends and future outcomes and tailor strategies to meet the increasingly complex needs of First Nations. Similarly, FNTC's partnership with the Tulo Centre of Indigenous Economics on the innovative Kwun'nun tax administration software exemplifies how technology can improve services for First Nations. Kwun'nun has been incorporated into curricula to help students understand the tax cycles and processes and enhance the capacity of First Nation administrators to make the decisions that best meet the needs of their communities. More generally, FNTC's regular review and upgrading of hardware, software and security measures helps ensure that FNTC can operate efficiently and securely in a digital environment. By leveraging new tools, adopting innovative software solutions and updating technology infrastructure, FNTC is encouraging growth, improving decision making and allowing FNTC to better serve First Nations in an ever-evolving landscape.



KEEPING PACE WITH FNTC PROGRESS AND GROWTH

2024/2025 was a year of growth for the FNTC on several fronts. First, three new Commissioners were appointed in 2024/2025, bringing FNTC's leadership closer to the full complement of ten Commissioners, including the Chief Commissioner. Filling the one remaining vacancy will be a priority for FNTC in the year ahead. Second, the FNTC continues to implement its Human Resource Strategy, which identified the human capacity requirements to support the FNTC's mandate expansion, succession planning, and growth in service areas, as well as the planning of future office facility and technology requirements. All of this is ensuring that FNTC keeps pace with the growing number of First Nations participating in the FMA and the continued expansion of jurisdiction in new areas of First Nation responsibility and self-determination.

MAKING PROGRESS ON NEW FNTC FACILITIES

Over the past year, the FNTC made further progress toward its ultimate plan of securing modern new purpose-built Head Office facilities to accommodate its own continued growth while enabling the efficient and mutually beneficial co-location of operations with those of the First Nations Infrastructure Institute (FNII) and the Tulo Centre, including a new Learning Centre. Planning efforts continue on proposals for construction of new Head Office facilities, which will remain on Tkemlúps te Secwépemc. In the meantime, the three organizations will move into temporary accommodation in the fall of 2025. This interim measure, pending construction of totally new facilities, is necessary to accommodate continued growth in the number of First Nations participating in the FMA and the ongoing expansion of jurisdiction in new areas of First Nation responsibility and self-determination.

Landscape of First Nation Property Taxation



Ts'uubaa-asatx
First Nation

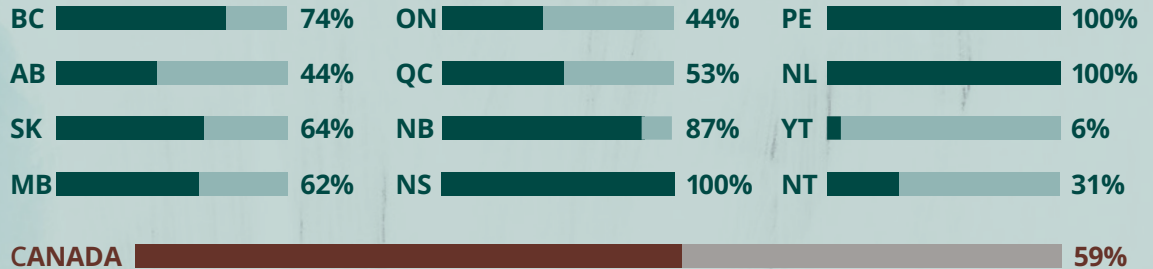
Washagamis Bay
First Nation

First Nation Stories

On the following pages, stories from Ts'uubaa-asatx First Nation, Washagamis Bay First Nation and Membertou First Nation (identified on the map) highlight regional perspectives and unique aspects of their journey to implement property tax systems and the success they have achieved as a result.

First Nation Participation in the FMA

FIRST NATIONS PARTICIPATING IN THE *FIRST NATIONS FISCAL MANAGEMENT ACT*, AS A PROPORTION (%) OF ALL FIRST NATIONS IN EACH PROVINCE AND TERRITORY, AS OF MARCH 31, 2025



Local Revenues

Local revenues for 2024/2025 (based on First Nation budget information to date) are estimated to be almost \$110 million under the FMA and almost \$24 million under section 83 of the *Indian Act*, for a combined total of more than \$133 million annually.

Membertou First Nation

Under the FMA, property taxes account for the vast majority of all local revenues: 89.1% or \$98.5 million. However, other revenue sources like other taxes, charges and fees, are becoming increasingly important for First Nations, accounting for 10.1% or \$11.0 million of the FMA total revenue, and is expected to grow in the future.

First Nation Stories



Ts'uubaa-asatx: Transforming today, to be ready for tomorrow

A COMMITMENT TO SELF-DETERMINATION

Ts'uubaa-asatx—a First Nation community located on the shores of Lake Cowichan in British Columbia—is taking significant strides towards economic self-sufficiency. Historically affected by colonization and loss of lands, the Nation has been working tirelessly to reclaim its lands and build a sustainable community. Ts'uubaa-asatx embraced innovative solutions to challenges under the leadership and commitment of the late Chief Cyril Livingstone.

Over a decade ago, Ts'uubaa-asatx embarked on a journey to become a self-determining, innovative, progressive and prosperous Nation. The journey began with community engagement to create a Comprehensive Community Development Plan (CCDP). The community was asked to dream big with all of their voices reflected in the final plan. As the leadership and administration began implementing the CCDP, they connected with the Lands Advisory Board and the FMA fiscal institutions—including FNTC—for support with their plans.

The Nation's early planning and development work led to many opportunities for Ts'uubaa-asatx, including the creation of North Shore Estates, a residential community that provides housing opportunities for both Nation members and non-members. Additionally, the development opened opportunities for real estate investment, attracting both Indigenous and non-Indigenous residents. The proximity to Cowichan Lake and recreational areas nearby makes North Shore Estates an attractive location, further supporting the Nation's revenue generation potential.

OPPORTUNITIES SEIZED

The property tax system at North Shore Estates came about as part of Ts'uubaa-asatx's broader economic development plan. With a Land Code in place, Ts'uubaa-asatx was able to move quickly to bring the development of North Shore Estates to life. It's a multi-phase community with a variety of home styles to match various recreational lifestyles. Planning for the new development began in 2018, with Phase 1 homes being sold the following year and Phase 2 starting in 2022.

While planning the residential development, Ts'uubaa-asatx decided to establish a service agreement with the local municipality to further support local service delivery for leaseholders. In 2023, Ts'uubaa-asatx enacted a water and sewer services fee law to collect fees from leaseholders for the delivery of those services. Through the revenues generated by property tax and fees, the Nation is able to generate income to fund other infrastructure and community services essential for residents.

CHALLENGES OVERCOME

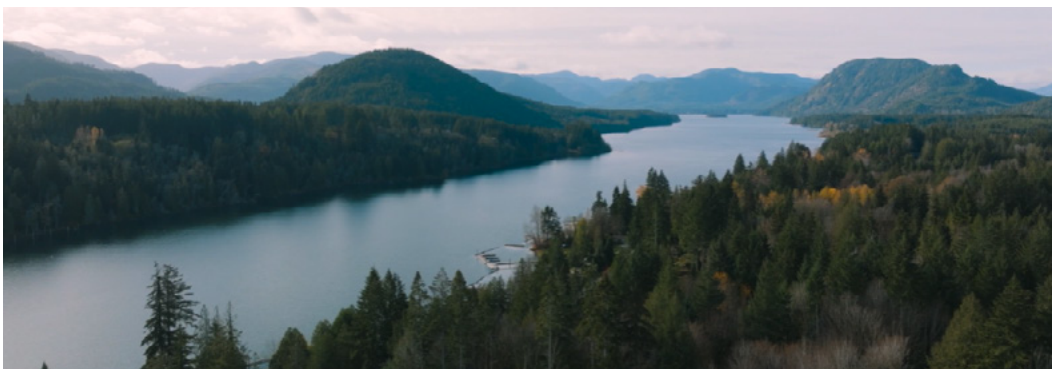
Building the community of their dreams has not been without its challenges for Ts'uubaa-asatx. Initially, the process of developing tax laws seemed daunting, and the learning curve felt steep. It took time and effort to understand the process, and Ts'uubaa-asatx worked with FNTC to address issues and challenges as they arose. Work included the conduct of initial assessments on properties and the setting of tax rates. This entailed using the adjacent local government as a reference jurisdiction, and developing appropriate service fee laws to offset the costs related to water and sewer services. The process was an empowering one for the Nation, as they continued to take steps toward operating as a government, guided by the firm belief that taxes are fundamental to a viable local economy.

SUCCESSES MEASURED

Ts'uubaa-asatx first implemented property tax in 2020 and generated a modest initial \$220 in each of its first two years. However, in 2022—once residents began living in North Shore Estates—the Nation collected \$49,000 in property taxes. By 2024, Ts'uubaa-asatx collected over \$266,000 in property tax and water and sewer fees—a massive revenue increase from the inaugural year of implementation. These tax revenues—combined with other revenue generated from the North Shore Estates development—have enabled Ts'uubaa-asatx to improve infrastructure and maintain essential services at North Shore Estates and the community as a whole. This is contributing to a higher quality of life for all residents. The Nation has also seen increased interest in leasing of property within the development. This will continue to provide ongoing resources for Ts'uubaa-asatx to take significant strides toward their long-term economic goals of self-sufficiency and greater control over their lands and resources.

FUTURE PROGRESS PLANNED

Moving forward, Ts'uubaa-asatx will continue expanding the property tax system as North Shore Estates and the Ts'uubaa-asatx community continue to grow. The Nation is also exploring future land acquisitions and sustainable development practices to ensure long-term growth and prosperity. By taking control of their resources and implementing innovative governance solutions, Ts'uubaa-asatx is setting a strong foundation for future growth and success. Their resilience and vision will continue to guide them as they navigate the challenges and opportunities of self-governance in the years to come.



Membertou: *Charting a course toward economic self-sufficiency*

TRANSFORMING ADVERSITY INTO OPPORTUNITY

Membertou—a community located in Una'ma'ki (Cape Breton, Nova Scotia) next to the city of Sydney—is widely recognized as a progressive and self-determined community that has transformed adversity into opportunity. Once on the brink of bankruptcy in the early 1990s, Membertou committed to a bold path of economic renewal under the leadership of Chief Terry Paul.

Over the past two decades, Membertou has strategically expanded its jurisdiction, acquired land, and generated significant own-source revenues. In the early days, the community wasn't sure there would be much benefit to taxation, given its small land base at the time. However, as Membertou began seeing rapid growth in its economic development activities, the community's leadership and administration began rethinking a property tax system to use the tax revenues to pay for the services needed by businesses and tenants.

As Membertou expanded its capacity to meet local commercial and economic needs, the community was also able to expand its government administration. The community has become one of Cape Breton's largest employers, with over 500 employees from the community and the surrounding area. Membertou is proud of its journey toward self-sufficiency and its ability to contribute to the region.

OPPORTUNITIES SEIZED

With a Land Code in place, Membertou entered into real estate and the leasing of commercial buildings. By enacting its own laws, Membertou has removed much of the bureaucracy and red tape, making it much easier to move at the speed of business. With commercial space ready to lease, many businesses in the area—including Indigenous and non-Indigenous organizations—were interested in relocating to Membertou.



Over time, the Nation's leadership and administration began to realize that the community was paying for the services provided to commercial tenants and also that the federal government wouldn't be able to fund all of the community's infrastructure needs. Membertou therefore began pursuing property tax as a means to generate revenues that could be reinvested in the community to benefit community members and meet the needs of the organizations operating on their lands.

CHALLENGES OVERCOME

Implementing a First Nation property tax system was not without hurdles. One of the most significant challenges that Membertou faced was related to the assessment process in Nova Scotia, where buildings are assessed as a whole and not as separate internal business spaces. This limited the community's ability to issue tax notices to individual commercial occupants.

In developing their initial tax law, Membertou had also provided a tax exemption for Indigenous organizations—including their own development corporation. This meant that the tax law had to be amended to enable the community to collect tax from the organization in its capacity as the landlord. In addition, assessors in the province had limited experience with First Nation tax system laws. This necessitated the convening of critical information-sharing meetings. In all these challenges along the way, Membertou worked closely with the FNTC to work through the issues they encountered.

SUCCESSES MEASURED

In 2023, Membertou launched its property tax system, generating \$124,341 in its first year. Following an adjustment to the methodology used to assess properties within the community, tax revenue increased to \$982,944 the next year. This success clearly demonstrated the potential of property tax as a significant source of revenue for community benefit. The tax revenues generated—combined with substantial lease income—have enabled Membertou to continue to grow the community and enhance services and programs for its members and tenants. The community now boasts a state-of-the-art sports and wellness centre with two ice rinks and a walking track, a gaming centre, a post office, and more. These community assets support wellness, employment, and community pride.

FUTURE PROGRESS PLANNED

Membertou continues to plan for sustainable growth. With multiple Additions to Reserve (ATRs) in process, the community is well-positioned to expand its commercial footprint. Future developments will strengthen Membertou's tax base, in turn enabling increased investment in community services and supports. Membertou's thoughtful planning, strong leadership and strategic investment in jurisdiction and infrastructure have changed the narrative in the community to one of strong economic self-sufficiency and community prosperity. This is infusing the community's future with optimism and determination.

Washagamis Bay: FNTC welcomes 179th First Nation to establish property taxation

SUPPORTING DEVELOPMENT THROUGH INVESTMENTS IN INFRASTRUCTURE

In early 2025, Washagamis (Obashkaandagaang) Bay First Nation (WBFN)—a First Nation situated 10 km west of Kenora, in northwest Ontario—enacted its first property taxation laws. The community is one of a growing number of First Nations turning to property taxation as a means to provide services to existing residential and commercial leasehold developments, and to expand and improve community-wide services.

THE IMPORTANCE OF PROPERTY TAXATION

WBFN's property tax administrator, Kristopher Chartrand, remembers attending an FNTC property taxation seminar held in Kenora in 2005. At that information session he heard Manny Jules—now the FNTC Chief Commissioner—speak about the importance of First Nation property taxation and its vital linkage to sustained community economic growth. As Mr. Chartrand related, that presentation resonated with him: “I advocated for Washagamis Bay First Nation to pursue this economic avenue to change WBFN community infrastructure.” When WBFN subsequently decided to join the FMA in 2012, it directed Mr. Chartrand to attend the Tulo Centre of Indigenous Economics *First Nation Property Tax Administration Certificate Program*.

BUILDING COMMUNITY UNDERSTANDING AND SUPPORT

The Tulo Centre education would prove to serve WBFN well, when Mr. Chartrand was called upon to shepherd in WBFN's property taxation system. He was well-prepared to develop the laws, inform members and leaseholders about property taxation, and negotiate with the community's assessment service provider. According to Mr. Chartrand, “full transparency and open discussions” were critical in overcoming initial hesitation. Also vital was the support of WBFN leadership, elders, members, and legal advisors, as well as Tulo Centre graduates and the FNTC, whose encouragement, guidance and insightful experience “made First Nation property taxation possible” in WBFN.

REAPING THE BENEFITS OF TAXATION

WBFN is now readying to commence its first year of taxation in 2026, following completion of the community's initial property assessments in 2025. Using the property tax revenues, WBFN community will invest in new and enhanced services, new and upgraded community infrastructure, and improved water treatment and waste management. In addition, the First Nation wishes to improve education in the community and examine hydroelectricity alternatives. Mr. Chartrand emphasizes that none of this would have been possible if it wasn't for “WBFN's long-term commitment and consensus to pursue First Nation property taxation.”

Report from the Business Lines



Directions and Priorities

The major actions and accomplishments highlighted in this Annual Report reflect the strategic directions and priorities established by the Commission:



FNTC Business Lines

Set out further below are descriptions of each of FNTC's Business Lines. Highlighted for each of the Business Lines are selected accomplishments in 2024/2025 that illustrate how FNTC has delivered on its mandate and the directions and priorities for the year.

- Corporate Services
- Legal and Policy Services
- Law/By-Law Review, Registries and Outreach
- *First Nations Gazette*
- Education, Training and Accreditation
- Communications
- Dispute Management
- Strategic Initiatives

Corporate Services

The Corporate Services Business Line provides ongoing advice, logistical support and services to the Commission and its Committees, focused on ensuring the timely and efficient functioning of the Commission in all aspects of its review, decision making, leadership and advocacy. The Business Line is also responsible for promoting openness and transparency in all operations and decision making. With respect to core planning and operational matters, the Business Line provides planning, financial/accounting, personnel, administrative, legal, office facility, technology management, contracting and other services to the Commission and the organization overall. More generally, it is responsible for supporting an efficient and effective work environment and fulfilling the financial management and control requirements set out in the FMA.

COMMISSION GOVERNANCE

Oversight and support for processes for the appointment/reappointment of Commissioners and the orientation of new Commissioners, as well as facilitation and coordination of meetings of the Chief Commissioner and/or other Commissioners with First Nations, representatives of other governments, and other key institutions.

COMMISSION OPERATIONS

Planning, scheduling and coordination of regular meetings of the Commission and its Committees, as well as special processes and events; preparation of briefing and presentation materials for Commission operations; and recording and distribution of relevant proceeding minutes, records and decisions.

FINANCIAL, HUMAN RESOURCES AND ADMINISTRATIVE POLICIES AND OPERATIONS

Staff and executive recruitment, training and professional development, as well as capital management for the Head Office and National Capital Region Office, information technology (IT) and support, and general office administration and contract support.

PLANNING, REPORTING AND COMPLIANCE

Coordination and support for development, coordination and monitoring of Strategic and Corporate Plans and the Annual Report; coordination of audits, evaluations and financial reporting; and compliance with legislated requirements such as the FMA, the *Access to Information Act*, the *Privacy Act* and the *Official Languages Act*.

Major Initiatives and Accomplishments

KWUN'NUN TAX ADMINISTRATION SOFTWARE

In 2024/2025, FNTC supported the Tulo Centre of Indigenous Economics in the development and delivery of a new tax administration software for use by taxing First Nations. This joint initiative reflects the continuing collaboration between FNTC and the Tulo Centre on their shared objectives of supporting First Nations in exercising tax jurisdiction and building capacity among First Nation tax administrators. Kwun'nun is a web-based tax administrator software that streamlines the management of taxation, budget and rate setting, drafting of annual tax laws, and administration of annual taxation processes, including property tax notices and tax payment options. In 2024/2025, a total of 11 Kwun'nun webinars were provided to 70 participants. Kwun'nun was also integrated into the teaching curriculum for the new cohort of Tulo Centre students in the Certificate in Tax Administration program that started in February 2024.

PROFESSIONAL DEVELOPMENT FOR STAFF

FNTC's Annual Staff Retreat was held November 2024, supported by engagement of multiple departments responsible for organization, hosting and participation. Staff participated in team-building activities as well as learning sessions, including an overview of FNTC's history and a look into the future. Ongoing professional development activities were undertaken to support and enhance capacity building within the FNTC.

DATA AND STATISTICS FUNCTION

Following the recent amendment of the FMA, the FNTC established a Data and Statistics function to enhance the Commission's ability to fulfill its mandate. The system will provide for data-driven insights to allow the FNTC to understand how it can support First Nations and better measure and communicate its impacts and benefits for First Nation communities. The flexible system allows for automation using AI (Artificial Intelligence) and has the ability to add new data sets and create custom reports for metrics requested by FNTC's Business Lines.

NEW COMMISSION MEETING SOFTWARE

In 2024/2025, the FNTC transitioned to new Board management software that supports more secure access to Commission meeting materials, more efficient communications with Commissioners regarding meetings, and greater flexibility to meet the needs of the Commission.

SUPPORT FOR OPERATIONALIZATION OF FNII

In preparation for the formal launch and full operationalization of FNII in coming months, the FNTC in 2024/2025 continued to lend its insights, experience and support to FNII's technical team in the design and development of the infrastructure institute's systems, processes, policies and procedures, and organizational structure.

SUPPORTING TRANSITION AND SUCCESSION

In addition to the FNTC continuing to increase its internal capacity through staff recruitment and onboarding, work in 2024/2025 continued on planning for succession of Commissioners and staff, including the commencement of research on proposals to support First Nation participation in the Commissioner appointment process.

OUR PATH SO FAR...

At the time of the passage of the FMA in March 2005, the Indian Taxation Advisory Board—FNTC's predecessor—had 12 full-time employees, located in offices in Kamloops and Ottawa. The FNTC's Head Office was established on the reserve lands of the Tkemlúps te Secwépemc, and an additional office situated in the National Capital Region. Since FNTC's commencement of operations on July 1, 2007, the Commission has grown to a total of 33 full-time employees, complemented by a network of specialized contractors across Canada providing a variety of services.

Over the past two decades, the Corporate Services Business Line has kept pace with FNTC's growing mandate and scale of operations. The Business Line has become a cornerstone of the Commission's success:

- Professional standards, policies and technologies that uphold transparency, accountability and efficiency, and ensure orderly staff growth and development.
- Improved records and information management, enhanced IT infrastructure, and a data and statistics function.
- Modern financial reporting systems and HR policies that reflect FNTC's values and priorities.
- More strategic and long-term governance and planning that support sustainable growth.

As the Commission continues to grow, the Corporate Services Business Line remains focused on continuous improvement by investing in training, systems upgrades, and service reviews to ensure the Commission remains responsive and resilient in the face of increasing demand for FNTC services and evolving opportunities to advance First Nation jurisdiction.



Legal and Policy Services

The Legal and Policy Services Business Line includes monitoring of legal and policy developments, analyzing and providing advice regarding legislative and regulatory processes, and supporting other legal initiatives. The objective is to provide advice and support for decision making by the Commission, and to contribute to policy and standards development in the ongoing evolution and maintenance of the regulatory framework for First Nation local revenue systems.

LEGAL FRAMEWORK ANALYSIS AND DEVELOPMENT

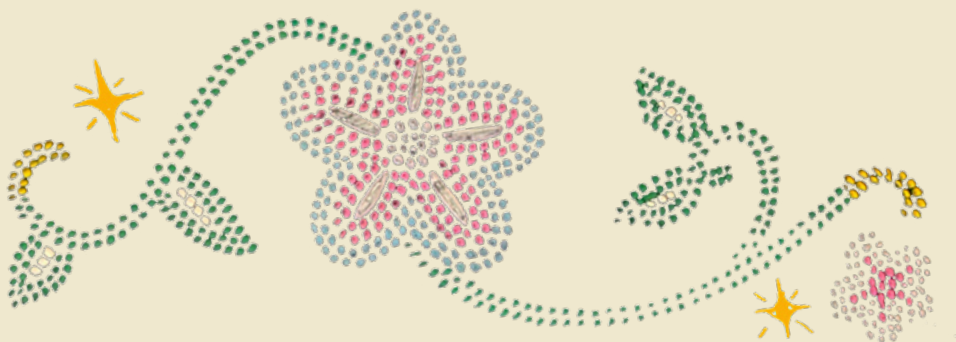
Support for the design and implementation of First Nation tax systems. This includes: working with First Nations and other governments to improve the legislative and regulatory framework; and monitoring legal developments that may impact First Nation property taxation under the FMA and the *Indian Act*.

POLICY DEVELOPMENT

Design, development and promotion of policies and standards that support the FNTC's policy objectives. These include initiatives to: expand First Nation jurisdiction; promote harmonization; foster efficiencies; increase First Nation, taxpayer and investor confidence in the integrity of the First Nation local revenue systems; and reconcile the interests of First Nation governments with those of stakeholders in the First Nation tax system.

SAMPLE LAW AND BY-LAW DEVELOPMENT

Development and updating of sample laws and by-laws and the provision of related tools and advice, to support First Nations and professionals working with First Nations in law and by-law development processes. Sample laws and by-laws: are based on best practices; comply with applicable statutory requirements; regulations and the FNTC's standards and policies; and support the timely and efficient development of local revenue laws.



Major Initiatives and Accomplishments

ADVANCEMENT OF LEGAL FRAMEWORK

In 2024/2025, the FNTC carried out a range of legal work supporting the advancement of new and/or adapted regulations related to: Treaty First Nation access to other revenue debenture financing; support of self-governing First Nations' access to the FMA; First Nation Property Taxation Enforcement; and First Nation Property Assessment Appeals.

DEVELOPMENT OF STANDARDS

In 2024/2025, the FNTC updated its Standards for Property Assessment Laws to increase the maximum limit for administrative fees concerning property assessment appeals. It also facilitated the use of base taxes in Saskatchewan so that First Nations can have access to fiscal tools similar to those used by other governments. In addition, the FNTC carried out research on how local revenue could be used to support the acquisition of land for First Nation communities.

LEGAL AND POLICY RESEARCH

FNTC continued its work on developing the business case and rationale for the proposed First Nations Assessment Authority. This included establishing a multi-year workplan and carrying out consultations with key stakeholders on the prospective mandate, form and establishment of the Authority. In 2024/2025, the FNTC also explored approaches to establishing a framework for the Canadian National Railway's payment of taxation money to First Nations.

TECHNICAL REVIEWS

FNTC continued its revision of technical reviews that provide support to the Commission's consideration of submitted laws and by-laws. This work entailed assessment of specific requirements pursuant to legislation, regulations, and the Commission's standards and policies.

REVIEW AND REVISION OF SAMPLE LAWS

In 2024/2025, the FNTC completed changes to its sample laws to reflect changes to the corresponding standards, and continued its revision of sample laws to reflect gender neutrality.

OUR PATH SO FAR...

Over the past two decades, guided and supported by the Legal and Policy Services Business Line, the FNTC has made major advances in the legislative, regulatory and legal framework for First Nation tax and local revenue jurisdiction, including:

- Amendments to the FMA in 2023 that: expanded and modernized the mandate of the FNTC and the First Nations Financial Management Board (FMB); updated governance provisions; established FNII; and expanded First Nation law-making and enforcement authorities.
- Research supporting the Commission's 20 Standards and Procedures and 33 sample laws related to FMA local revenue laws.

Law/By-Law Review, Registries and Outreach

The Law and By-Law Review, Registries and Outreach Business Line includes support for the development—and review and approval by the Commission—of First Nation local revenue laws using the FMA (“laws”), as well as Commission review and provision of recommendations to the Minister on by-laws under section 83 of the *Indian Act* (“by-laws”).

LAW/BY-LAW REVIEW

Preparation of technical reviews to support the Commission’s review and approval of submitted laws, and its review and recommendation of submitted by-laws for Ministerial approval. This entails assessment of compliance with applicable legislation, regulations, standards and policies, and supports and facilitates First Nations in designing and developing their applicable laws and by-laws.

REGISTRIES

Maintenance and updating of registries of originals of all approved local revenue laws and financial administration laws—as required under the FMA—and of all by-laws approved by the Minister under section 83 of the *Indian Act*, for formal reference as required.

SERVICE AGREEMENTS

Support—including the development of samples, models and templates—for the design of service agreements between First Nations and local governments to: advance implementation of property tax systems, additions to reserves, and treaty land entitlements; and help First Nations negotiate fair, efficient and effective service arrangements with local governments.

LAW/BY-LAW DEVELOPMENT SUPPORT AND OUTREACH

Support to First Nations—including those entering the field of property taxation for the first time or transitioning to the FMA from section 83 *Indian Act* taxation provisions—in their development and implementation of local revenue laws and by-laws, entailing presentations to First Nation governments on the law development process, and response to inquiries.

Major Initiatives and Accomplishments

ANNUAL LAW WEBINAR SERIES

In 2024/2025, the FNTC scheduled a series of five webinars at the beginning of the tax year to review the process for submitting annual laws and by-laws to the FNTC. The series reviews changes for the year and standards, samples and supports available. A total of 44 participants from 26 First Nations attended the webinars.



SUPPORT FOR TAX-BASED SERVICE AGREEMENTS

The FNTC continued to provide support for the development and negotiation of service agreements between First Nations and adjacent local governments. These agreements—which govern the terms, conditions and rates for the provision of services such as water, sewage, waste disposal, fire protection services and emergency services—are becoming an increasingly important mechanism for First Nations to secure cost-efficient services for their communities. The FNTC’s work in this regard is a part of a comprehensive approach to First Nation economic growth. In 2024/2025, FNTC carried out service agreement work with four First Nations.

LAW AND BY-LAW REVIEWS

In 2024/2025, the FNTC completed review of 251 laws and 33 by-laws, bringing the combined cumulative total to 5,446.

OUR PATH SO FAR...

The FNTC, and its predecessor, the Indian Taxation Advisory Board, have long placed an emphasis on engaging with First Nations on the benefits of taxation, and the technical support available from the FNTC. Over the years, FNTC has led and/or participated in conferences, presentations and tradeshows—both virtually and in person—including regional conferences. The FNTC has delivered presentations to First Nations across the country, organizations comprised of provincial and local delegates, and other stakeholder groups. In recent years, FNTC has jointly presented with the BC Assessment and the Municipal Property Assessment Corporation of Ontario. The growing importance of First Nation engagement was recognized in 2018 when Outreach and Engagement became a

permanent function of the FNTC. Despite the impact of the pandemic, FNTC has steadily increased its engagement activity since 2021.

In its effort to promote economic growth in First Nation communities, the FNTC took on a facilitative role early on in local service agreement negotiations. These arrangements made between First Nations and adjacent jurisdictions are often at the heart of instilling greater investor confidence in First Nation economies. The FNTC recognized that properly costed services using the property tax base could lead to longer lasting and fairer agreements, ensuring that the agreements fully met the interests of both parties.



First Nations Gazette

The FNTC operates and maintains the *First Nations Gazette* (FNG), an official publication that seeks to empower First Nations by providing an online, publicly accessible platform for the publication of legislation and public notices to support their governance, enhance their self-determination, and increase recognition of their legislative authority. The FNG is a repository for laws, by-laws and other enactments, and public notices that are made and given by First Nations. Items published in the FNG are made available on a free searchable database on the website www.fng.ca. The FNG provides a comprehensive source for laws enacted under the FMA and by-laws enacted under section 83 of the *Indian Act*. It also serves as a platform for the publication of other First Nation laws, by-laws, codes and enactments and as a public notification service for matters affecting First Nations. In addition, Part III of the FNG houses relevant standards, procedures, policies and sample laws/by-laws to support First Nation law and by-law making under section 83 of *Indian Act* and section 5 of the FMA.

The *First Nations Gazette* is the official record and source of publication of:

- All local revenue laws approved by the Commission.
- All standards and procedures established by the Commission under section 35 of the *First Nations Fiscal Management Act*.
- By-laws under section 83 of the *Indian Act* approved by the Minister.
- Financial administration laws approved by the First Nations Financial Management Board.
- Standards established by the First Nations Infrastructure Institute.

Major Initiatives and Accomplishments

MEMBERSHIP IN THE KING'S PRINTERS ASSOCIATION

In 2022, the *First Nations Gazette* was invited to join the King's Printers Association of Canada (KPAC)—the professional association that includes the *Canada Gazette* and the official gazettes of all the provinces and territories. Since then, the FNG has presented in two national conferences, and is planning to host the annual KPAC conference in 2026 on Tkemlúps te Secwépemc.

COMMUNICATIONS STRATEGY

In 2024/2025, the FNG approved a three-year communications strategy that seeks to develop a consistent voice and tone for communications by and about the FNG. Implementation will entail a re-write of the FNG website, adoption of a new brand guide, refreshing of FNG branding, and implementation of a renewed strategy for outreach.

PUBLICATIONS

In 2024/2025, the FNTC added 308 notices to Part I of the FNG and 330 pieces of legislation (consisting of laws, by-laws, codes and other enactments) to Part II. There are now some 11,667 notices and pieces of legislation freely available for reference, research, analysis and other purposes.

OUR PATH SO FAR...

Launched in 1997, the *First Nations Gazette* was created, in part, in response to changes to the (federal) *Statutory Instruments Regulations* that disallowed the publication of First Nation legislation in the *Canada Gazette*, while still requiring First Nations to provide access to their legislation.

The FNG was included in legislation for the first time in 2005 in the *First Nations Financial and Statistical Management Act* (the predecessor of the FMA). This required all laws and standards approved by the FNTC or the First Nations Financial Management Board to be published in the FNG, making it the comprehensive source for laws enacted under the FMA.

In 2009, the FNG transitioned from a subscription-based hard-copy document to an online publication that included a searchable database of all legislation previously published. In 2012, the FNG launched a public notification service to allow publication of notices by First Nations and other governments respecting First Nation matters. Continuing its path

of growth and modernization, the FNG became a freely available online-only publication in 2014.

Recognizing FNG's role and capacity as a competent authority for the publication of First Nation legislation, amendments in 2014 to the *Indian Act* included the FNG as an option for publication of First Nation laws and by-laws. The FNG has subsequently been added to other legislation as an option for publication, including the *First Nations Goods and Services Tax Act* and the *First Nations Elections Act*.

In 2020, the FNG launched a new website with more robust search features that allow for: full text search; searching according to the legal authority under which legislation is passed, as well as the type of legislation; and many other new features that support easier submission for publication in the FNG and better support searching by persons impacted by legislation and notices.

Education, Training and Accreditation

The Education, Training and Accreditation Business Line includes the development and delivery of specialized accredited programming for First Nation government staff and others in implementing FMA jurisdiction that builds sustainable economies and advances self-determination. It also includes the design and offering of non-accredited programs addressing diverse economic, finance and financial management interests. The objectives are to: promote understanding of the taxation systems of First Nations; develop knowledge and skills for First Nation tax administrators; and build capacity in First Nations to administer their taxation systems.

ACCREDITED CERTIFICATE PROGRAMS

Implementation of a working agreement with the Tulo Centre of Indigenous Economics and partnership with Thompson Rivers University (TRU) for design and delivery of courses leading to an accredited *First Nation Tax Administration* certificate and an accredited *First Nation Applied Economics* certificate.

WORKSHOPS, WEBINARS AND SPECIAL TRAINING TOOLS AND EVENTS

Design and delivery of specialized information and skill-building sessions and supporting models, tools and case studies that address key aspects of fiscal jurisdiction, tax administration and economic development.

STUDENT SUPPORT

Provision of logistics, orientation and support for students; organization of graduation, convocation and awards services; and promotion of alumni outreach, engagement and relations.

Major Initiatives and Accomplishments

NON-ACCREDITED PROGRAMMING

In 2024/2025, the FNTC launched a new series of webinars consisting of the development and delivery of 9 webinars to over 100 participants, addressing such topics as: Service Agreements; Revenue-Based Fiscal Relationships; and Communications and Taxpayer Relations.

CERTIFICATE IN FIRST NATION TAX ADMINISTRATION

Consisting of 8 courses, the Certificate Program was delivered to 33 students spanning two cohorts, the first of which started in February 2024 and consists of 16 students from 13 First Nations across Canada.

CERTIFICATE IN FIRST NATION APPLIED ECONOMICS

In 2024/2025, 2 courses from this program were delivered to 23 students.

NGĀI TAHU AND UNIVERSITY OF CANTERBURY PARTNERSHIP

In August 2024, a total of 11 Ngāi Tahu students and 19 Tulo Centre students attended the class *Comparative Indigenous Economic Systems* at TRU in Kamloops, British Columbia. The course focused on economic self-determination strategies, opportunities and legal frameworks for First Nations in Canada and the Ngāi Tahu in New Zealand.



EXPANSION OF ACCREDITED PROGRAMMING

In 2024/2025, the FNTC continued to support the work of the Tulo Centre to enhance and expand its accredited programming. The aim is to help build the capacity of FMA First Nations to generate more benefits from the FMA and the *Framework Agreement on First Nation Land Management*. Over the course of the year, the FNTC supported the development of two new courses, focused on: new FMA fiscal powers; and quantitative methods to support the FMA. These courses will be added to the First Nation Tax Administration and First Nation Applied Economics accredited certificate programs. The FNTC also supported the development of a new post-graduate diploma program in Comparative Indigenous Economic Systems to be advanced for joint accreditation at TRU and the University of Canterbury in New Zealand. This is being pursued by the Tulo Centre in partnership with the Ngāi Tahu Research Centre in New Zealand.

ACCREDITED INFRASTRUCTURE COURSE

In 2024/2025, work continued with the development of an accredited certificate offering for FNII. This is planned to be offered jointly alongside TRU programming. The foundation for the courses has been set, and work is proceeding on internal processes for review, content and accreditation readiness.

ALUMNI NETWORK ACTIVITIES AND MENTORING PROGRAM

The 2024 Alumni Event co-hosted with the First Nations Tax Administrators Association was a two-day conference held in Richmond, BC, focused on learning, networking and celebration. With over 90 participants in attendance, the event featured a series of informative sessions, workshops and presentations designed to foster knowledge sharing and professional development. Three students won alumni awards: Melissa MacDonald from Membertou, Nova Scotia; Coty Zachariah from Mohawks of the Bay of Quinte, Ontario; and Hester Breaker from Siksika Nation, Alberta. In addition, the Mentoring Program continued with a six-session Mentoring Circle Seminar Series, where alumni explore the skills required to be effective mentors and transfer those skills to their roles as leaders, peers and colleagues. Participation in each of these sessions included some 15–20 alumni, who actively engaged in discussions and shared their personal experiences and mentoring insights.

CERTIFICATE PROGRAM GRADUATES

As of March 31, 2025, a total of 151 participants in the Tulo Centre Certificate Program had completed their studies to qualify for graduation, including the most recent cohort of 26 in 2024/2025.

OUR PATH SO FAR...

Since its first delivery in 2008/2009, FNTC's education programming delivered in partnership with the Tulo Centre of Indigenous Economics has grown and evolved. In the first years of delivery, course materials were printed and provided in binders, all delivery was done in-person and the community of tax administrators was small. Over the years—as technology advanced, more elements of First Nation jurisdiction were incorporated, and the population of tax managers increased across Canada—the course materials and delivery

methods advanced. Today, courses are delivered in hybrid format, meaning that students can join the courses in-person or online. A digital Learning Management System is used with access to course materials, links and discussion boards. Local revenue options available to First Nations have expanded, which means the course materials have expanded. And with a steadily growing community of accredited and practicing tax administrators and financial managers, an active alumni network and mentoring program is thriving.

Communications

The Communications Business Line includes liaison and engagement activities, partnership development and creation of targeted products and materials for various audiences and diverse information and promotion applications. The objectives are to promote a broad understanding of First Nation taxation systems and of the role that participation in the FMA and access to services and support from the FNTC can play in advancing First Nation goals for development of sustainable economies and achievement of self-determination.

FNTC BRANDING AND IMAGE

Development and application of a consistent, clear look and feel to all FNTC products and events.

RELATIONSHIP BUILDING

Fostering of relationships with other organizations to increase collaboration and cross-promotional opportunities, while broadening awareness of the FNTC's role and functions.

INQUIRIES AND INFORMATION SERVICES

Anticipation of, preparation for, and response to information requests and other inquiries from FNTC clients and stakeholders, government representatives and officials, and the media.

MEDIA STRATEGIES AND PROGRAMS

Development and application of media content and methods to advance the FNTC's communications, advocacy and outreach goals.

Major Initiatives and Accomplishments

VIDEO PROJECTS

Recognizing that storytelling from the First Nation perspective is a powerful way to demonstrate insight into how property taxation positively impacts First Nation governments and communities, the FNTC continued development of stories and videos to support information and promotion initiatives. The stories provide a full story of why a First Nation decided to enter into taxation, what challenges they faced, what solutions they found and the impact of collecting property tax revenue has had on the community.

LEGACY PROJECT

With 2025 being the 20th anniversary of the FMA having received Royal Assent, the FNTC continued with its Legacy Project focused on reviewing two decades of important archives and history to ensure that valuable information and stories are preserved. The resulting products will serve as a resource for research and education, fostering a deeper understanding of FNTC's history and how it is related to the future of tax and economic jurisdiction. The Legacy Project is reviewing the existing archive of media including videos, photographs, audio recordings and documents, as well as researching other relevant material that could be included. One project includes putting a recording of a 1998 speech into a video format with associated visuals and historical context.

FIRST NATIONS LEADING THE WAY

In 2024/2025, the FNTC co-hosted the 7th annual conference together with the First Nations Finance Authority (FNFA), FNII, FMB and the First Nations Lands Advisory Board. Convened November 26–28, 2024, in Edmonton, Alberta, the event was attended by 650 participants

including representatives from First Nations across Canada who are scheduled on the FMA. The conference highlighted the challenges and successes of First Nations working to achieve their economic development goals while also promoting the awareness of services and supports available by the host institutions. FNTC also provided: introductory remarks; a plenary session highlighting Ts'uubaa-asatx Nation and Ch'íyáqtel First Nation; a breakout session that included an overview of FNTC supports (law development, FNG, education and outreach); and information booths that allowed for one-on-one discussion.

OUR PATH SO FAR...

The communications landscape in 2005 looked quite different from that of today. At the time of the passage of the FMA, the Indian Taxation Advisory Board—FNTC's predecessor—was very much a paper-driven organization. For example, the Advisory Board issued a four- or eight-page hard-copy quarterly newsletter *Clearing the Path*. The organization's key communication tool, it was mailed via Canada Post to every First Nation across Canada. The website was also used, but at that time internet use was still an emerging technology and not everyone had access.

While e-mail was growing in use for professional communication, hard-copy letters by conventional mail remained the official method. Fax machines were a common fixture in the organization, but traditional telephone calls remained the primary means of direct communication. This was unchanged when the Tax Commission began operation on July 1, 2007.

Over time, high-speed broadband networks grew in both availability and use. Faster internet speeds increasingly offered more opportunities for online communication. In turn, the Communications Business Line grew considerably in both scope and sophistication of technology. It now includes liaison, outreach and engagement activities focused on promoting a broad understanding of First Nation taxation and the FMA, informing

THE "NORTH STAR"

This concept was developed to support the goals and objectives of the National Meeting of Taxing First Nations—an annual event where leaders from across Canada gather to discuss and advance ideas and initiatives that support First Nation fiscal jurisdiction and economic growth. The North Star imagery and associated metaphors—navigation, guidance, purpose, direction, hope and optimism—illustrate a compelling vision of the future and how the initiatives help First Nations move closer to making their vision a reality. The original artwork was created by the Chief Commissioner to use as a base across all print and digital communications.

First Nations and other key partners and players of the many services and support from the FNTC.

Over the past two decades, the advancement of communications technology has significantly enhanced FNTC's capacity to respond efficiently and in a timely manner to First Nation enquiries and requests for service. Now, after an initial face-to-face meeting with First Nation leaders and staff in their own community, FNTC staff are able to rapidly follow up with video conferencing that eliminates the need for costly and time-consuming travel, thereby speeding up the law development process. Webinars and video conferencing are now widely used to support First Nations and provide information on FNTC services and local revenue law implementation.

Another sign of progress is the now regular hosting of an annual *First Nations Leading the Way* Conference, a national meeting joined by hundreds of FMA First Nation leaders, decision makers and other delegates, who can attend in person or virtually. This forum showcases First Nations at the forefront of expanding jurisdiction. It has proven to be an invaluable vehicle for First Nations to share their insights, experiences and achievements in using First Nations-led legislation to improve their economies through greater fiscal independence, improved financial management, debenture financing and sound land governance.

Dispute Management

The Dispute Management Business Line includes support for the prevention and resolution of disputes in relation to the application of local revenue laws. FNTC facilitates dispute prevention and resolution by responding to taxpayer inquiries with the overarching objective of ensuring disputes and issues are dealt with early on and at the local level.

TAXPAYER SUPPORT

Throughout the year, the FNTC responds to taxpayer inquiries and, as requested and required, works with First Nations in facilitating resolutions as matters arise.

Major Initiatives and Accomplishments

RESPONSE TO INQUIRIES

In 2024/2025, the FNTC addressed over 20 taxpayer inquiries and assisted in resolving issues related to law development/notification, rate setting, and expenditures.

COMMUNICATIONS AND TAXPAYER RELATIONSHIPS—OVERVIEW AND BEST PRACTICES

The FNTC developed and delivered a webinar focused on building skills and sharing tips to manage a First Nation's relationship with its taxpayers. It provided a high-level overview of communications planning and shared ideas and best practices for improving verbal and written communication. Throughout the presentation, participants interacted with each other in breakout rooms and brought those discussions back to the larger group.

OUR PATH SO FAR...

Under the FMA, the FNTC is equipped with a quasi-judicial function to hear and resolve disputes concerning local revenue laws. Over the last 20 years, no formal dispute has ever been lodged. This is partly attributed to FNTC's continual work to reconcile the interests of taxpayers with the interests of First Nations. This approach has led to the creation of a well-balanced set of Standards and Procedures and a strong emphasis on ensuring issues are resolved locally and in a timely fashion.





Strategic Initiatives

The Strategic Initiatives Business Line includes work with interested First Nations, First Nation organizations, Canada, provinces, and local governments to research, develop, advance and support opportunities for the growth and evolution of First Nation fiscal jurisdiction, economic development and self-determination.

EXPLORATORY RESEARCH AND ANALYSIS

Undertaking of research and analysis to explore matters relevant to Indigenous economies and self-determination.

PILOT, DEMONSTRATION AND PROOF-OF-CONCEPT PROJECTS

Design, implementation and assessment of initiatives to demonstrate and test innovative concepts, models, tools and strategies for advancing First Nation fiscal jurisdiction, and their feasibility, cost-benefit, and supporting rationale.

LIAISON AND ADVOCACY

Outreach and engagement with First Nations and governments to develop, refine and promote proposals that advance the interests of First Nations and FNTC objectives.

ENVIRONMENTAL SCANNING AND ASSESSMENT

Monitoring and tracking of evolving public issues, policy and program developments, First Nation interests and initiatives to identify needs and opportunities for advancing First Nation jurisdiction.

Major Initiatives and Accomplishments

NATIONAL MEETING OF TAXING FIRST NATIONS

In February 2025, the FNTC hosted a National Meeting of Taxing First Nations. The five Nations of the Alliance Tribal Council were honoured in a traditional ceremony where honourees were blanketed and received carved pipestone peace pipes. (The Alliance Tribal Council was established in the late 1970s and their work eventually led to the FMA, the *Framework Agreement on First Nation Land Management* and self-government.) The meeting featured a keynote speech by the Chief Commissioner about the North Star vision and an announcement by the FNTC and the Chair of the First Nations Lands Advisory Board to work together to advance a joint legislative strategy to support more land acquisitions and faster Additions to Reserves (ATRs). The meeting also included presentations and strategic discussions about the First Nations Resource Tax (FNRT), the Fuel, Alcohol, Cannabis and Tobacco (FACT) sales tax and the First Nations Assessment Authority. A notable highlight of the meeting was an audio-video presentation of the Chief Commissioner's 1998 speech (as then Chief of the Kamloops Indian Band) to the Assembly of First Nations that was the origin of the FACT sales tax initiative.

FIRST NATIONS RESOURCE TAX

In 2024/2025, the FNTC continued its work to advance legislation for the FNRT. Once implemented, the FNRT will ensure that participating First Nations receive a standardized fiscal benefit from resource projects on their lands and territories—comparable to that available to other governments. Building on the support received from First Nation representatives from all provinces at the FNRT national meeting in January 2024, the FNTC established the FNRT Proponent Working Group to advance, improve and communicate the proposed FNRT. Canada's Budget 2024 committed the Government to continue working with interested First Nations on the FNRT proposal. To these ends, the FNTC

continued to provide information, undertake research and deliver presentations about the FNRT to the federal government and interested provinces, including British Columbia, Manitoba and New Brunswick.

FUEL, ALCOHOL, CANNABIS AND TOBACCO FIRST NATION SALES TAX OPTIONS

Throughout 2024/2025, the FNTC continued working with interested First Nations and Finance Canada to advance a legislative proposal to enable a FACT federal sales tax option for interested First Nations. The FNTC had first advanced this proposal on behalf of interested First Nations in 2018. The FACT Sales Tax Proponent Working Group was established in July 2023 to help advance the legislative proposal. Budget 2024 committed the Government to develop FACT sales tax legislation. In July 2024, Finance Canada released a FACT sales tax consultative legislative draft as a proposed amendment to the *First Nations Goods and Services Tax Act*. The FNTC, along with proponent First Nations, conducted a review of the legislative draft and advanced three significant amendments: expand the FACT sales tax to include casinos and ATMs; enable a FACT sales tax fiscal power option within the FMA; and enable First Nation-led proposals to address revenue-sharing room with the federal government.

FIRST NATIONS ASSESSMENT AUTHORITY

In 2024/2025, the FNTC continued to build a business case for establishment of a First Nations Assessment Authority (FNAA). The aim is to improve First Nations' access to assessment services, bring consistency to the level and quality of assessment services, and help reduce property assessment costs for First Nations. The FNTC outlined the initiative at several national conferences, including the National Meeting of Taxing First Nations in February 2025 and the Annual National Canadian Property Tax Association Workshop in October 2024.

INDIGENOUS INFLATION INDICATOR AND DATA

With the aim of advancing awareness and understanding of Indigenous economies, financial issues, needs and priorities, the FNTC continued to advance work with the Bank of Canada and Statistics Canada on a project to develop a measure of inflation in some selected Indigenous communities. This is one of the projects that the FNTC and the Tulo Centre have long advanced to the Bank of Canada and its other partners at the Central Bank Network for Indigenous Inclusion (CBNII). The CBNII membership includes the Bank of Canada, the U.S. Federal Reserve, Te Pūtea Matua (Reserve Bank of New Zealand) and the Reserve Bank of Australia.

FIRST NATION PARTICIPATION IN INTERNATIONAL TRADE AGREEMENTS

In 2024, Global Affairs Canada (GAC)—as part of Canada’s duty to consult—made a request for submissions from First Nation organizations related to GAC’s proposed work on renewing and negotiating international trade agreements. In response, the FNTC provided a detailed submission to GAC: summarizing FNTC’s mandate and interests; providing historical, legal and economic context about First Nations and trade; and setting out some recommendations and options for First Nations to realize greater opportunities from international trade agreements.

OUR PATH SO FAR...

March 23, 2025, marked the 20th anniversary of the passage of the *First Nations Fiscal Management Act* by Parliament. Based on First Nation participation, innovation and economic growth, the FMA has proven to be the most successful First Nation-led legislative, institutional and jurisdictional initiative in Canadian history. As the FMA is optional legislation, it started with no First Nation participants but has since grown to more than 375 participating First Nations. FMA-participating First Nations and FMA institutions have advanced several innovations since 2005 including: new fiscal powers to diversify First Nation tax bases; new options for long-term financing;

expanded services and mandates for FMA institutions; and establishment of FNII. Along with growing assertion of fiscal jurisdiction has come significant economic growth for FMA First Nations. The assessment base for tax collecting First Nations has more than doubled since 2005, and the FNTC has identified at least 30 FMA First Nations that have grown their tax bases faster than comparable local governments. With new innovations being proposed to support more FMA First Nation participation in location and resource economic advantages, the growth of the FMA will continue in the years ahead.

Corporate Governance



Mandate

The mandate of the First Nations Tax Commission derives from the federal *First Nations Fiscal Management Act*, which created the FNTC, and from a Memorandum of Understanding (MOU) with the Minister responsible for Crown-Indigenous Relations (the Minister) to provide advice regarding approval of by-laws under section 83 of the *Indian Act*.

AS SET OUT IN SECTION 29 OF THE FMA, THE MANDATE OF THE FNTC IS TO:

- (a) support and protect the integrity of First Nations local revenue systems and promote common approaches to those systems as part of the Canadian fiscal framework;
- (b) support and promote the reconciliation, in First Nations local revenue systems, of the interests of taxpayers with the responsibilities of councils to govern the affairs of First Nations;
- (c) support and promote positive relationships between First Nations and taxpayers, including through the provision of support services for the resolution of disputes related to First Nations local revenue systems;
- (d) assist First Nations in the exercise of their jurisdiction over local revenues;
- (e) develop and deliver, and provide support for the development and delivery of, training and education services—and conduct research—respecting the implementation and administration of First Nations local revenue systems, respecting First Nations economic growth and respecting the evolution of local revenue systems;
- (f) assist First Nations in growing their economies and increasing their local revenues;
- (g) promote transparency of First Nations local revenue systems and understanding of those systems by members of First Nations, taxpayers and the public;
- (h) conduct research and provide advice and information to the Government of Canada, including the Minister, regarding the future development and implementation of frameworks to support First Nations in exercising their jurisdiction over local revenues;
- (i) conduct research, analyze information and provide advice to support the development, implementation and administration of First Nations local revenue systems;
- (j) collaborate with First Nations, Indigenous institutions and organizations and all levels of government to strengthen First Nations economies and support the development of legal and administrative frameworks to promote the evolution of their jurisdiction over local revenues;
- (k) support the negotiation, development and implementation of agreements related to First Nations local revenue systems;
- (l) provide services to any Indigenous group named in the schedule to any regulation made under section 141; and
- (m) collect data, publish statistical information and conduct research and analysis on matters related to the purposes set out in the other paragraphs of this section.

Under terms of an MOU with the Minister, the FNTC also provides advice regarding the approval of by-laws under section 83 of the *Indian Act* and delivers services to First Nations exercising property tax jurisdiction under those provisions.

The work of the FNTC is supported through financial contributions from the Government of Canada. This consists of an annual funding arrangement for core ongoing operations, plus funding for special initiatives based on proposals submitted to the Minister. Advice, tax tools and services from the FNTC are available at no cost to all interested First Nations.



Commissioners

The FNTC consists of one Chief Commissioner (CC)—who also serves as Chief Executive Officer (CEO)—one Deputy Chief Commissioner (DCC), and eight other Commissioners, collectively supported by dedicated full-time staff, plus additional contracted professionals as needed.

On the recommendation of the Minister, the Governor in Council appoints nine of the ten Commissioners, consisting of:

- Chief Commissioner
- Deputy Chief Commissioner
- Three Commissioners who must be taxpayers using reserve lands—one for Commercial, one for Residential, and one for Utility purposes
- Four additional Commissioners

A tenth Commissioner is appointed by the Indigenous Law Centre, University of Saskatchewan (the ILC)—the appointing body prescribed by the *First Nations Tax Commissioner Appointment Regulations*.

When convened as the Commission, the Commissioners are responsible for reviewing and approving local revenue laws under the FMA and providing advice to the Minister on the approval of by-laws under section 83 of the *Indian Act*.



Standing/back row, left to right: David Paul, Leslie Brochu, C.T. (Manny) Jules, Dr. Celine Auclair, Latricia (Terry) Babin, William (Bill) McCue
Seated/front row, left to right: Coty Zachariah, Monica Keller, Mike St. Amant

THE COMMISSIONERS ARE:

C.T. (MANNY) JULES

Tkémłúps te Secwepemc, BC
Chief Commissioner and CEO

DAVID PAUL

Tobique First Nation, NB
Deputy Chief Commissioner

DR. CÉLINE AUCLAIR

Gatineau, QC
Commissioner

LATRICIA (TERRY) BABIN

Canal Flats, BC
ILC-appointed Commissioner

LESLIE BROCHU

Skwlāx te Secwepemcúlecw, BC
Residential Taxpayer Commissioner

MONICA KELLER

Calgary, AB
Commercial Taxpayer Commissioner

WILLIAM (BILL) McCUE

Chippewas of Georgina Island First Nation, ON
Commissioner

MIKE ST. AMANT

Henvey Inlet First Nation, ON
Commissioner

COTY ZACHARIAH

Mohawks of the Bay of Quinte First Nation, ON
Commissioner

There is currently one vacancy on the Commission.

Corporate Organization and Management







Offices

As provided under section 26 of the FMA, the FNTC maintains its Head Office on the Tkemlúps te Secwepemc lands, British Columbia. It also maintains an office on Algonquin Anishinaabe traditional territory in the National Capital Region, co-located as of 2023 with local offices of the First Nations Financial Management Board and the First Nations Infrastructure Institute. This efficient arrangement provides flexibility in the FNTC's outreach and accessibility for First Nations across Canada, and facilitates collaboration with the FMA partner institutions.

FMA Partner Institutions

In addition to establishing the FNTC, the FMA created the First Nations Financial Management Board (FMB), the First Nations Finance Authority (FNFA) and the First Nations Infrastructure Institute (FNII):

FMB

Helps interested First Nations establish and implement their own financial administration laws and strengthen their financial management capabilities, procedures, and practices in line with standards established by the FMB. This enables a participating First Nation to demonstrate to its members, prospective lenders, investment partners and others, its commitment to transparency, accountability, and strong governance throughout its financial management systems.

FNFA

Provides First Nation governments with investment options, capital planning advice and access to long-term loans with preferable interest rates. FNFA is not an agent of His Majesty or a Crown corporation and is governed solely by the First Nations that join as borrowing members.

FNII

Provides specialized skills, tools and processes to interested First Nation communities and Indigenous organizations to enable them to efficiently and effectively plan, procure, own and manage infrastructure assets on their lands.

Once a First Nation has been added to the Schedule of the FMA, it can access the services of any of the FMA institutions. These institutions work together to improve the ability of First Nation governments to advance the fiscal and economic well-being of their communities, by providing participating First Nations with the kinds of modern fiscal management tools that are typically available to other governments.

Education and Accreditation Partners

The FNTC has established a partnership arrangement with the Tulo Centre of Indigenous Economics (Tulo Centre) and Thompson Rivers University (TRU) to support university-accredited certificate programs and other training and workshops.

- **TULO CENTRE** is a Canadian charitable organization, incorporated on January 31, 2008, whose mission is to assist interested First Nations in building legal and administrative frameworks that support markets on their lands. It delivers education programs and conducts research in the areas of First Nation public administration.
- **TRU** is a public teaching and research university offering undergraduate and graduate degrees and vocational training. Its main campus is in Kamloops, British Columbia.

Under MOUs signed with each other and with the FNTC, the Tulo Centre and TRU offer an accredited *First Nation Tax Administration Certificate* program that provides the knowledge and skills needed to implement and operate a First Nation property tax system using the powers set out in the FMA. This is complemented by the accredited *First Nation Applied Economics Certificate* program delivered in conjunction with the FNTC and TRU. The FNTC works with the Tulo Centre on a range of other workshops, webinars and special courses. These offerings in turn complement the Tulo Centre's accredited certificate program in *First Nation Applied Lands Management*, developed and delivered in partnership with TRU.

The FNTC and the Tulo Centre have also been pursuing both formal and informal research, information-sharing and education partnerships with other international and domestic institutions:

- **NGĀI TAHU RESEARCH CENTRE AND UNIVERSITY OF CANTERBURY:** The Tulo Centre continues its partnership with the Ngāi Tahu Research Centre and the University of Canterbury in New Zealand to collaborate and explore opportunities to deliver unique Indigenous-led programming to build capacity for Indigenous public administration, governance, leadership and economic development. In 2024, the FNTC and the Tulo Centre welcomed students and instructors from New Zealand to participate with Tulo Centre students in a comparative Indigenous economics course.
- **FIRST NATIONS LAND MANAGEMENT RESOURCE CENTRE:** The Tulo Centre signed an MOU with the First Nations Land Management Resource Centre on November 27, 2024, to help empower the next generation of Indigenous leaders. Together they will offer the *Certificate in First Nation Applied Lands Governance*, giving students the knowledge and skills they need to drive economic growth and governance in their communities. With this new partnership, students can access more expert guidance, hands-on experience and the tools to turn their vision for their communities into reality. The partnership ensures Indigenous students have the support they need to make a real difference.

Financial Statements



First Nations Tax Commission Financial Statements

FOR THE YEAR ENDED MARCH 31, 2025

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the First Nations Tax Commission (the "Commission") are the responsibility of management and have been presented to the First Nations Tax Commission for its acceptance.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for public sector accounting. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

The Commission maintains systems of internal accounting and administrative controls of reasonable quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Commission's assets are appropriately accounted for and adequately safeguarded.

The Commission is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Commission carries out this responsibility principally through its Audit and HR Committee.

The Commissioners review the Commission's financial statements and recommend their approval. The Audit and HR Committee meets periodically with management, as well as external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Commission takes this information into consideration when approving the financial statements. The Commission also considers the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Commission. BDO Canada LLP has full access to the Commission.


CHIEF COMMISSIONER
COMMISSIONER



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BDO Canada LLP
300 – 275 Lansdowne Street
Kamloops, BC V2C 6J3

Independent Auditor's Report

TO THE COMMISSIONERS OF THE FIRST NATIONS TAX COMMISSION

OPINION

We have audited the financial statements of the First Nations Tax Commission (the "Commission"), which comprise the statement of financial position as at March 31, 2025, and the statement of change in net financial (debt) assets, statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for public sector accounting. The quantitative information is accurate in all material respects and was prepared on a basis consistent with that of the preceding year. The transactions of the institution that have come to our notice in the course of this examination were carried out in accordance with the First Nations Fiscal Management Act.

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for public sector accounting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK District limited by guarantee, and forms part of the international BDO network of independent member firms.



AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Kamloops, British Columbia
June 17, 2025

First Nations Tax Commission

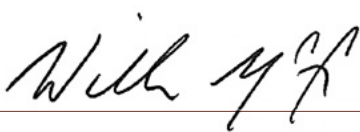
Statement of Financial Position

As at March 31	2025	2024
Financial Assets		
Cash (Note 3)	\$ 17,547,712	\$ 13,328,920
Accounts receivable (Note 4)	349,388	132,276
	17,897,100	13,461,196
Liabilities		
Accounts payable (Note 5)	1,703,598	1,590,784
Contracts payable (Note 6)	4,462,328	5,135,425
Deferred revenue (Note 11)	11,856,720	6,775,162
	18,022,646	13,501,371
Net Financial Debt	(125,546)	(40,175)
Non-financial Assets		
Prepaid expenses	218,844	133,473
Tangible capital assets (Note 8)	163,545	298,926
	382,389	432,399
Accumulated Surplus (Note 12)	\$ 256,843	\$ 392,224

Commitments (Note 7)

Approved on behalf of the Commission:


CHIEF COMMISSIONER


COMMISSIONER

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

First Nations Tax Commission

Statement of Change in Net Financial Debt

For the year ended March 31	Financial plan	2025	2024
Annual deficit	\$ 392,224	\$ (135,381)	\$ (217,332)
Amortization of tangible capital assets	—	135,381	201,531
Disposal of tangible capital assets	—	—	15,801
	392,224	—	—
Acquisition of prepaid expenses	—	(85,371)	35,618
Net change in financial (debt) assets	392,224	(85,371)	35,618
Net debt, beginning of year	(40,175)	(40,175)	(75,793)
Net financial debt, end of year	\$ 352,049	\$ (125,546)	\$ (40,175)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

First Nations Tax Commission

Statement of Financial Activities

For the year ended March 31	Financial plan	2025	2024
Revenue			
Government of Canada			
Corporate Plan	\$ 14,064,409	\$ 11,303,585	\$ 12,441,887
Research and other special projects			
Advancing First Nation Jurisdictional Innovations	600,000	600,000	200,000
First Nations Infrastructure Institute (FNII)	6,496,408	2,614,900	1,868,272
First Nations Land Acquisition Research	194,460	136,840	—
First Nations Leading the Way V	—	—	117,159
First Nations Specific Claims Settlement	134,250	134,250	—
Interest and other income	20,000	631,766	374,124
	21,509,527	15,421,341	15,001,442
Expenses			
Corporate Plan	14,084,409	11,892,155	12,980,283
Research and other special projects			
Advancing First Nation Jurisdictional Innovations	600,000	600,000	200,000
First Nations Infrastructure Institute (FNII)	6,496,408	2,793,477	1,921,332
First Nations Land Acquisition Research	194,460	136,840	—
First Nations Leading the Way V	—	—	117,159
First Nations Specific Claims Settlement	134,250	134,250	—
	21,509,527	15,556,722	15,218,774
Annual Deficit	—	(135,381)	(217,332)
Accumulated surplus, beginning of year	392,224	392,224	609,556
Accumulated surplus, end of year	\$ 392,224	\$ 256,843	\$ 392,224

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

First Nations Tax Commission

Statement of Cash Flows

For the year ended March 31	2025	2024
Operating activities		
Annual deficit	\$ (135,381)	\$ (217,332)
Items not involving cash		
Amortization of tangible capital asset	135,381	201,531
Disposal of tangible capital asset	—	15,801
Changes in non-cash operating balances		
Accounts receivable	(217,112)	(10,469)
Prepaid expenses	(85,371)	35,618
Accounts payable and contracts payable	(560,283)	158,766
Deferred revenue	5,081,558	4,035,698
Cash flows from operating activities	4,218,792	4,219,613
Net increase in cash	4,218,792	4,219,613
Cash, beginning of year	13,328,920	9,109,307
Cash, end of year	\$ 17,547,712	\$ 13,328,920

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

1. Significant Accounting Policies

ACCOUNTING PRINCIPLES

The First Nations Tax Commission (the "Commission") prepares its financial statements in accordance with Canadian generally accepted accounting principles for public sector entities.

REVENUE RECOGNITION

Revenue from transactions with performance obligations is recognized as the Commission satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

The Commission recognizes revenue from contribution agreements with Indigenous Services Canada (ISC) based on the fulfillment of specific performance obligations as defined by eligible activities and expenditures outlined within each agreement. Revenue related to these agreements is deferred until conditions specified in the agreements are met, typically corresponding with the incurrence of eligible expenses. The organization assesses performance obligations regularly to determine whether revenue should be deferred or recognized as obligations are satisfied.

Revenue from transactions without performance obligations is recognized at realizable value when the organization has the authority to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event giving rise to the economic resources.

The organization recognizes revenue from interest income at realizable value as it accrues, given that there are no associated performance obligations or enforceable promises from the counterparties.

TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, development or retirement of the asset. Proceeds on disposal of tangible capital assets are recorded as revenue in the appropriate program.

The cost less residual value of the tangible capital assets are amortized using the straight line method with no half year rule at the following annual rates, which approximates the useful life of the assets:

Asset	Rate
Equipment	3 years
Furniture and fixtures	3 years
Leasehold improvements	5 years

GOVERNMENT TRANSFERS

Government transfers are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

SEGMENTED INFORMATION

Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

COMMISSION SERVICES

The Commission has a Chief Commissioner, a Deputy Chief Commissioner, and seven Commissioners appointed by the Governor-in-Council and one Commissioner appointed by the Indigenous Law Centre of Canada at the University of Saskatchewan. The Commission Services business line includes the operational and support costs of the Chief Commissioner and the Commissioners.

COMMUNICATIONS

The Communications business line promotes the understanding of First Nation real property taxation systems and communicates policy initiatives for the Commission through the publication of newsletters, bulletins, meetings and presentations to First Nations, translation of materials, attending and hosting professional conferences, preparing and distributing the Commission's annual report, developing and maintaining internet websites, and preparing and distributing marketing materials.

CORPORATE SERVICES

The Corporate Services business line provides financial, human resources, insurance, information management, information technology, facility management, audit and administrative services to the Commission and is responsible for managing corporate planning and reporting requirements as well as coordinating the annual general meeting and commission meetings. Corporate Services also has a lead role in meeting *Access to Information Act*, *Privacy Act* and *Official Language Act* requirements, corporate policy development and implementation, and providing management and support to meeting *First Nations Fiscal Management Act* ("FNFMA") financial management and control requirements.

SEGMENTED INFORMATION *(continued)*

DISPUTE MANAGEMENT AND NEGOTIATIONS

The objective of the Dispute Management and Negotiations business line is to provide assistance with the timely resolution of disputes in relation to the application of *First Nations Fiscal Management Act* laws as well as to provide education, training and facilitation services to First Nation tax authorities to support negotiations and service agreements. Dispute Management and Negotiations supports and manages the review of inquiries.

EDUCATION AND CAPACITY DEVELOPMENT

The Education and Capacity Development business line promotes understanding of the real property taxation systems of First Nations, through public education, through the development of training programs for First Nation property tax administrators, and through the development of administrative tools to assist those First Nations who have implemented property taxation.

FIRST NATIONS GAZETTE

The Gazette business line manages the operation, publication and promotion of the *First Nations Gazette*. The *First Nations Gazette* publishes First Nations laws, by-laws, sample laws, and notices under the FNFMA and the *Indian Act* through an online website, www.fng.ca.

LAW/BY-LAW REVIEW AND OUTREACH

The Law/By-law Review and Outreach business line reviews local revenue laws to ensure that they comply with the FNFMA and the associated regulatory framework and also provides support to First Nations in the law development process. The Law/By-law Review and Outreach business line reviews and liaises with Crown-Indigenous Relations and Northern Affairs Canada ("CIRNA") on the approval of s.83 by-laws and maintains a registry for both s.83 by-laws and FNFMA laws.

LEGAL AND POLICY SERVICES

The Legal and Policy Services business line develops and implements policies and standards to support administrative practices to increase First Nation, taxpayer, and investor confidence and certainty in the integrity of the First Nation local revenue system. The Legal and Policy Services business line also develops sample laws under the FNFMA and by-laws under s.83 of the *Indian Act* and supports the development of regulations and legislative amendments.

SEGMENTED INFORMATION *(continued)*

STRATEGIC INITIATIVES

Strategic Initiatives business line includes work with interested First Nations, and governments to research, develop, advance and support opportunities for the growth and evolution of First Nation fiscal jurisdiction, economic development and self-determination.

DATA AND STATISTICAL CAPACITY

The Data and Statistical Capacity business line identifies data and statistical needs, and collects, synthesizes, and analyzes the data to support policy work and operations.

FIRST NATIONS INFRASTRUCTURE INSTITUTE

The activities in this business line represents the establishment of the First Nations Infrastructure Institute under the FMA which includes supporting the FNII technical team in the design and development of plans to operationalize the institution.

ADVANCING FIRST NATION JURISDICTIONAL INNOVATIONS

The activities in this business line represents continued development of additional institutions under the FMA and includes support of research, planning, design, and piloting of innovative institutions and related programs to address First Nation needs and priorities.

FIRST NATIONS LEADING THE WAY V

The activities in this business line represents support and planning to deliver the First Nations Leading the Way national conference.

FIRST NATIONS LAND ACQUISITION, RESEARCH & POLICY

The activities in this business line represents research pertaining to mechanisms which strengthen and expand First Nations taxation jurisdiction and maintain fair and efficient First Nation Tax Systems.

FIRST NATIONS SPECIFIC CLAIMS SETTLEMENTS

The activities in this business line represents research pertaining to mechanisms which strengthen and expand First Nations taxation jurisdiction and maintain fair and efficient First Nation Tax Systems.

FINANCIAL INSTRUMENTS

Cash quoted in an active market is measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Realized gains and losses from changes in the fair value of financial instruments and interest and interest are recognized in the statement of financial activities.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of financial activities.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value

2. Nature of Operations

The Commission is a national shared governance institution with a head office on the reserve lands of the Tkemlúps te Secwépemc at Kamloops, BC and an office in Ottawa, ON. Its mission is to help First Nation governments build and maintain fair and efficient First Nation property tax regimes, and to ensure those First Nation communities, and their taxpayers alike, receive the maximum benefit from those systems. The Commission was created through passage of the *First Nations Fiscal Management Act*.

3. Cash

Cash is held in one Canadian Chartered Bank and earns interest at the current prevailing rate for business accounts. Canada Deposit Insurance Corporation ("CDIC") insures these deposits to the extent of \$100,000 per Canadian resident.

The Commission has an unused credit facility agreement with the Royal Bank of Canada which establishes an operating line with a credit limit of \$500,000. Interest is payable at the bank's prime rate plus 1.0%.

4. Accounts Receivable

	2025	2024
Goods and Services/Harmonized Sales Tax rebates receivable	\$ 210,940	\$ 130,583
Other	138,448	1,693
	\$ 349,388	\$ 132,276

5. Accounts Payable

The Commission is the sponsor of an employee benefit plan. Included in accounts payable at March 31, 2025 is \$344,569 (2024 - \$363,503) of accrued benefits payable based on an actuarial report dated March 31, 2024.

6. Contracts Payable

The Commission has committed funds by contract for work designated in the approved corporate plan or through specific amendments to its funding arrangement. The terms of these contracts vary in length due to the nature of the services being provided and are subject to change due to changes in federal government directives and initiatives, which can result in a redirection of resources. As at March 31, 2025, all accrued amounts are planned for completion as part of current funded initiatives.

7. Commitments

The Commission entered into an operating lease for its premises at 340 Albert St. in Ottawa, ON. The office is leased at base rent of \$16,488 per month plus applicable taxes under a lease expiring in October 31, 2026.

The Commission entered into an operating lease for equipment and network services to be used in their offices. The equipment and network services are leased at a payment of \$303 per quarter plus applicable taxes with lease expiring in August 2026.

Subsequent to year-end, the Commission entered into a lease agreement for new office space. The lease term is 5 years commencing October 2025, with estimated annual lease payments of \$479,028 per annum, increasing to \$500,728 per annum in year 4. This commitment was entered into after the fiscal year end of March 31, 2025 and is therefore not recognized in the financial statements. The minimum annual lease payments plus applicable taxes for the next five years is approximately as follows:

2026	355,022
2027	479,028
2028	479,028
2029	489,878
2030	500,728
	\$ 2,303,684

8. Tangible Capital Assets

	2025			2024		
	Leasehold Improve- ments	Equipment, Furniture & Fixtures	Total	Leasehold Improve- ments	Equipment, Furniture & Fixtures	Total
Cost, beginning of year	\$ 953,956	\$ 1,219,671	\$ 2,173,627	\$ 1,079,065	\$ 1,306,892	\$ 2,385,957
Additions	—	—	—	—	—	—
Disposals	—	—	—	(125,109)	(87,221)	(212,330)
Cost, end of year	953,956	1,219,671	2,173,627	953,956	1,219,671	2,173,627
Accumulated amortization, beginning of year	699,478	1,175,223	1,874,701	709,728	1,159,971	1,869,699
Disposals—accumulated amortization	—	—	—	(109,308)	(87,221)	(196,529)
Amortization	90,933	44,448	135,381	99,058	102,473	201,531
Accumulated amortization, end of year	790,411	1,219,671	2,010,082	699,478	1,175,223	1,874,701
Net carrying amount, end of year	\$ 163,545	\$ —	\$ 163,545	\$ 254,478	\$ 44,448	\$ 298,926

9. Economic Dependence

The Commission receives substantially all of its revenue pursuant to funding arrangements with the Government of Canada, which comprises 96% (2024 – 98%) of the annual revenues. Any disruption of these funding arrangements could have a significant impact on the Commission's operations.

10. Financial Instruments

As part of the Commission's operations, the Commission holds various financial instruments, consisting of cash, accounts receivable, and accounts payable. The nature of these instruments and the Commission's operations expose the Commission to credit risk, liquidity risk, and interest rate risk.

There have not been any changes from the prior year in relation to the policies, procedures and methods used to manage and measure the risks.

CREDIT RISK

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. The Commission deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. In management's opinion, the maximum amount of credit risk is the carrying value of those assets. The accounts receivable balance consists primarily of receivables from federal government entities.

The Commission has a concentration of credit risk as its accounts receivable is comprised of \$210,940 (2024 - \$130,582) which represent 60% (2024 - 99%) of total accounts receivable. There has been no significant change in the risk exposure from 2024.

LIQUIDITY RISK

Liquidity risk is the risk that the Commission will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Commission is exposed to liquidity risk through its accounts payable.

The Commission manages its liquidity risk by monitoring its operating requirements. The Commission prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been a decrease in the risk exposure from 2024 due to the increase in working capital.

INTEREST RATE RISK

The Commission's accrued benefits payable (note 5) is exposed to interest rate risk as the required payments to service the debt will fluctuate as a result of change in the market interest rates. There has been no change to the risk exposure from 2024.

11. Deferred Revenue

Deferred revenue represents Government of Canada funding received for programs to be carried out in the following fiscal year.

	Balance March 31, 2024	Funding Received 2025	Revenue Recognized 2025	Balance March 31, 2025
Corporate Plan	\$ 2,491,112	\$ 12,446,015	\$ (11,303,584)	\$ 3,633,543
First Nations Infrastructure Institute	4,284,050	6,496,408	(2,614,900)	8,165,558
First Nations Land Acquisition Research	—	194,460	(136,841)	57,619
	\$ 6,775,162	\$ 19,136,883	\$ (14,055,325)	\$ 11,856,720

First Nations Infrastructure Institute is to be established under the FNFMA separate from FNTC. The funds deferred as reported above will subsequently be reported as a government transfer once the institution is established.

12. Accumulated Surplus

The Commission segregates its accumulated surplus in the following categories:

	2025	2024
Investment in tangible capital assets	\$ 163,545	\$ 298,926
Operational deficit	(156,702)	(156,702)
Litigation reserve	250,000	250,000
	\$ 256,843	\$ 392,224

The investment in tangible capital assets represents amounts already spent and invested in equipment, furniture and fixtures, and leasehold improvements.

The Litigation Reserve of \$250,000 was established by the Commission to set aside financial resources to fund legal costs arising out of judicial review applications or other legal processes in which the FNTC is a party or intervener to support section 33 review processes. These funds will be maintained and used to cover the cost of future dispute resolutions and hearings.

13. Segmented Information

For the year ended March 31, 2025	Commission Services	Communi- cations	Corporate Services	Dispute Management and Negotiations	Education and capacity development
Revenue					
Government of Canada	\$ 1,097,555	\$ 1,103,760	\$ 2,312,174	\$ 75,000	\$ 3,065,766
Interest and other income	—	—	453,190	—	—
	1,097,555	1,103,760	2,765,364	75,000	3,065,766
Expenses					
Salaries and honoraria	403,605	265,842	1,424,969	75,000	394,168
Goods and services	693,950	833,424	1,351,630	—	2,671,598
Amortization	—	4,494	124,146	—	—
	1,097,555	1,103,760	2,900,745	75,000	3,065,766
Annual deficit	\$ —	\$ —	\$ (135,381)	\$ —	\$ —

For the year ended March 31, 2024	Commission Services	Communi- cations	Corporate Services	Dispute Management and Negotiations	Education and capacity development
Revenue					
Government of Canada	\$ 1,128,542	\$ 998,811	\$ 2,646,904	\$ 205,545	\$ 3,158,643
Interest and other income	—	—	321,064	—	—
	1,128,542	998,811	2,967,968	205,545	3,158,643
Expenses					
Salaries and honoraria	266,729	216,031	1,359,402	75,000	422,933
Goods and services	861,813	773,772	1,646,887	130,545	2,735,710
Amortization	—	9,008	179,011	—	—
	1,128,542	998,811	3,185,300	205,545	3,158,643
Annual deficit	\$ —	\$ —	\$ (217,332)	\$ —	\$ —

Segmented Information (continued on next page)

13. Segmented Information (continued)

For the year ended March 31, 2025	<i>First Nations Gazette</i>	Law/By-Law Review and Outreach	Legal and Policy Services	Strategic Initiatives	Data and Statistical Capacity
Revenue					
Government of Canada	\$ 187,688	\$ 1,543,563	\$ 933,456	\$ 935,768	\$ 48,855
Interest and other income	—	—	—	—	—
	187,688	1,543,563	933,456	935,768	48,855
Expenses					
Salaries and honoraria	75,000	1,210,156	282,286	—	29,242
Goods and services	112,688	328,913	648,923	935,768	19,613
Amortization	—	4,494	2,247	—	—
	187,688	1,543,563	933,456	935,768	48,855
Annual deficit	\$ —	\$ —	\$ —	\$ —	\$ —

For the year ended March 31, 2024	<i>First Nations Gazette</i>	Law/By-Law Review and Outreach	Legal and Policy Services	Strategic Initiatives	Data and Statistical Capacity
Revenue					
Government of Canada	\$ 158,901	\$ 1,510,491	\$ 1,231,515	\$ 933,290	\$ 469,245
Interest and other income	—	—	—	—	—
	158,901	1,510,491	1,231,515	933,290	469,245
Expenses					
Salaries and honoraria	75,000	1,133,444	240,480	211,207	—
Goods and services	83,901	368,039	986,531	722,083	469,245
Amortization	—	9,008	4,504	—	—
	158,901	1,510,491	1,231,515	933,290	469,245
Annual deficit	\$ —	\$ —	\$ —	\$ —	\$ —

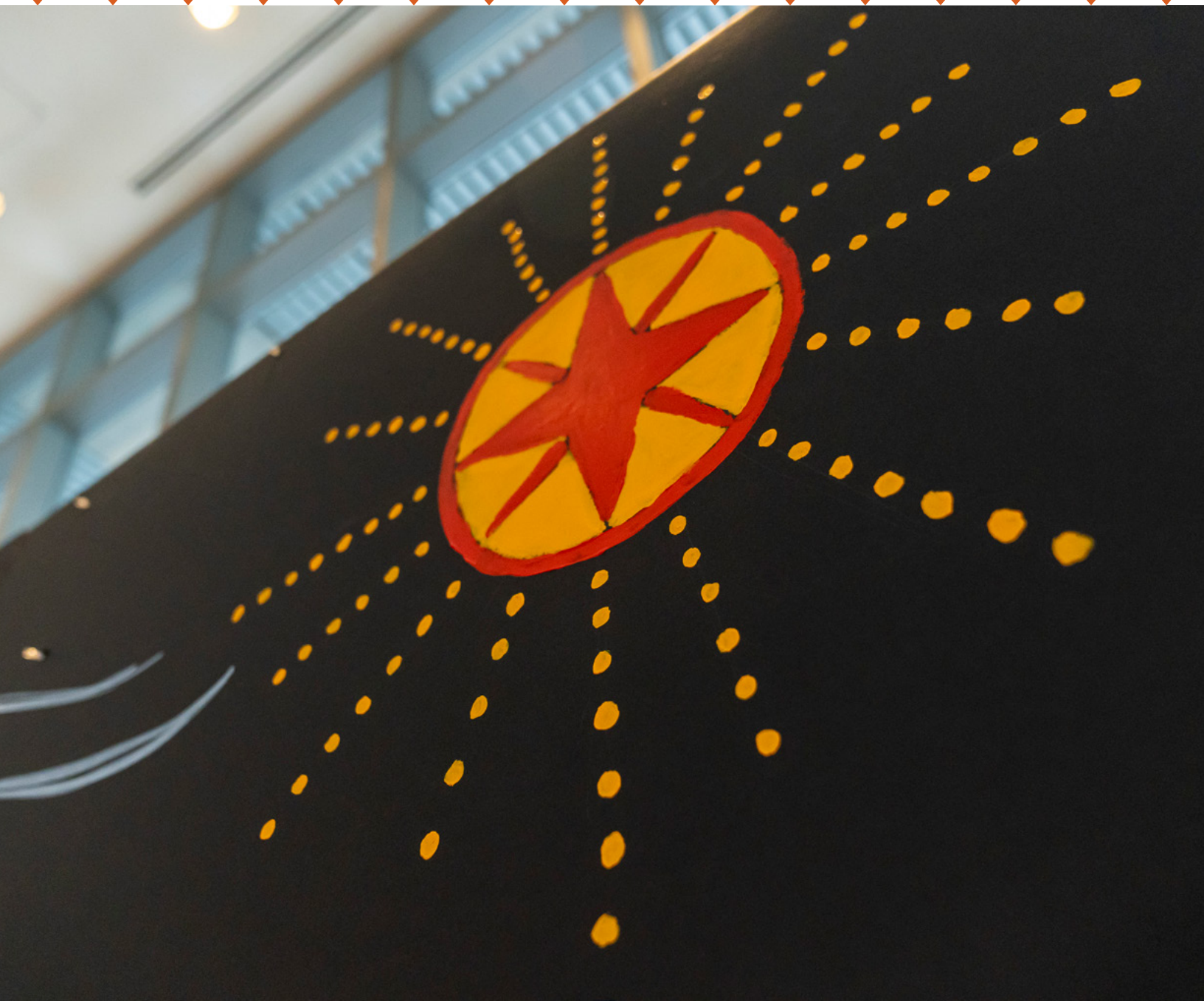
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13. Segmented Information (continued)

For the year ended March 31, 2025	First Nations Land Acquisition, Research & Policy	First Nations Infrastructure Institute	Advancing First Nation Jurisdictional Innovations	First Nations Specific Claims Settlements	2025 Total
Revenue					
Government of Canada	\$ 136,840	\$ 2,614,900	\$ 600,000	\$ 134,250	\$ 14,789,575
Interest and other income	—	178,576	—	—	631,766
	136,840	2,793,476	600,000	134,250	15,421,341
Expenses					
Salaries and honoraria	—	18,793	—	—	4,179,061
Goods and services	136,840	2,774,683	600,000	134,250	11,242,280
Amortization	—	—	—	—	135,381
	136,840	2,793,476	600,000	134,250	15,556,722
Annual deficit	\$ —	\$ —	\$ —	\$ —	\$ (135,381)

For the year ended March 31, 2024	First Nations Land Acquisition, Research & Policy	First Nations Infrastructure Institute	Advancing First Nation Jurisdictional Innovations	First Nations Leading the Way V	2024 Total
Revenue					
Government of Canada	\$ —	\$ 1,868,272	\$ 200,000	\$ 117,159	\$ 14,627,318
Interest and other income	—	53,060	—	—	374,124
	—	1,921,332	200,000	117,159	15,001,442
Expenses					
Salaries and honoraria	—	—	—	—	4,000,226
Goods and services	—	1,921,332	200,000	117,159	11,017,017
Amortization	—	—	—	—	201,531
	—	1,921,332	200,000	117,159	15,218,774
Annual deficit	\$ —	\$ —	\$ —	\$ —	\$ (217,332)

Glossary



AI

Artificial Intelligence

ATR

Addition to Reserve

CANADA

Government of Canada

CBNII

Central Bank Network for Indigenous Inclusion

CC

Chief Commissioner (of FNTC)

CCDP

Comprehensive Community Development Plan

CEO

Chief Executive Officer (of FNTC)

DCC

Deputy Chief Commissioner (of FNTC)

FACT

Fuel, Alcohol, Cannabis and Tobacco (sales tax)

FMA

First Nations Fiscal Management Act

FMB

First Nations Financial Management Board

FNAA

First Nations Assessment Authority

FNFA

First Nations Finance Authority

FNG

First Nations Gazette

FNII

First Nations Infrastructure Institute

FNRT

First Nations Resource Tax

FNTC

First Nations Tax Commission

GAC

Global Affairs Canada

ILC

Indigenous Law Centre, University of Saskatchewan

IT

Information Technology

KPAC

King's Printers Association of Canada

MOU

Memorandum of Understanding

SECTION 83

Section 83 of the *Indian Act*

TRU

Thompson Rivers University

TULO CENTRE

Tulo Centre of Indigenous Economics

WBFN

Washagamis (Obashkaandagaang) Bay First Nation