

**Subject: Response to letter from Darcy Clarkson.**

**Date:** Sat, 16 Mar 2002 22:03:58 -0800

**From:** Ernie Crist <CristE@dnv.org>

**To:** Nathalie Valdes <ValdesN@dnv.org>

**CC:** Mayor and Council - DNV <Council@district.north-van.bc.ca>, "FONVCA (E-mail)" <fonvca@fonvca.org>

Dear Mr. Clarkson:

I appreciate your concerns about taxation of industrial plants in the District. I believe we all understand the importance of jobs. Indeed they are crucial for the well being of our community.

Unfortunately unlike other countries where municipalities receive a portion of the national budget and or have access to sources of income other than the property tax, in Canada, at least in British Columbia, this is not the case. Indeed it is the other way around. Instead of receiving support senior levels of government are taking from us as is the case with gasoline tax which they collect within municipal jurisdictions ostensibly to pay for municipal infrastructure but keep for themselves. It is truly a reactionary policy which Canadians have tolerated far too long and which would be unthinkable in other countries such as the US for instance.

It is possible also that you are not aware that although the rate of taxation for industry is much higher than residential rates, unlike residential properties which are assessed at market more or less industrial plant is not. It is assessed at a mere fraction of the real or replacement value. This means that although the rate of taxation is much higher, real taxation is much closer to residential then would be apparent from the given tax rate for industry. I am merely pointing all this out to show you that the issue is not black and white as you seem to indicate when you state that the District has been "reckless". "Reckless" the District may have been but it is certainly not because of the rate of taxation for industry.

Notwithstanding, I will certainly take your points into consideration when this matter comes before Council as part of the 2002 budget deliberations and the appropriate tax rates are set.

Thank you for bringing your concerns to my attention.

Yours truly

Ernie Crist



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