

Subject: FW: MARCH 16 POLICY FORUM-UNFAIR PROPERTY TAXES

Date: Tue, 8 Mar 2005 18:45:36 -0800

From: "Ernie Crist" <ernie_crist@dnv.org>

To: <fonvca@fonvca.org>, <Cagebc@yahoo.com>

CC: "Mayor and Council - DNV" <Council@dnv.org>, "Senior Management Committee" <managecomm@dnv.org>

A MESSAGE FROM ERNIE CRIST

Some factors in considering the upcoming TX rate issue debate. Cities and Ports in other countries have far more leeway in taxing industries than we have in Canada especially in BC since they are recognised as independent jurisdictions within the constitution. As a result they have access to taxes we do not.

In some countries municipalities and cities get an automatic cut from the national budget. In Germany for instance it is 4% divvied up among the cities based on population. That is a huge amount of money. In the US, Cities also get generous portions and subsidies from the State Budget. This allows them to be more generous with industries.

In Canada municipalities have only the property tax. Also, in BC, industries while having a TX rate several or even many times that of single family residential properties are grossly under assessed. For instance the replacement value of ONE CHEMICAL INDUSTRY LOCATED IN THE DISTRICT is between 250 and \$ 300 million dollars but they are assessed at only 24 million dollars.

Even if the TX rate is ten times that of single family residential they are paying approximately the same as a residential property based on actual or market value. ANOTHER STRONG POINT IN CALCULATING AND DETERMINING THE TX RATE FOR THE VARIOUS TYPES OF PROPERTIES INCLUDING BUSINESS AND INDUSTRY IS THAT WHILE BUSINESSES OR CORPORATIONS MAY WRITE OFF TAXES OR A GOODLY PORTION THEREOF AS BUSINESS EXPENSES, HOMEOWNERS MAY NOT.

The Point is that our taxation system is archaic and should be overhauled. Cities and municipalities should be recognised as legitimate levels of government. From this would flow a whole number of new and progressive options when it comes to taxation and not only taxation. As it is, we have no such power. In fact we have less power than the 150 members of the Tsleil Waututh Nation.

Twenty years ago when Chrétien was still a Minister I put forward a resolution to the FCM to correct this scenario. The Convention adopted the resolution by unanimous vote and all members of the government present, including Chrétien himself, spoke on this matter and supported the principle.

Twenty years later not only have we not advanced but we have fallen behind.

Ernie

-----Original Message-----

From: John Hunter [<mailto:hunter.john@telus.net>]

Sent: Tuesday, March 08, 2005 1:55 PM

To: Mayor Harris; Alan Nixon; Jim Cuthbert; Councillor Maureen McKeon Holmes; Richard Walton; Ernie Crist; Lisa Muri

Cc: James Ridge

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fyi

-----Original Message-----

From: Joyce Fulford [<mailto:jfulford@boardoftrade.com>]

Sent: March 7, 2005 10:39 AM


To: John Hunter J. Hunter & Assoc.

Subject: MARCH 16 POLICY FORUM-UNFAIR PROPERTY TAXES

Attached is the registration flyer for the March 16th Policy Forum, which we thought you might be interested in attending.

Please feel free to forward on to others you feel may be interested.

Regards
Joyce Fulford

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