

University Endowment Lands Community Advisory Council (CAC)

Minister of Finance and Deputy Premier Honourable Carole James RM 153 Parliament Buildings Victoria, B.C. V8W1X4 FIN.minister@gov.bc.ca	Minister of Municipal Affairs and Housing Honourable Selina Robinson P.O. Box 9010 Stn Provincial Government Victoria, B.C. V8W9E2 selina.robinson.MLA@leg.bc.ca	Attorney General Honourable David Eby 2909 West Broadway Vancouver, B.C. V6K2G6 AG.Minister@gov.bc.ca
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November 18, 2019

RE: Repeal School Tax Surcharge

Dear Honourable Ministers:

The Community Advisory Council (CAC) of the UEL is writing due to the many concerns that have come forward from the UEL community with respect to the School Tax Surcharge.

The concerns that the CAC has heard include:

- (i) The school tax surcharge encroaches on the municipal tax base creating implications on the ability of municipalities to raise revenues. Accordingly, the mayors of Vancouver and West Vancouver have written to the Premier asking that this tax be repealed. This tax applies to homes valued at over \$3million, billed at .2% annual rate for homes between \$3million and \$4million and .4% for homes above the \$4million threshold. The mayors have advised the province that this surtax is not equitable as it is based on a straight percentage of assessed value, setting a dangerous precedent;
- (ii) Members of our community believe this tax is targeted at a specific class of citizens and therefore unfair and discriminatory in nature;
- (iii) The tax is contrary to Canadian tax policy for the reason that it taxes gains that are not realized which makes it an "asset" tax. The tax is designed to charge people based on assessed value rather than the value of your home. The tax does not take into consideration the division of ownership or outstanding mortgages on the property;
- (iv) This precedent opens the door to government to tax hard-earned assets and can cause financial hardship and displace (force out) longstanding members of a community including the many seniors who have lived in their homes/neighbourhoods for decades, and are no longer earning income; and,
- (v) The concern that whilst the tax is labelled a "school tax", the revenues collected will be treated as general revenue and mixed in with other sources and not directly applied to schools.

Therefore, on behalf of the CAC and the UEL Community, we ask that the Province of British Columbia repeals this School Tax Surcharge.

Sincerely,



Kaity Arsoniadis-Stein LLB, LLM
President, CAC