Mail

-----Original Message-----
From: communicate@amo.on.ca [mailto:communicate@amo.on.ca]
Sent: Thursday, October 04, 2007 2:44 PM
To: clerk@hamilton.ca
Subject: One (1) Resolution

TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL

Please see the below resolution passed by the Council of the Township of Burpee and Mills:

The Corporation of the Township of Burpee and Mills

RR # 1, Evansville, ON  P0P 1E0
Phone & Fax: 705 282 0624

E-mail: burpeemills@xplornet.com

"The Council of the Township of Burpee and Mills outlines its position for the loss of Municipal Funding to Provincial Tax Rebate Programs and presents the following resolution for your support.

Subject: Loss of Municipal Funding to Provincial Tax Rebate Programs

According to recent information provided by the Rural Ontario Municipal Association, downloading of the Farm Tax Rebate and the Managed Forest Tax Incentive Program to the municipalities currently costs the rural taxpayers of Ontario more than $200 million a year.

The Farmland and Managed Forest taxation rebate was initially administered and rebated by the Province to individual landowners until downloading of Provincial Programs in 1999. This program is now administered by each Municipality through a reduced tax rate. Compensation for the loss of municipal revenue was provided by the Province through the Community Reinvestment Fund (CRF). The Provincial Government saved substantial administration costs created by these rebate programs when their administration was downloaded to the Municipality. When the CRF was replaced by the Ontario Municipal Partnership Fund (OMPF), Farmland and Managed Forest taxation rebates were no longer directly funded by the Province. Consequently, there is very little or no funding available to rural municipalities.

The lack of funding for these programs is putting an undue burden on the rural taxpayers. Rural property owners of Farmland, Managed Forest and Conservation Lands are forced to subsidize their own tax rebate programs. Farmland, Managed Forest and Conservation Land Taxation Rebate Programs must be funded 100% by the Provincial Government and should not be the responsibility of the rural property tax payer.

The Province now funds Municipalities through the OMPF. The OMPF funding formula for Farmland, Managed Forest and Conservation Land does not compensate for the taxation revenue lost to municipalities because of reduced tax rates mandated by the Province.
Since the Provincial Government no longer feels obligated to provide direct funding to these programs, rural municipal taxpayers must cover this shortfall in Municipal revenues through an increased tax rate. These programs exist for the benefit of all people in Ontario by reducing food costs and securing the environmental benefits obtained through the management of forest and conservation lands. The costs should not be a burden only for the rural landowners of the Province when the benefits accrue mainly to urban residents. The Tax Rebate Program funding needs to be provided by the Province thereby distributing the cost to all residents of Ontario who reap the benefit from the programs. The rural landowners should not be expected to subsidize the Farmland, Managed Forest and Conservation Land rebate programs.

You are invited to calculate the annual loss in revenues for your municipality. This can be done simply by multiplying the total assessed value of the specified lands by the current tax rate, and subtracting the actual income at the legislated 25% rate.

In conclusion the OMPF Provincial Funding formula does not adequately compensate the Municipalities for the Farmland, Managed Forest and Conservation Lands. Cost of these programs is now funded solely by rural Municipal taxpayers. Property owners of Farmland and Managed Forest and Conservation Lands thereby subsidize their own tax rebates through their increased property taxes.

The Farmland, Managed Forest and Conservation Lands Tax Rebate Programs benefit all the people of Ontario. The OMPF Provincial Funding formula must reinstate 100 percent direct funding for these Tax Rebate Programs.

We ask that you pass the following resolution and send it to your local MPP, The Minister of Finance, The Minister of Agriculture, Dalton McGuinty, John Tory and Howard Hampton as soon as possible.

RESOLUTION

WHENAS Municipalities are legislated to tax Farmland, Managed Forest and Conservation Land at a rate of 25% 

AND WHEREAS Municipalities no longer receive the 75% rebate from the Province 

AND WHEREAS this increases the tax rate for all landowners in rural municipalities 

AND WHEREAS all residents of Ontario should support maintenance of an agricultural land base and the environmental implications of these tax incentives 

THEREFORE BE IT RESOLVED that the Province of Ontario must directly refund to the Municipalities the 75% Farmland, Managed Forest and Conservation Land Tax 

ALSO BE IT RESOLVED if the Province of Ontario refuses to refund to Municipalities the 75% rebate, that the Province allows Municipalities to tax these lands at 100% and the Province funds 75% of the tax directly to individual landowners."

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