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March 8, 2010

## **OPPOSITION to 'HST' / CONTACT YOUR MP'S**

### **EXEMPT: Property Heating, Hydro & Maintenance**

HST - Bad for Ontario, devastating to consumers, rental tenants & property owners.

**By:** Paul R.J Martindale - Wink Properties & Realty

Dear Residents, Owners of Property, Rental Tenants & Service Providers;

As you should be aware, the Liberal provincial government is preparing to introduce the new 13% HST (Harmonized Sales Tax) July 1/2010 that will SIGNIFICANTLY INCREASE costs, and further tax core property expense items such as ELECTRICITY, HEAT, MAINTENANCE AND CAPITAL REPAIRS. Until now, these items have been subject only to GST (5%), however after July 1/2010, they will be taxed at 13% HST.

### **What does this mean to you?**

#### **As an Owner**

Every bill where you currently pay 5% GST, such as Union Gas for HEATING, Horizon Utilities for HYDRO, or have any CONTRACTED work completed to your property (landscaping, plumbing, electrical, hvac, carpentry, roofing, aluminum work etc..) will all be subject to 13% HST after July 1. Buying or selling real estate? Legal fees, realtor commissions, property inspections and various closing costs will also be subject to this new increased tax. BOTTOM LINE: If you think your bills, goods and services were expensive before, they will be much more expensive after July 1/2010.

#### **As a Rental Tenant**

Most property management companies or individuals must work within fixed budgets which balance income and expenses. If operating expenses increase significantly (without any change in income) along with any major capitol expenditures (ROOF, BOILER, PARKING LOT, WINDOWS etc..), these expenses must be either passed onto the end user (Tenants), or services will be diminished (less maintenance). In the case of rents where there are sometimes inclusions of HEAT or HYDRO or both - the inclusion of such items have been based on historical baseline consumption costs. If these baseline costs are raised significantly, the Landlord or property management have no choice but to pass this on to the tenant/consumer. BOTTOM LINE: Rents will go up significantly over time while services and maintenance will be reduced.

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### **As a Condo Owner**

Much like the rental tenant scenario above, Condominium corporations must balance their income and expenses and create a reserve fund for the eventual cost of replacing large capital expenditure items such as roofs, boilers, parking lots, pools etc. A reserve fund is established by the end users (owners/consumers) through their monthly condo fees contributions. As annual building maintenance costs are significantly increased, so too will the monthly condo fees be increased. **BOTTOM LINE:** Condo Fees will be increased significantly, and services likely will be cut.

### **Is There Anything We Can Do?**

**YES! - DEMAND HST EXEMPTION FOR HEAT, HYDRO & MAINTENANCE COSTS minimally.**

Every Ontarian needs to call/email or write a letter to their local MP, MPP -copying it to the Premier, Opposition Parties, Finance Minister and complain vigorously . It is imperative that you voice your outrage especially as it pertains to these core property expenses. There are a slew of other things effected by the HST (see [www.unfairtaxgrab.ca](http://www.unfairtaxgrab.ca)) however, taxing these basic items of necessity by an additional 8% is outrageous.

As part of organized REAL ESTATE and PROPERTY MANAGEMENT in West Hamilton, we along with our members, have been lobbying against the HST for some time. The provincial Liberals allowed only ONE DAY of public consultation in this matter and seem intent on acting against the wishes of the majority of Ontarians. According to a DEC 4/2009 ANGUS REID/TORONTO STAR POLL, 75% of Ontarians oppose the HST, yet somehow the elected LIBERAL government are committed to its implementation. Ad propaganda promoting the benefits of HST, at a cost of 1.6 million dollars (funded by taxpayers), will be commencing shortly along with 'rebate cheques' in the mail. Don't fall for these lullaby tactics - they are simply more measures to distract us from action and put us to sleep before harmonization takes place this summer.

We have enclosed a list of every politician you should contact, and encourage you to act quickly **BEFORE THE CURRENT BUDGET IS FINALIZED WITHIN THE NEXT 2 WEEKS**. Unless our elected officials receive sustained public pressure, they will act unilaterally against our wishes.

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### ELECTED OFFICIALS

- **Premier's Office**/Dalton McGuinty/Legislative Building Queen's Park, Toronto, ON M7A 1A1/  
[dmcguinty.mpp.co@liberal.ola.org](mailto:dmcguinty.mpp.co@liberal.ola.org)
- **Provincial Finance Minister**/Dwight Duncan/ 7 Queen's Park Crescent-7<sup>th</sup> Flr,Toronto ON M7A 1Y7 /  
[dduncan.mpp@liberal.ola.org](mailto:dduncan.mpp@liberal.ola.org)
- **Provincial Opposition Party Leaders (NDP and PC)**  
(NDP) Andrea Horwath/Room 114-Legislative Building Queen's Park, Toronto, ON M7A 1A5/  
[ahorwath-qp@ndp.on.ca](mailto:ahorwath-qp@ndp.on.ca) (PC)Tim Hudak/401-19 Duncan Street, Toronto, ON M5H 3H1/  
[tim.hudak@pc.ola.org](mailto:tim.hudak@pc.ola.org)
- **Prime Minister's Office**/Stephen Harper/80 Wellington Street, Ottawa,ON K1A 0A2/ [pm@pm.gc.ca](mailto:pm@pm.gc.ca)
- **Federal Opposition Leaders (NDP and LIBERAL)**  
(NDP)Jack Layton/300-279 Laurier West, Ottawa, ON K1P 5J9/[www.ndp.ca/contact](http://www.ndp.ca/contact)  
(LIBERAL)Michael Ignatieff/400-81 Metcalfe Street, Ottawa, ON K1P 6M8/[info@liberal.ca](mailto:info@liberal.ca)
- **Federal Finance Minister**/Jim Flaherty/Department of Finance Canada-140 O'Connor Street, Ottawa, ON K1A 0G5/[www.fin.gc.ca](http://www.fin.gc.ca)
- **Local Area MP's** - (NDP) Dave Christopherson: ([christopherson.d@parl.gc.ca](mailto:christopherson.d@parl.gc.ca)/905-526-0770)  
(PC) David Sweet: ([sweetd@parl.gc.ca](mailto:sweetd@parl.gc.ca)/905-627-9169) (Liberal) Ted McMeekin:  
([tmcmeekin.mpp@liberal.ola.org](mailto:tmcmeekin.mpp@liberal.ola.org)/905-690-6552)

I encourage each of you to take the time to contact your local government representatives and let your opposition be heard. We cannot allow our elected officials to act in a manner contrary to the wishes of the people. We will all be spending much less if this is implemented, and stalling the economic recovery in the process. Pass this on to everyone you know, and ACT NOW!

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R.J. Martindale", written over a horizontal line.

Mr. Paul R.J Martindale

**Director - WINK PROPERTY INVESTMENT**

**Broker of Record - WINK Properties & Realty Inc.,Brokerage**

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Board Member - HDAA (Hamilton & District Apartment Association)

Member - Government Relations Committee/Realtor's Association Hamilton Burlington(RAHB)

Member - RCC (Regional Commercial Council - RAHB)

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