From: Bill Polk

Sent: April 12, 2022 7:26 PM

To: Office of the Legislative Counsel

Subject: Fwd: non-resident tax

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Begin forwarded message:

From: William Polk

Subject: non-resident tax

Date: April 7, 2022 at 12:55:27 PM EDT

To: primier@novascotia.ca, FinanceMinister@novascotia.ca, barkhousemla@gmail.com

Sir/madame,

A cynic would say that the new non-resident tax is a way of soaking people who don't have a vote and are therefore easy picking. I hope that is not true, as I would like to believe that the current administration is better than that. As a realist, I would submit that the non-resident tax proposal was hastily written without a thoughtful consideration of its negative impact on the government's key policy priorities.

The premier has said that he wants to double the population of the province. The tax will work against that priority. I have heard from Nova Scotian families who children live and work in other provinces and would like to buy properties in Nova Scotia. The non-resident tax will make this extremely difficult if not financial impossible. This tax will also make it difficult for young people to move to the province who are part of the hybrid work force, those who can spend some but not all of their time in Nova Scotia.

The tax plan will not achieve the stated policy of increasing the housing supply. The NS Department of Finance's own statistics show that non-resident home ownership is negligible in the in the primary population centers where housing supply is critically short. Few homes are owned by non-residents in these areas. One factor creating a housing shortage is the number of homes that have been purchased and turned into BnBs.

The tax plan does not take into account the negative economic impact that will result. One landscape businessman notes that 70% of his business comes from non-resident people. Similar reports come from construction, restaurants, and maintenance sectors. Non-profitsts will also take a big hit. Non-residents play a major role in supporting organizations such as the Chester Theater, the Chester art Center, and the Health Center. In then 48 years my wife and I have owned a summer home in Chester, we have supported a number of non profits as well as artists in Nova Scotia. The new non-resident tax play will put a damper on that support as well as to call into question our ability to maintain a summer home in Nova Scotia. Under the new tax law the generational transfer will impossible.

I urge the government to reconsider this tax proposal, just as British Columbia did when it proposed a similar tax in 2018 but decided against it because of the negative economic and reputation impacts it would have on their province. In BC's case, they decided instead to charge to charge levies on non-Canadian home speculators and non-Canadians who leave their properties lie vacant, but only in specific metropolitan areas that are experiencing a housing shortage. (Dealing with the AirBNB issue would help). BC remains open and welcoming to seasonal homeownership by other Canadians without discriminatory property taxes.

I urge you to reconsider the non-resident property tax proposal.
Sincerely,
Bill Polk