

Pauletta Starr Bowie

Vancouver, BC

Marriott's Cove, NS

April 13, 2022

Via email:

The Amendments Committee, Office of the Legislative Counsel, Legc.office@novascotia.ca

The Honourable Tim Houston, Premier of Nova Scotia, premier@novascotia.ca

The Honourable Allan MacMaster, Deputy Minister of Finance and Treasury Board,

FinanceMinister@novascotia.ca

Daniele Barkhouse, MLA Chester-St. Margaret's Constituency Office, barkhousemla@gmail.com

Dear Sirs / Mesdames:

I am writing regarding the proposed incremental non-resident property tax.

Context

I own a cottage in the Marriott's Cove area. I purchased the cottage in 2000. Before that it was owned by my parents and before that it was owned by my grandparents (they acquired the property, along with adjacent properties now owned by my cousins, in 1947).

My mother (nee Boggs) was born and raised in Grenwich (close to Wolfville). My maternal grandmother (nee Starr) was also born and raised proximate to Wolfville, with the family home located at Starr's Point. I understand that one or both of my maternal great grandparents may also have been born in Nova Scotia. If not, they settled in Nova Scotia at an early age.

I was not born in Nova Scotia but I have spent 50+ of my 69 summers to date at the cottage. For the last 10 years I have had the good fortune of being able to spend 5 to 6 months at the Cottage— arriving in early May and leaving in late October.

I have four children, two born in Toronto and two in Vancouver, now ranging in age from 32 to 42. Notwithstanding living on the other side of the country, all of my children have spent most of their childhood and adult lives visiting Nova Scotia each summer – staying for as long as they can get away with – and bringing their spouses, partners and children. Currently, the 5th generation of my immediate family is enjoying the cottage every summer.

A major bonus for all of the generations has been – and will continue to be - the ability to gather with aunts and uncles, cousins, second cousins and nieces and nephews – a number of whom come from around the world. But for the cottage – most of us would likely only see each other at family weddings and funerals, if at all.

As noted above – I purchased the cottage from my parents approximately 22 years ago. Since then, we have spent over \$500,000 on capital improvements – to bring the property up to date and deal with

many of the deferred maintenance issues that go along with an old family cottage. While very pleasant – the cottage is not a mansion, or a show piece, and is not habitable in the winter.

In addition to on-going capital costs - I estimate that we spend \$25,000 + per year in Nova Scotia, with most of that money going to local trades people and merchants in greater Chester area, local grocery stores, liquor stores, restaurants and property taxes.

Economics

I appreciate that I am fortunate to have a cottage with an assessed value approaching \$1 million and to have the ability to spend \$25,000+ per year on cottage related expenditures. However, I am not wealthy and do not have additional discretionary income at my disposal.

My situation is not unique. I continue to be surprised how many people my husband and I meet in Vancouver who have family roots in Nova Scotia and have chosen to maintain a seasonal property there. They also are not wealthy.

I also appreciate and understand that Nova Scotia has a housing shortage and that housing prices have risen sharply in recent years. These problems are not unique to Nova Scotia and reflect, amongst other things, a number of historical planning shortfalls – along with some unforeseen mobility shifts related to COVID.

The Government's stated rationale for the incremental non-resident property tax is to help alleviate the housing crisis. While an admirable objective, there is no apparent link between tripling the property taxes on seasonal properties owned by people "from away" and increasing the supply of housing for people wanting to live and work in Nova Scotia, particularly when much of the shortfall is concentrated in the Greater Halifax area and many of the seasonal properties are not proximate to the Greater Halifax area.

From a practical perspective, extracting significant cash from people who have historically supported their local communities, who already pay high property taxes and who do not draw on Nova Scotia's education or healthcare systems is more likely to have a negative impact on the smaller communities around the seasonal properties than it is to have a positive impact on housing availability.

Most seasonal property owners in Nova Scotia are not wealthy and many will not be able to cover a threefold increase in their property taxes and – at the same time - spend what they have historically spent in the local community. The Government will be hurting the local economies by taking money that would otherwise go to the merchants, yet doing so will not alleviate housing shortages in the areas experiencing the most problems.

To the extent "non-residents" have to sell their properties - as a result of being unable to absorb a massive increase in their annual costs - it is likely that seasonal property values will decline. While some people in Nova Scotia might take delight in that, if prices in the more urban centres do not decline at the same relative rates – the property tax base could shift to those urban centres - exacerbating the affordability issues there.

It is not as if Nova Scotia, with its relatively large land base and its relatively small population, has a shortage of developable land – be it land proximate to the Greater Halifax area – or land in any other

part of the Province. Excessively taxing people who are perceived to be from away – notwithstanding their deep connections / roots in Nova Scotia – is not a solution to the housing problem.

British Columbia, with its NDP Provincial Government, introduced an empty home tax – with a view to dealing with the perceived problems associated with non-residents owning property that was not fully occupied by the owner, or not rented at least six months of the year. Even the NDP recognized that the incremental tax, which was intended to be punitive, was not appropriate for seasonal properties, or for properties that were not proximate to the population centres experiencing the housing shortages and rising prices.

I sincerely hope that the Nova Scotia Government, a Conservative one at that, will reconsider the merits and appropriateness of excessively taxing “non-residents”, particularly those with long-standing Nova Scotia roots and on-going connections that should be maintained, encouraged and facilitated.

Thank-you for taking the time to read this and consider my input.

Yours, truly,



Pauletta (Polly) Bowie

