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From: Gerrie Masters [REDACTED] >
Sent: April 14, 2022 9:26 AM
To: Office of the Legislative Counsel
Subject: Presentation to Law Amendments regarding a proposed tax on non-resident property owners
Attachments: Presentation to Law Amendments Committee April 1422.docx

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Please find attached the submission I will be making to Law Amendments Committee at 11:10 this morning.
Gerrie Masters
President
Marriotts Cove Association

**PRESENTATION TO LAW AMENDMENTS REGARDING LEVYING A
DEED TRANSFER TAX AND PROPERTY TAX ON NON-RESIDENT
PROPERTY OWNERS
THURSDAY APRIL 14, 2022**

I am here today on behalf of the Marriotts Cove Association. Marriotts Cove is adjacent to the Village of Chester. The Association was established in 1994. It provides a forum for the discussion and resolution of issues that have implications for the social, economic and environmental well being of the Cove community.

It currently has over 100 members who are both permanent and seasonal residents from Nova Scotia and elsewhere. Many of our members grew up in Nova Scotia and have returned to Nova Scotia to make it their summer home. They return as often as possible to “their roots” to be close to family and friends from their childhood.

We have one seasonal owner who has been coming to Marriotts Cove from Connecticut for 87 years to the home built by his parents. He provides local farmers free access to his fields to cut hay for their own use. One of his daughters has made her home and taught in Bedford her entire adult life. The family has donated an island in Mahone Bay to the Nova Scotia Nature Trust. I am sure you have been reading and hearing stories like this since the government proposed imposing its punitive tax regime on non-resident property owners.

My comments today are focused on the Chester area but apply equally to many areas of the Province where people return each summer to make Nova Scotia their home.

Many small communities like Marriotts Cove and Chester would not survive without seasonal property owners. In our area the population almost doubles when summer residents arrive each year from places across Canada, the United States, Great Britain and Europe.

Local residents rely on this summer crowd to make a living. Many of the year round members of the Association have stories of local service people who had a very hard time when Covid kept their summer clients from being able to come to Chester. Professional trades people, house cleaners, handymen, people who take out wharf floats and put them back in and

store boats over the winter, swimming pool maintenance companies, landscaping and garden businesses and the local taxi, are just some who rely on seasonal owners to survive.

It is likely that the money spent on local services by summer residents across Nova Scotia and ends up being recovered through provincial income tax paid by local service providers exceeds the revenues the government expects to generate with its proposed punitive property taxes.

Furthermore without the generosity of the seasonal residents from Marriotts Cove and elsewhere in the area, it is quite likely that Chester would not have a local theatre, arts centre, yacht club or tennis club. The Chester Playhouse is struggling to come back from a devastating fire. The volunteer hours and generosity of summer residents have been critically important in this effort. The local golf, sailing and tennis clubs are able to provide lessons for local and summer kids because of the fees paid and generous donations by summer residents.

The government's proposal to penalize seasonal non-residents who want to spend their summers and holidays in Nova Scotia will do nothing to solve the housing shortage in Nova Scotia and more particularly HRM. Instead it jeopardizes the livelihoods of many small rural businesses and the communities in which they are located.

What exactly is the problem the government thinks will be solved by taxing seasonal non-residents in rural areas of Nova Scotia. What exactly have these seasonal home owners done specifically to contribute to the problem.

The Minister of Finance was on CBC the other morning saying that we have a chronic housing shortage in Nova Scotia that the government needs to address. Does the government hope taxing seasonal non-residents will put pressure on them to sell. It might but converting seasonal homes owned by non-residents into year round housing is not realistic. Many are not heated. Most are not insulated. Some of the older homes are so large that the cost heating them year round would be prohibitive. Others are at the end of long laneways that could not be practically kept clear in the winter.

The Minister of Finance was on CBC the other morning saying that seasonal workers cannot find a place to live in places like Chester and

when asked if he felt summer homes offered a solution the Minister replied that “we’ll take whatever we can get”. Surely he doesn’t really believe that a summer student is going to be in a position to rent one of these homes even if one was available.

If the government needs revenue and wants to effectively address the housing shortages in metro Halifax and elsewhere in the province, it should be looking at taxing those activities that adversely affect the availability of housing where the problem exists. Perhaps the government should tax the hundreds of Airbnb and VRBO properties that have displaced year round rental housing.

It should be looking to the universities for a solution. The NSCC is building 3 new residences because it knows that if it doesn’t take responsibility for housing its students they will take up housing in the communities where there is a local need.

Pre-Covid student enrolment in Halifax universities increased in 2020 to a total of 30,825 across six institutions, up from 30,485 the previous year . International student enrolment grew by nearly 10% to another record high of 7,588.

Of these 20,000 are enrolled at Dalhousie that has shown no interest in investing in new residences. Perhaps the government should be sitting down with all the universities to examine their capital spending priorities to provide more housing for their students. This would certainly make more housing available to people who can’t find a place to live in HRM.

We ask that the proposed tax be withdrawn from further consideration by the government and that other more effective tools to address the current housing shortage be explored..

Yours truly,

Gerrie Masters
President
Marriotts Cove Association