

Real estate tax “nothing more than a goofy idea”

by Chris Cooke



Bill Dennis says he is enraged by what he describes as a “ridiculous” proposal to tax resale properties in Sarnia.

The proposal, provided in a motion from Councillor Mike Stark is to be presented to Sarnia Council later this month.

In it Stark is proposing what he describes as “a new tax revenue strategy”. The strategy, born out of what Stark sees as accelerated tax defaults in the City, would center on resale real estate transactions to be paid for by real estate purchasers only.

Stark's logic, if there is one, suggests people who can afford to purchase a resale home should assume responsibility for additional services required for such transactions.

Stark expects opposition from the real estate industry but insists new revenue streams are needed that will not impact all ratepayers.

Mayor Mike Bradley describes Stark's motion as “a huge negative to the economy at a time when people everywhere are struggling”. Furthermore, he believes it is illegal. Describing it as the “wrong tax at the wrong time”

Bradley says he thought it was a joke when he first read it.

For Dennis, a realtor with a real estate license, Stark's motion is anything but a joke. “Adding another burden to homebuyers will drive them to communities outside of Sarnia and will do nothing for City coffers”.

Dennis says Stark is oblivious to reality. “I'm not a fan of any taxes, especially new taxes that pick pockets and drain wallets”. He says he believes government should be the “invisible hand” that helps grow businesses and the economy.

The City of Toronto has had a land transfer tax since 2008. According to the Toronto Real Estate Board It is “greatly disliked” and actually had a negative impact on real estate sales when first introduced during the economic meltdown of that year.

Dennis says the Greater Toronto Area has more than five million people, a growing assessment base and has different transportation and infrastructure issues. To introduce such a tax in a small City like Sarnia with an eroding assessment base is “nothing more than a goofy idea”.

Dennis says he will not sit out “this fight” when Stark introduces his motion. “I will quit as a realtor before I allow Stark to get away with this”.

Anna Moscardelli, a real estate agent with Remax sent First Monday an email saying “we have been told Stark is proposing a second tax on home purchases in Sarnia. Great for me selling outside of Sarnia but bad for homes in Sarnia”.

