

CITY OF SARNIA

City Clerk's Department

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N7T 7N2

5.9

November 30th, 2005

To all Ontario Municipalities over 50,000 Population

To Whom it May Concern

Sarnia City Council, at its meeting held on November 21st, 2005, considered the attached correspondence, dated November 16th, 2005. The following resolution was adopted and your support is being requested:

THAT the members of Sarnia City Council have considered the suggestions of Mr. Vollmar as provided in the correspondence from Ms. Ur, and are in agreement that said suggestions should be given due consideration by both the Federal and Provincial governments, and that it would be appropriate to enact these suggestions, namely:

- a) that any monies being received by individuals in the way of severance monies be taxed only on that amount which is over \$100,000 (one hundred thousand dollars), so said individual may use said funds to solidify his or her financial situation, which can become precarious at best following the loss of employment, and*
- b) that a percentage of revenues collected from the GST and PST in municipalities and forwarded to the respective governments, be instead forwarded to the governmental offices of the municipality from which said monies have been derived, and*

THAT we agree with the concept that the proper usage of the GST and PST revenues received by the respective municipality could possibly erase part or all of the need for property tax revenues, allow for less reliance on upper-tier funding for certain projects such as infrastructure repair or replacement, and many other municipal needs, and

THAT with the lessening or removal of property taxes, individuals would realize more freedom in life, and have an enhanced ability to afford to spend more monies within the community, or others by ways of tourism, etc., thus creating a potential to increase the revenues raised through the GST and PST streams, and

THAT this motion be forwarded to AMO, MP Roger Gallaway, MP Ms. Rose-Marie Ur, The Honourable Ralph Goodale, Minister of Finance, Hon. Stephen Harper, Leader of the Opposition, The County of Lambton, and all other municipalities over 50,000 in population for their support.

Your favourable consideration of Council's resolution would be appreciated.

Yours truly,

Brian W. Knott
City Solicitor/Clerk

/po
attachment

Notice of Motion (4)

Council Agenda
JVE

cc: Brian K.
cc: *Mayer*

November 16, 2005

NOV 21 2005

Ms. Ann Tuplin:

I am attaching seven pages to this cover page which I would like to have included in the agenda for Monday's meeting (Nov. 21)....

I would like to have the motion considered and passed (if accepted) by council on the 21st.

Thank you

John Vollmar

4(2)

November 16th, 2005

Mayor Bradley
Members of Council

I am attaching several pieces of correspondence which relate to a meeting I had some weeks ago with Ms. Rose-Marie Ur, M.P. for Lambton-Kent-Middlesex. We discussed several issues from both a personal and business level on my behalf, as well as issues which are shared by municipalities throughout Ontario, and the country alike.

There were some suggestions that I communicated to her, regarding severance packages, and the distribution of GST and PST monies, and the potential that there may be in alleviating a goodly portion of the financial burden that is becoming far too commonplace in the lives of individuals, and municipalities alike.

I would appreciate your support in bringing further attention to these suggestions. Ms. Ur, as you can see by her attached correspondence, has forwarded the information to the Finance Minister for the Federal Government, and I have received acknowledgement from Mr. Goodales office.

Ms. Ur. has suggested that I raise this issue again with you, and follow up with AMO. Therefore, if you agree, I would suggest that a motion could be accepted as follows...

"That the members of Sarnia City Council have considered the suggestions of Mr. Vollmar as provided in the correspondence from Ms. Ur, and are in agreement that said suggestions should be given due consideration by both the Federal and Provincial governments, and that it would be appropriate to enact these suggestions, namely....

- a. that any monies being received by individuals in the way of severance monies be taxed only on that amount which is over \$100,000..(one hundred thousand dollars), so said individual may use said funds to solidify his or her financial situation, which can become precarious at best following the loss of employment; and
- b. that a percentage of revenues collected from the GST and PST in municipalities and forwarded to the respective governments, be instead forwarded to the governmental offices of the municipality from which said monies have been derived....

And that we agree with the concept that the proper usage of the GST and PST revenues received by the respective municipality could possibly erase part or all of the need for property tax revenues, allow for less reliance on upper-tier funding for certain projects such as infrastructure repair or replacement, and many other municipal needs, And that with the lessening or removal of property taxes, individuals would realize more freedom in life, and have an enhanced ability to afford to spend more monies within the community, or others by ways of tourism, etc., thus creating a potential to increase the revenues raised through the GST and PST streams.

4(3)

And that this motion be forwarded to AMO, MP Roger Gallaway, MP Ms. Rose-Marie Ur, The Honourable Ralph Goodale, Ministe of Finance, The County of Lambton, and all other municipalities over 50,000 in population for their support."

I thank Council for its consideration.....

Sincerely,


Councillor John H. Vollmar



4(4)

HOUSE OF COMMONS
CANADA

Rose-Marie Urr, M.P.

Lambton - Kent - Middlesex

September 20, 2005
www.rosemarieur.ca

Mr. John Vollmar
2655 Brown
Brights Grove, ON N0N 1C0

Dear Mr. Vollmar:

I appreciated the opportunity to meet with you in my Strathroy office to discuss some of the issues that you, as a small business owner face and your suggestions as to ways to assist small-medium sized businesses by easing the tax burden that is currently placed on them.

As your recommendations are under the jurisdiction of the Department of Finance, I have taken the liberty of forwarding your letter onto the Honourable Ralph Goodale, Minister of Finance for his consideration and response. I have included a copy of the letter that I sent to Minister Goodale on your behalf. I have requested that Minister Goodale respond directly to you, while providing my office with a copy of his response.

In your letter, you mentioned the motion that was passed by the Sarnia Council that asks the Association of Municipalities of Ontario (AMO) to formulate a committee to investigate hypothetical situations should a portion of the Goods and Services Tax (GST) and Provincial Sales Tax (PST) remitted to the respective governments remain in the municipality from whence they are derived. As this was a motion that was passed by the Sarnia Council and as you are a Member of the Sarnia Council, I would recommend that you raise this matter with your fellow Council Members and follow-up directly with AMO. You may contact AMO at:

Association of Municipalities of Ontario (AMO)

393 University Ave., Suite 1701

Toronto, ON M5G 1E6

Telephone direct: (416) 971-9856

Voicemail: (416) 971-8099

Fax: (416) 971-6191

Toll-free in Ontario: 1-877-4-AMO-LAS (1-877-426-6527)

AMO - General inquiries: amo@amo.on.ca

Municom - General inquiries: municom@amo.on.ca

Policy Related: Policy@amo.on.ca

OTTAWA: Room 449 Confederation Bldg., House of Commons, Ottawa, K1A 0A6
(613) 947-4581, Fax: (613) 947-4584, urr@parl.gc.ca, www.rosemarieur.ca
STRATHROY: (519) 245-6561, Fax: (519) 245-8736, 1-800-586-4814
WALLACEBURG: (519) 627-4899, Fax: (519) 627-4635, 1-800-585-2640

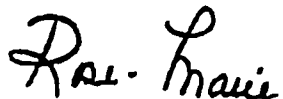


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I appreciate being kept informed about the issues that are of interest to small business owners in my riding. I look forward to receiving a copy of the response from Minister Goodale in regards to your suggestions and recommendations.

Sincerely yours,



Rose-Marie Ur, M.P.
Lambton-Kent-Middlesex

Enclosed.



4(6)

HOUSE OF COMMONS
CANADA

Rose-Marie Urr, M.P.
Lambton - Kent - Middlesex

September 20, 2005

Honourable Ralph Goodale, P.C., M.P.
Minister of Finance
140 O'Connor St., 21st Floor, East Tower
OTTAWA, ON K1A 0G5

Dear Minister Goodale:

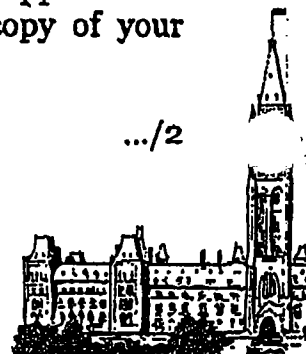
I would like to take this opportunity to forward a letter from Mr. John Vollmar, an individual that I met with recently, he has some suggestions as to ways to assist small-medium sized businesses by easing the tax burden that is currently placed on them.

In Mr. Vollmar's letter, he provides a few suggestions to not only assist small-medium sized businesses but also individuals and municipalities. As a Member of the Sarnia Council, he motioned with success that the Association of Municipalities of Ontario (AMO) be asked to formulate a committee to investigate hypothetical situations should a portion of the Goods and Services Tax (GST) and Provincial Sales Tax (PST) remitted to the respective governments remain in the municipality from whence they are derived. While I understand that Mr. Vollmar is specifically asking whether AMO has given this some consideration, I also thought that I would ask that you, as Minister of Finance, give this suggestion some consideration.

In addition, Mr. Vollmar is also requesting that some kind of tax relief be provided to individuals to allow them to access their Registered Retirement Savings Plan (RRSP) monies or severance monies. As well, Mr. Vollmar believes that small businesses owners would benefit greatly if they were able to access severance funds tax free and use same to enhance their small businesses. In addition, Mr. Vollmar is also recommending that as homeowners, there should be no GST on utilities as these are a necessity of life.

As these issues are under the jurisdiction of the Department of Finance, I am forwarding Mr. Vollmar's letter onto you for your consideration and response. I would appreciate if you could please respond directly to Mr. Vollmar, while providing a copy of your response to my office.

.../2

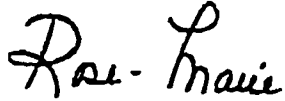


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I thank you in advance for your co-operation in this matter and I look forward to receiving a copy of your response.

Sincerely yours,



Rose-Marie Ur, M.P.
Lambton-Kent-Middlesex

Enclosed.

c.c.: Mr. John Vollmar
2655 Brown
Brights Grove, ON NoN 1Co

4(8)

September 9, 2005

Ms. Rose-Marie Ur
Member of Parliament
Lambton-Kent-Middlesex...

Dear Ms. Ur...

First, I would very much like to thank you for allotting time for me to visit with you this past Tuesday. It was a great pleasure to talk to you, and share some thoughts on various topics.

As we discussed, I believe that there are some fundamental changes that could be made to assist in the ability of municipalities to run their areas more effectively. I think it important to make changes, as, from a business standpoint, there are several factors contributing to the difficulties of business owners to realize a reasonable return on investments, as well as earn a salary equal to the amount of time required to operate the enterprise.

As a member of Samia Council, I motioned with success that AMO be asked to formulate a committee to investigate hypothetical situations should a portion of the GST and PST remitted to the respective governments remain in the municipality from whence they are derived. I would suggest that with this money, which is taken from taxpayers at any rate from "NET" tax dollars following income tax deductions, steps could be taken to ensure that the municipalities become more independent of tiered government, and thus be more responsible for themselves, which could eliminate levels of bureaucracy, and provide for those necessities required that at times are subject to special allocations of funds such as COMRIF, and the like. I would appreciate it if this could be given some consideration, and a request perhaps to AMO as to whether or not they have given this issue any attention. Taxes could be lowered, to the point of some areas being property-tax free, which would allow for a higher comfort zone for homeowners and businesses alike.

As I related to you....a year or so ago I was severed from my job with CSX Transportation after some 25 years on the job, and have been seeking employment in others areas since, without success. It was my suggestion to you some kind of tax relief be provided to those such as myself to access RSP monies, or severance monies. If these funds were available in such a way that, realizing the problems associated with being let go from a job, mortgages could be paid off, and therefore homeowners would have a better chance of retaining their home. Also, in cases such a mine, whereby my wife and I are owners of a small business, we could access severance funds tax free, and use same to enhance our business in order to derive a sufficient income to maintain a lifestyle that is acceptable, and at the same time, increase business to the point of collecting more in the way of GST and PST.

I also suggest that, as homeowners, there should be no GST on our utilities. These are necessities of life, and with the constant increases to these areas, more and more GST is collected, which I consider unfair.

Thankyou for your time.....I truly do appreciate it.

Sincerely.....John H. Vollmar