

Sent via email to: [charles.sousa@ontario.ca](mailto:charles.sousa@ontario.ca)



March 31, 2017

Hon. Charles Sousa, Minister of Finance  
Frost Bldg. S 7th Floor, 7 Queen's Park Cres,  
Toronto, ON M7A 1Y7

**Re: Amendments to Capital Gains Taxation**

Dear Minister Sousa,

The following comments are related to our significant concerns with any proposed increases to the capital gains taxes applicable on the disposition of real property, as you recently proposed to The Honourable Bill Morneau, Minister of Finance.

FOCA is the Federation of Ontario Cottagers' Associations, an incorporated not for profit association that represents a membership of over 500 community groups across Ontario. Collectively our organization represents over 50,000 families.

Our member families are proud, contributing residents in almost 200 Ontario municipalities, contributing as community volunteers and property taxpayers, often for multiple generations. The waterfront properties owned by these families are part of their family legacy, often the centrepiece of a family heritage and history. These families face an unfortunate and painful experience of paying capital gains on their (non-primary) residences, even when they pass their property on to their offspring - as many intend to do. They are NOT property speculators, and therefore should not be shouldered with punitive financial treatment in the name of trying to cool markets elsewhere in Ontario – or for any reason.

We are fortunate that in the 2017 federal budget delivered March 21 in the House of Commons by the Minister of Finance, they avoided the folly that the “unintended consequence” of such a rash move to increase capital gains would result in for thousands of Canadian families.

The punitive capital gains treatment on these assets is already a tremendous burden, and if anything, should be reduced or eliminated – not increased.

Respectfully, we recommend that any future proposals related to the tax implications of residential property be appropriately considered and vetted by the Ontarians who will be most directly impacted.

FOCA is available for such consultations on behalf of Ontario's waterfront residents.

Sincerely,

Terry Kennedy, President, FOCA

Terry Rees, Executive Director, FOCA

cc: The Honourable Bill Morneau, Minister, Department of Finance Canada [bill.morneau@canada.ca](mailto:bill.morneau@canada.ca)