



**IN THE MATTER OF THE *TAXPAYER PROTECTION ACT, 1999*,
S.O. 1999, C. 7, Sched. A**

For the 2018 Provincial General Election, leaders of registered political parties had until May 24, 2018 to file a statement with the Chief Electoral Officer (CEO) under the *Taxpayer Protection Act, 1999* (the Act). Once a statement is received, the CEO has five days to review the statement and determine whether it complies with subsections 4(2) and (3) of the Act.

Subsection 4(2) requires that the leader's statement contain a clear, concise and unambiguous description of any proposed increase to the tax rates set out in certain Ontario taxation statutes, any proposed new tax or any proposal to give a new authority to tax. Subsection 4(3) further provides that in the event the statement refers to a proposed increase in tax rates or a new tax, the statement must set out the increase in annual revenues the leader expects to result from the proposed increase or new tax.

If the statement meets these requirements, the Act requires the leader's statement and the CEO's opinion to be filed with the Clerk of the Legislative Assembly of Ontario and made available to the public.

Ontario has twenty eight registered political parties. As of May 24, 2018, twenty-four of Ontario's registered political parties did not file a statement under the *Taxpayer Protection Act, 1999*. The PC Party of Ontario did submit a statement, but it did not include any proposed tax initiatives to which subsections 4(1), (2) or (3) of the Act would apply. The Green Party also filed a statement; however, the Chief Electoral Officer was unable to provide an opinion on the proposed initiatives as they did not meet the information requirements in subsections 4(2) and 4(3). The Liberal Party of Ontario, and the Ontario New Democratic Party all filed statements to which the Act applied.

In accordance with paragraph 4(1)(a) of the Act, Ms. Kathleen Wynne, the Leader of the Liberal Party of Ontario, a registered party, filed a written statement with the Chief Electoral Officer on May 22, 2018, pursuant to subsection 4(1) of the Act, indicating that if the Liberal Party of Ontario forms the government following the election on June 7, 2018, the Party intends to:

- Amend the *Taxation Act, 2007* to eliminate the surtax and replace it with new tax rates and new tax brackets for Ontario's Personal Income Tax ; and
- Increase the top rate of the non-refundable Ontario Charitable Donations Tax Credit from 11.15% to 17.5% for donations over \$200;

These changes are expected to increase the annual provincial revenues by \$275 million in 2018-19.

In accordance with paragraph 4(1)(a) of the Act, Ms. Andrea Horwath, the Leader of the New Democratic Party of Ontario, a registered party, filed a written statement with the Chief Electoral Officer, on May 22, 2018, , pursuant to subsection 4(1) of the Act, indicating that if the New Democratic Party of Ontario forms the government following the election on June 7, 2018, the Party intends to:

- Amend the *Taxation Act, 2007* to increase the tax on corporate profits by one percentage point in 2019-20 and 0.5 percentage points in 2021-22. This will increase revenues by an estimated \$1.3 billion in 2019-20;
- Amend the *Taxation Act, 2007* to increase the tax rate by one percent on incomes over \$220,000 and two percentage points on incomes over \$300,000. These amendments will generate \$606 million in 2018-19;
- Remove the small business exemptions to the Employer Health Tax for businesses with payrolls over \$3 million in 2019-20 and for businesses with payrolls over \$1.5 million in 2021-22. These amendments to the *Employer Health Tax Act* will raise \$159 million in 2019-20; and
- Introduce a new tax of three percent on sales of luxury cars with a value over \$90,000. This will generate an estimated \$12 million; and
- Introduce a new Housing Speculation Tax on foreign and domestic speculators who own homes in the regions where Ontario's Non-Resident Speculation Tax currently applies and who do not pay tax in Ontario, of \$5 per \$1,000 of assessed value, rising to \$20 per \$1,000 of assessed value in 2019. This will generate \$168 million in 2018-19.

As required by subsection 4(4) of the Act, the Chief Electoral Officer reviewed these statements and is of the opinion that the statements comply with subsections 4(2) and 4(3) of the Act.

Accordingly, should either the Liberal Party of Ontario or the Ontario NDP form the government after the provincial general election election, a referendum will not be required with respect to these tax initiatives, pursuant to subsection 4(7) of the Act

The opinion of the Chief Electoral Officer for each leader's statement may be viewed at: www.elections.on.ca or by visiting the Elections Ontario office at 51 Rolark Drive, Toronto, Ontario.

Dated at Toronto, this 28 day of May, 2018.

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