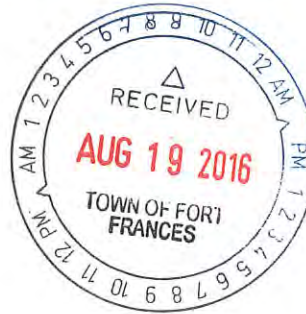




# Cheryl Gallant

Member of Parliament  
Renfrew-Nipissing-Pembroke  
Member of Standing Committee on National Defence  
Member of Standing Committee on Industry, Science and Technology



August 12<sup>th</sup>, 2016

CAO Mark McCaig  
Town of Fort Frances  
320 Portage Ave  
Fort Frances, Ontario  
P9A 3P9

Dear CAO McCaig:

## RE: SMALL CAMPGROUND TAXATION ISSUE

In response to requests for information I have received from municipalities on behalf of family-owned campgrounds in their communities, please, find enclosed a copy of a proposed resolution I have drafted for consideration by your council.

As background, included is a copy of a Press Release I have issued to highlight the problem outlined in the draft resolution.

Should your Council choose to support small, mostly family operated campgrounds that are affected by this federal government policy, and pass this or a similar resolution, in addition to sending a copy to the Federal Minister of Finance, please, send me a copy of your resolution for my records.

If you have any questions, or require further details, please do not hesitate to contact my office.

Thank-you for your consideration.

Regards,

Cheryl Gallant, M.P.  
Renfrew—Nipissing—Pembroke  
CG:mm

ENCL

**Sample Resolution for consideration by your Council:**

Moved By:

Seconded By:

**Whereas**, Camping is about celebrating the great outdoors and is an integral part of our nation's history and our identity as Canadians;

**Whereas** nearly 5.8 million Canadians go camping each year, along with numerous international visitors who want to experience the natural wonder of our country;

**Whereas** Campgrounds are active, labour-intensive, recreational, hospitality businesses that provide affordable vacationing option for middle-class Canadian families and international visitors with many campgrounds in Canada being family-run small businesses that have been around for generations;

**Whereas** Campgrounds across Canada have begun receiving notices from the Federal Government warning them of reassessments as they are deemed to be TOO SMALL to qualify for the small business tax deduction, because many family-run campgrounds do not have the required number of employees to qualify for the small business tax rate;

**Whereas** some family-run campgrounds will now be taxed at triple the rate of other small businesses – rates higher than even Canada's BIGGEST BILLION DOLLAR BUSINESSES, with penalties and interest, back tax bills will be in the tens of thousands of dollars, crippling otherwise healthy businesses, and leading to ruin for others;

**Whereas** the 2016 Federal budget abruptly concluded a promised 2015 review of these tax rules;

**Now Therefore** the Council of \_\_\_\_\_  
hereby respectfully urges the Federal government to set-aside these audits until the unclear and unfair application of these rules can be resolved.

**And Further**, to do that, we require the federal government to recognize small, mostly family-run campgrounds as small businesses, and pay the same tax rate as other small businesses.

# NEWS RELEASE



**CHERYL  
GALLANT**   
YOUR MEMBER OF PARLIAMENT  
RENFREW-NIPISSING-PEMBROKE  
[www.cherylgallant.com](http://www.cherylgallant.com)

For Immediate Release

July 2016

## **MP Cheryl Gallant Questions Unfair Tax Treatment of Tourism Small Business**

Sault Ste. Marie, Ontario... Cheryl Gallant, MP, Official Opposition Critic for FedNor, today questioned recently announced Federal Tourism funding when family campgrounds are struggling to stay in business as a result of unfair taxation.

"The federal government is throwing away hard-earned taxpayer dollars when it funds a promotional program to "enhance a visitor's experience" that will be out of business by the time potential visitors see the commercial," stated Federal Economic Development Initiative for Northern Ontario (FedNor) Critic Cheryl Gallant. "Tourism is an important part of the rural economy."

"Referring to the little noticed headline in the recent Liberal deficit budget, 'Enhanced Tax Collections,' Trudeau tax collectors have been sending out letters to family-owned campgrounds, telling them they are not considered a "small business" if they have less than 5 full-time employees," said Cheryl Gallant, MP.

"The decision to go after private, family-run campgrounds as a source of revenue to pay for out-of-control spending is a direct assault on middle class Canadians. Jobs in northern Ontario are scarce. This is another attack on rural Canada."

"Scattering a few crumbs at Northern Ontario ignores the real problem of unfair taxation."

"Small Campgrounds are asking to be treated like any other small business, which they are. By changing the way small campgrounds are taxed, they could be looking at a tax increase up to 50%, higher than many billion-dollar corporations. In Northern Ontario, camping is a seasonal business. Employing 5, full-time year-round employees is not realistic. This is penalizing children, seniors and working couples by taking away an affordable family vacation. Many international visitors come to Canada looking for an outdoor experience like an affordable campground holiday."

In addition to affecting the campground owners and the campers who use those campgrounds, the neighbouring businesses who service the campers will be adversely affected.

"Camping is a Canadian tradition. Not everyone can afford a cottage or a holiday property in the south of France like the current Finance Minister. He and the Prime Minister are out of touch with reality."

Camping is family time, getting kids off video games and out in nature and the great outdoors. Canadians are encouraged to be more active. These businesses need to be recognized for what they are, small family run businesses. Canada was built on an appreciation for the great outdoors. Stop the over taxing and support small business.

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For more information contact MP Cheryl Gallant at 613-732-4404

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