

ACMO & CCI-Toronto

Active

in lobbying efforts



Moderator Dean McCabe, RCM kept the panel on their toes at the HST Part 2 luncheon in October.



MPP Yasir Naqvi listens intently to the HST panel presentation at the September HST kick-off luncheon.



Left to right: Jeff Jeffcoatt, RCM, John Warren, CA and Lou Natale of Fogler Rubinoff LLP explain the potential impact of the proposed HST on reserve funds at the HST luncheon in October.

Photos: Kierstin Henrickson

The HST comes into effect in July 2010. Its impact on condominium corporations (both on the reserve fund and operating account) has been carefully examined by professionals in the condominium industry, and they have determined that the HST will have a significant impact on all owners. The impact is not only restricted to existing corporations, as its effect will be equally significant to new construction.

It is estimated that 85–90% of all reserve fund items will be affected and have to be increased because of the HST. The general consensus is that on average an owner's monthly common expense will increase by about 6.8% just because of the HST, and this is in addition to other normal increases (e.g., increase in utilities, inflation, etc.).

It will also result in an immediate shortfall in reserve funds (no longer adequately funded), which will require corporations to take steps to correct. This of course could result in a special assessment in some corporations.

Since the announcement of the HST a tremendous groundswell of condominium owners and professionals has arisen and we are all lobbying the government very hard for some form of accommodation.

The joint ACMO/CCI-Toronto Government Relations Committee has been working very hard in presenting arguments to the government to modify the application of the HST as it applies to condominiums. This Committee has had lengthy meetings with cabinet ministers, parliamentary assistants and their support staff to explain the unique impact of the HST on condominium owners that will not be experienced by other home owners.

The September panel engaged in a very lively and constructive discussion. Yasir Naqvi, MPP, Parliamentary Assistant to the Minister of Revenue, John Warren CA, condominium auditor, and Armand Conant, partner Heenan Blaikie, made up the panel.

The government has responded to all the efforts and pressure from the condominium world. We hope there will be some accommodation for condominiums and we will keep you advised of our progress.

With notes from Armand Conant, Heenan Blaikie, moderator of the September HST luncheon panel.



Overflow capacity watched the live feed panel discussion from another dining room.



In September, the distinguished panel included Armand Conant, as moderator, John Warren, CA and Yasir Naqvi, MPP and Parliamentary Assistant to the Minister of Revenue.



Over 400 ACMO members and their guests attended the September lunch that featured the Harmonized Sales Tax as the subject.