

Pontiac Council meeting - businesses upset about tax hikes

Mo Laidlaw

About 25 residents attended the rescheduled regular meeting of Pontiac municipal council on the 19th February 2019 at the Luskville community centre (the meeting on the 12th failed to reach quorum due to the major snow event).

Business tax increases

The non-residential tax rate (business etc) increased from 0.6778 in 2018 to 1.109 in 2019, an increase of 63%. (The bill also includes service fees for garbage and recycling which went down). The last increase in non-residential tax rate was in 2016 when it went from 0.6306, the same as the residential tax rate, to 0.6948, an increase of 10%.

The tax rates for other municipalities in the MRC des Collines for business properties are all much higher than the residential tax rates, varying from 38% more in Val des Monts to 86% more in L'Ange-Gardien. [See table.](#)

Siri Ingebrigtsen questioned the huge increase in her tax bill, without any warning. Her increase is 50%, \$1500 more than last year. Her property is apparently taxed as 85% non-residential although it includes her residence. Because she runs a horse riding and training establishment rather than breeding horses or raising them for slaughter, her property is not considered a "farm." (Farm businesses are taxed at the same rate as residential property and in most cases MAPAQ pays the land portion of taxes.)

Mayor Joanne Labadie replied that the municipality has additional expenses. Twenty five percent of taxes go to the MRC des Collines, mostly for the MRC Police. The municipal evaluation went down because more houses were lost because of floods and the tornado, than were built last year, making it very difficult to balance the budget. If the business taxes were not raised the residential taxes would have had to be raised by about 10% for all residences (about 4000) in the municipality. The budget and tax rates were adopted unanimously by council. Ingebrigtsen replied that she knew of two local business owners who were thinking of leaving the municipality. "Why not raise the taxes a little bit each year. This is a slap in the face for businesses."

Melvyn Maxsom handed council members a few pages of comments on the tax increases and the effects on local businesses (not available).

Kevin Brady asked if council members had been aware of the possible increases. Labadie replied that the Director of Finances had shown them the effect of across the board versus business increases during budget discussions. Mentioning another (bigger) horse riding operation, Brady asked why it hadn't been taxed as a business. (Half appears to be evaluated as "farm" and the other half as 88% residential, 12% business).

Jason Jones said that his commercial property includes a "junk house" that he was planning to demolish, but he will keep it to reduce his taxes. (Perhaps he should check with the MRC evaluation department to see if this will have the desired effect).

Ingebrigtsen asked which members of council are business owners registered in the municipality. Labadie said that she is co-owner of a business with her husband. Councillors Patry and Maxsom also put up their hands. Former mayor Roger Larose asked Patry what the increase was on her business taxes. She replied 46%. There is a suggestion that the municipality or MRC evaluator has not correctly identified properties used as businesses.

Correction:

Last month I reported that the increase in residential tax bills is effectively 2.2% according to the Finance director. This must be for an “average” property worth \$238,266 - in my case my taxes have increased by 3.7%.

Draft by-laws

Notice of motion was given for a borrowing bylaw for a loan of \$2 million for phase 2 of the ch de la Montagne paving project.

Notice of motion was given for a borrowing by law for a maximum of \$250,000 for a 10-wheel truck. The draft by-law was adopted with Councillor Maxsom voting against.

Other

Marc Papillon asked about the large dollar amounts in the triennial “program of expenditure” (translated elsewhere as “Capital asset plan).” Labadie explained that this is required by Québec. It is a list of proposed investments for the next three years, and the items may be eligible for provincial grants, or paid by donations, fund raising as well as by local taxes.

Compost

Sue Lamont asked about compost pick-up. Labadie replied that the Public works Director is looking at a new contract with the MRC in the next few weeks. The current garbage and recycling contract expires in May. Kevin Brady pointed out that Québec has two main directives (which could apply to compost pick up as well as garbage): 1. User pay, and 2. Social equity, treat citizens fairly.

Approved:

Invoices amounting to \$71,063 and fixed expenses for January, \$798,658; and incurred expenses for February, \$67,935.

Purchase of two used trucks for Public works for a maximum of \$25,000 each.

\$9,900 plus tax to CIMA+ for a study for the Lusville fire station exit onto the 148.

Mo’s reports are archived at: www.heritagepontiac.ca/Municipality

Table updated 20 March 2019, with La Pêche 2019 tax rates (not available at time of original report).

	Tax rates in 2019		
	Residential	Business	Difference
L’Ange-Gardien	0.6770	1.2600	86%
Pontiac	0.6809	1.1049	62%
La Pêche	0.7150	0.9294	30%
Cantley (2016)	0.7393	1.1599	57%
Chelsea	0.7672	1.0840	41%
Val des Monts	0.8869	1.2251	38%
ND de la Salette	n/a	n/a	