

LOCAL OPTION IN ASSESSMENT

Municipalities May Grant Partial Exemption of Homes

RATES DEFINITELY FIXED

Province to Increase Amount of Personal Income Not Taxable

Important amendments to the Assessment Act were adopted by a special committee of the Legislature last night which will be received with approbation by a large section of the people of the province. The two most important changes in the act are to grant local option to municipalities to grant partial exemption from assessment on the moderately priced houses; and to increase the amount of personal income that is exempt from taxation. Both these changes were adopted by the committee without opposition.

During recess the committee held several meetings to hear evidence on requested amendments to the act, and last night's sitting was the last to be held before the report is presented to the Legislature. Sir William Hearst explained that he had previously favored granting exemption to a certain amount on moderately priced houses. On further consideration, however, and after consultation with the experts of the Government he had decided that that was not the best thing to do. If that were done, in many small towns and villages where dwellings are assessed at a low rate, any amount that was fixed might result in relieving entirely from taxation quite a number of homes.

The Plan Adopted.

The plan which he then suggested and which was adopted is:

That if a house is assessed at not more than \$2,000 that it be actually assessed at 50 per cent. of the value, thus a \$2,000 house would be assessed for \$1,000;

That if a house is assessed at not more than \$2,500, the actual assessment will be at 60 per cent.;

That if a house is assessed at not more than \$3,000, the actual assessment will be at 70 per cent.;

That if a house is assessed at not more than \$3,500, the actual assessment will be at 80 per cent.;

That if a house is assessed at not more than \$4,000, the actual assessment will be at 90 per cent.

A house assessed at more than \$4,000 will be actually assessed at the full value.

This exemption is on dwelling, exclusive of land.

In the country, instead of confining the exemption to dwellings, it shall apply to all buildings up to the same value of assessment as in the urban centres, and at the same rate of exemption.

Must Submit By-law.

It is provided in the act, however, that these exemptions shall only be granted after the electors have expressed their willingness to make the change on a by-law being submitted to a vote.

Mr. C. H. Mills (North Waterloo) remarked that he did not believe the assessed value was the actual selling value of the property in most municipalities. It was pointed out, in reply, that that would make no difference. No matter what figure the assessor placed on the house, if it was less than \$4,000 the percentage exemption would apply.

The Prime Minister explained also