



Ontario Federation of Agriculture

Ontario AgriCentre

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October 1st, 2018

The Honourable Victor Fedeli
Minister of Finance and Chair of Cabinet
7 Queen's Park Crescent, 7th floor
Toronto ON
M7A 1Y7

Dear Minister Fedeli,

RE: MPAC Partitioning of Farm Lands

The Ontario Federation of Agriculture (OFA) is Canada's largest voluntary general farm organization, representing more than 37,000 farm family businesses across Ontario. These farm businesses form the backbone of a robust food system and rural communities with the potential to drive the Ontario economy forward.

Ontario farmers recognize and accept that not all land on their farms should be put into agricultural production. We also recognize that some non-farmed land on farms provide significant environmental benefits such as adverting soil erosion, protecting watersheds, and providing wildlife habitat.

Unfortunately, the Municipal Property Assessment Corporation's (MPAC) current assessment practice could force many farm owners to consider farming all areas on their farm properties, including marginal or sensitive land. The alternative would be to face a significant increase in property taxes.

MPAC is currently reassessing farm properties and expanded the residential assessed portion of these properties to include ravine lands, wetlands, and woodlots.

Inclusion of these non-farmed areas in the residential assessment instead of the farm assessment will result in a significant increase in property tax burden.

The OFA holds the view that all land on an active farm should be treated as agricultural land for property tax purposes. We understand that areas used for purposes other than for farm purposes are to be partitioned and assessed separately. However, we object to MPAC partitioning and taxing areas that are not explicitly used for farming activities. If no other purpose exists, then these areas should remain part of the farm lands. To do otherwise would force inappropriate farming practice through tax policy.

We ask that you direct MPAC to refrain from inappropriately subdividing farm lands, when no other purpose or use occurs to justify such partitioning.



OFA appreciates the opportunity to provide comments on this important issue. We trust that our concerns will be given the weight they deserve.

Sincerely,

A handwritten signature in black ink, which appears to read "Keith Currie". The signature is fluid and cursive, with the first name "Keith" and the last name "Currie" clearly distinguishable.

Keith Currie
President

cc: Hon. Ernie Hardeman Minister of Agriculture, Food and Rural Affairs
OFA Board of Directors