Name

Member of Parliament

Riding

Firstname.lastname@parl.gc.ca

Dear X,

Congratulations on your recent election/re-election in X (riding). As a constituent of yours, I look forward to working together on issues impacting our riding and my business.

I am writing today on behalf of {my business, talk a little about size employee #s}. and our concern regarding the proposed 10 per cent luxury tax on boats priced at $100,00 or more, which was introduced in the Liberal Party Platform during the recent federal election.

Recreational boating is a beloved national pastime and a significant contributor to Canada’s economy. We are a $10 billion industry, generating over 75,000 full-time jobs with tax revenues of over $860 million and an annual GDP of $5.6 billion.

Thousands of middle-class Canadian families choose to buy boats priced above $100,000 - fishing boats, pontoon boats, and ski and tow boats that get everyday families out on the water. These working-class Canadians are also employed in our industry – they service, sell and build boats of all styles and sizes. We are gravely concerned that the proposed luxury tax will be detrimental to these middle-class Canadians.

Similar ‘luxury taxes’ have been implemented and repealed in the U.S. in the past, but only after the real and devastating cost of the policy was fully understood. Thousands of workers who built and sold boats lost their jobs as demand for boats plummeted and the government saw a net loss in tax revenue. Once the new tax was implemented, consumers simply chose not to purchase boats, and redirected their disposable income to outdoor recreation options that did not include this additional tax. There are similar examples from New Zealand, Italy, Norway, Turkey and Spain where luxury taxes on boats were introduced and then quickly repealed as they decimated jobs and negatively impacted government tax revenue.

We encourage you to understand and learn from these international examples to avoid making the same mistake in Canada. If implemented, the proposed luxury tax would surely cause job losses at dealerships, local marinas, service shops, restaurants and other businesses who depend on recreational boating across Canada.

Our concern regarding the proposed luxury tax is heightened given the 2018 tariff imposed on recreational boats imported from the U.S. – a counter-measure in response to the U.S. tariffs on aluminum and steel. While we were able to successfully have the counter-measure dropped, the negative impacts linger. Overvalued inventory is still sitting at dealerships, which will eventually have to be sold at a loss.

We implore you to oppose the proposed luxury tax on recreational boats. While our industry has a significant economic impact, we are comprised of small businesses in small communities that cannot bear the negative impact that this tax will most certainly have.

Should you need any additional information, I can be reached at XX. Thank you in advance for your time and attention to this important matter.

Sincerely,

 Name

Business