

## **From the Desk of Sara Anghel, President, NMMA Canada**

Earlier this week, the government posted a notice of the final legislation containing the luxury tax, with a major win for our industry: **all deals signed before 2022 (by December 31, 2021) will now be exempt from the luxury tax**, regardless of delivery date. You will recall the draft version of the legislation had only exempted deals inked before April 20, 2021. This major concession is in direct response to concerns voiced by NMMA Canada, the MTAs and marine companies with Finance political staff and officials. This is in addition to the government previously responding to our advocacy and raising the price threshold for boats from \$100,000 to \$250,000. While the luxury tax is still coming into effect, we can take a moment to celebrate these two wins that will protect revenue and jobs in our industry. You can find a copy of the legislation [here](#) (see page 259 of the PDF).

On a non-luxury tax related note, some of our readers may have seen the last issue of Boating Industry Magazine in the U.S. announce its [Top 40 under 40 industry professionals](#). I am thrilled and proud to see that our very own Jim Wielgosz here in Canada made the list of outstanding professionals! Jim joined NMMA Canada in early 2020. He had the opportunity to meet industry stakeholders in-person only once at TIBS 2020 and then boom the pandemic hit. During these difficult months, Jim learned so much about the industry and worked so hard to support our members to navigate the pandemic. Through all of this front and centre we have been fighting the luxury tax. Jim took so much initiative on the fight and has never given up supporting the industry. Jim has an outstanding knowledge of government and its processes having worked for the Ontario Ford Government provincially and prior to that serving on the staff of the federal Finance Minister and the Prime Minister's Office. Jim has been an outstanding addition to our team. I am so thrilled his hard work is being recognized. Please join me in congratulating Jim.

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## **Luxury Tax Advocacy Drawing Attention at Home and Abroad**

Since the luxury tax was first announced in Fall 2019, NMMA Canada, the Marine Trade associations and marine businesses across the country have been vocally speaking out against the tax and putting forward ideas to lessen the damage to our industry. Actions have included multiple meetings with Finance department officials and Minister's office staff and submitting a [formal letter](#) in response to the government's draft legislation.

The European Union sent a letter to the Canadian government [voicing concerns](#) about the cumulative effect of other federal/provincial taxes and the effect of "high post-Covid 19 inflation". In Ottawa, Members of Parliament are also raising the alarm about the luxury tax. MP Adam Chambers (Simcoe North) has spoken in the House of Commons on three occasions about the threat of the tax on marinas and boating businesses in his riding. As Mr. Chambers said on April 4:

“We must carefully understand the negative impacts of certain tax policy changes. For example, the luxury boat and car tax we heard at committee will only increase the sales of these products in foreign markets, notably the United States. This will drive investment, jobs and taxes out of Canada with very little revenue increase for federal coffers. My riding has one of the largest freshwater marinas in the world, plus another dozen or so other marinas. This is going to take jobs out of my community and will hurt the people of Simcoe North.”