



365 Central Ave. N, P.O. Box 128
Swift Current, SK Canada S9H 3V5
Ph: (306) 773-7285
Fax: (306) 773-0837

#1-910 3rd Ave. W, P.O. Box 337
Shaunavon, SK Canada S0N 2M0
Ph: (306) 297-3383
Fax: (306) 297-3601

201 3rd Ave. W, P.O. Box 748
Assiniboia, SK Canada S0H 0B0
Ph: (306) 642-2242
Fax: (306) 642-2245

September 8, 2017

The Honourable William F. Morneau
Minister of Finance
Finance Canada
90 Elgin
OTTAWA, ON K1A 0G5

Dear Minister Morneau:

Re: Tax Planning Using Private Corporations

Thank you for the invitation to comment on Finance Canada's July 18, 2017 paper to address tax planning using private corporations.

We are a CA, CPA firm providing professional services to small businesses and the agricultural community in southwest Saskatchewan.

- We recognize the prerogative of the Canadian government to modify legislation, including income tax legislation, to address policy objectives of sustainable growth and competitiveness.
- We endorse the fundamental principles of simplicity, efficiency and fairness in drafting income tax legislation and believe these principles should be strictly adhered to.
- We believe substantive and pervasive legislative changes such as those being proposed should be based on evidence and subject to a robust and extensive consultation process which includes all stakeholders.
- We submit the current 75 day consultation period provided during the summer/harvest period is NOT acceptable and appears disingenuous. Further, the language being used by you and Finance officials to support the changes is offensive and appears to be promoting 'class warfare' amongst Canadians.

The July 2017 proposals will have a profound impact on small business and not only will 'wealthy taxpayers' be affected, so too will a significant number of 'middle-class' Canadians who are farmers, small business owners and their employees.

In the Finance Department's July paper you stated the government is interested in a "...tax system that is fair..." and the proposed legislative changes are "...about creating fairness...".

/...2

If you and your government are genuinely interested in fairness, you must undertake a more robust and comprehensive consultation process. We strongly encourage you to defer implementation of the July 2017 proposals and initiate a full review of the impact these proposed legislative changes will have on small business and private companies. An independent commission to consider pervasive change would be a clear signal that your government has heard the concerns of Canadians and would ensure the integrity of the changes being contemplated.

Canadians deserve better.

Yours truly,
Stark & Marsh CPA LLP
Swift Current, Saskatchewan

NOTE – We consent to the disclosure of our submission in whole or in part.

C.C.: Ralph Goodale, MP
David Anderson, MP
Brad Wall, MLA, Premier of Saskatchewan
Canadian Chamber of Commerce
Swift Current Chamber of Commerce
Saskatchewan Chamber of Commerce
CPA Saskatchewan
CPA Canada