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Taxpayer group to sue over budget

Canadian Taxpayers Federation plans to file suit against Ontario over tax hikes

BY GILLIAN LIVINGSTON
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Ontario's Liberal government will be slapped with a lawsuit claiming it brought in a budget that violates the province's Taxpayer Protection Act, the Canadian Taxpayers Federation said today.

"On May 18, the McGuinty government declared war on taxpayers," Tasha Kheiriddin, the federation's Ontario director, said in a release.

"Today, taxpayers begin fighting back."

The budget imposed new health-care premiums and raised taxes on tobacco and alcohol, among other things.

The federation will file formal papers to launch the lawsuit next week.

"Essentially, they have violated the law" by raising taxes in the budget, Kheiriddin said in an interview.

"We would like a court to say to the government that you cannot do this unless you have a referendum first as the law requires," she said.

"We want to see the law upheld that protects taxpayers."

Finance Minister Greg Sorbara wouldn't comment on the possibility of a lawsuit, but said the government will be putting forward legislation that will change the Taxpayer Protection Act to allow the health premium to be introduced.

Sorbara said that legislation follows the same mechanism used previously by the former Conservative government.

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Although the government promised during last fall's election campaign not to raise taxes, it had to be done to improve the province's social services, Sorbara said after making a speech to the Rotary Club of Toronto.

"The point that we make in this budget is that the responsible thing to do is to present a four-year plan in which we can have the resources to transform health care, to get on with education reforms, to get on with building stronger communities, to get on with helping the most vulnerable, and that's what we're doing," he said.

But the government shouldn't be able to change the law just to suit its current needs, Kheiriddin said.

"We don't think they should amend it whatsoever; we think they're stripping taxpayers of one of the few protections they have, which is the Taxpayer Protection Act, which says you can't raise taxes unless you consult people first," she said.

The federation has received hundreds of calls and e-mails asking it to begin legal proceedings and has 20,000 signatures on an [online petition](#), Kheiriddin said.

The group, a non-profit government watchdog on spending and taxation, also plans to hold what it calls a No More Lies rally at the legislature during the week of June 7.

The new health premium, which is based on an income scale, will cost taxpayers between \$300 to \$900 each a year.

In the budget, the government also cancelled Ontario Health Insurance Plan coverage for routine eye exams, chiropractic treatment and physiotherapy services, opting instead to spend \$156 million over three years on children's immunizations for chickenpox, meningitis and pneumonia.

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