

# Eco-charges an illegal tax, say critics

BY BRIAN LILLEY, NATIONAL BUREAU

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The Ontario eco-fee, aimed at helping the environment, is nothing more than an illegal tax, says a lawyer for a corporate law firm.

"The province of Ontario is not allowed under the constitution to impose indirect taxes," Cyndee Todgham Cherniak of McMillan LLP told QMI Agency, regarding the provinces environmental handling fee.

Todgham Cherniak says that \$25 fee now being charged on new television purchases and other such fees amounts to an indirect tax because it funds government initiatives, even though it's included in the sticker price. The "brand owner" or importer is initially hit with a fee through a private, not-for-profit body called Stewardship Ontario, which is then passed on to the consumer.

McGuinty's dabbling in eco-taxes blew up in the summer of 2010 when he rolled out new fees on hundreds of products from paint and household cleaners to batteries and pretty much anything with a chemical compound in it.

After public outcry, McGuinty backed down and removed the new eco-taxes, but the fees on electronics stayed. Those fees range from 5 cents on a litre of oil to \$25 on a new television.

Todgham Cherniak says the way the eco-fees are set up is what makes them a violation of the constitution.

She also told QMI that the Waste Diversion Act calls for fees to be charged when people throw away their unwanted radios or batteries, not when they purchase them new.

"The only thing that can be subject to an eco-tax is designated waste," said Todgham Cherniak.

"We're getting taxed by stealth," said Peter Coleman, president of the National Citizens Coalition. "Where is this money going to? What are they using this money for?"

Coleman and Todgham Cherniak, among other critics, have long complained the program lacks transparency and accountability.

Todgham Cherniak said voters have the perfect opportunity to fix this problem during the elections.

"We can either say stop charging these illegal taxes, do things properly or we'll vote you out."



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