



**JESSICA
BELL**

MPP Riding University—Rosedale
Député provincial de University—Rosedale

Minister of Municipal Affairs and Housing Paul Calandra
Ministry of Municipal Affairs and Housing
17th Floor, 777 Bay St.
Toronto, ON M7A 2J3

May 13, 2024

**RE: No tenant should risk eviction because their foreign landlord
isn't paying taxes**

Dear Minister Calandra,

Our office has been receiving phone calls from tenants who are worried and stressed out because they fear they are at risk of being evicted because their foreign landlord is not paying their fair share of tax to the Canada Revenue Agency.

I'll explain with an example. We recently had a tenant contact our office. He'd read about the recent court decision¹ ruling that tenants could be liable for their foreign landlord's failure to pay their fair share of taxes to the CRA and was concerned this rule could affect him.

The tenant asked his landlord if he was paying the non-resident tax, and the landlord refused to answer. The tenant contacted the CRA, and the CRA told him to withhold 25% of his rent and pay it directly to the government. On its website, the CRA says it will charge interest and may issue fines if a tenant does not comply.²

The tenant asked the CRA if their landlord was a foreign landlord, and the CRA refused to say, citing privacy reasons. The tenant asked the landlord if they were a foreign owned landlord and they also refused to say. The tenant told the landlord that if he didn't disclose whether he was paying tax he would have to submit the tax himself. The landlord told the tenant that if he withheld rent, he'd be evicted.

¹ <https://www.theglobeandmail.com/real-estate/article-foreign-landlord-fails-to-pay-taxes-cra-goes-after-tenant/>

² <https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/rental-income-non-resident-tax/filing-reporting-requirements.html>

COMMUNITY OFFICE

719 Bloor Street W, Unit 103
Toronto, ON M6G 1L5
☎ 416-535-7206 ✉ JBell-co@ndp.on.ca

QUEEN'S PARK

Room 384, Main Legislative Building
Queen's Park, Toronto, ON M7A 1A5
☎ 416-325-1620 ✉ JBell-qp@ndp.on.ca

This tenant is now caught between a rock and a hard place, and he's not the only one. Every renter who is living in a property owned by a non-resident could be in the same horrible predicament.

No tenant should have to risk eviction for paying their foreign landlord's tax bill. This is fundamentally unfair, and it is fundamentally un-Canadian.

In this incredibly expensive housing market tenants have it hard enough. They don't need the CRA going after them because they happen to live in a home owned by a non-resident who doesn't want to pay their fair share of tax.

We are requesting the following measures to quickly resolve this situation.

- The province should direct the Landlord and Tenant Board to deny any landlord's application to evict if the tenant is being told to withhold rent to pay their landlord's tax bill.
- The CRA should work with the federal government to reverse this rule immediately, and not force tenants to pay their foreign landlord's taxes.
- The CRA should direct its resources to ensure all landlords pay the taxes they owe.
- Ontario should establish a beneficial ownership registry so the identity of a property owners is part of the public record, and a tenant can easily know if their landlord is a foreign or not.

Thank you for your attention to this pressing issue, and I await your response and your advocacy on this issue.

Yours,



Jessica Bell

MPP for University-Rosedale

Cc:

Honourable Marie-Claude Bibeau, Federal government Marie-Claude.Bibeau@parl.gc.ca