

## Tax Systems at Work

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### **Q. Do you remember the deciding factor when the First Nation first contemplated property taxation?**

**A.** The deciding factor was prior to my employment here but I do recall that the community really looked at the overall job creation for our members and the working relationship with the neighbouring municipality.

### **Q. What would you like to see the revenue used for? Are there development plans in the works right now?**

**A.** Chief and council are looking to better the education facility for our youth. It is the highest priority for the new generation and the biggest concern for community members. We are also working toward the construction of a recreation facility that will consist of baseball fields, lacrosse box, gymnasium and cultural facility.

### **Q. What type of response do you get from your membership about property taxation?**

**A.** The response from the community was not all positive at the start. The real issue was where these dollars would go. Once the community understood that the revenue would create job opportunities, village maintenance, water and sewer operators, etc. it was ok. The concern now is that our native homes will be taxed but discussion and open communication are key to our success.

### **Q. What has the reaction from taxpayers been?**

**A.** Open communication with the taxpayers is also key. We have regular meetings with the parks committee which consists of representatives from all manufactured home parks. We also provide a newsletter to taxpaying citizens to inform them of what is happening or what changes will occur. They want to be kept up to date and I think we do a pretty good job of that.

### **Q. Do you have a property tax story you would like to share with our readers?**

**A.** My position, as the property tax administrator for Tsawout Community, has been a great experience and has lead to another position. As of June 2004, I am also Manager of Public Works at Tsawout. This involves working with all the infrastructure of the Band and with any new commercial developments within the band.

Property taxation is great for all communities. It does not matter how big the First Nation is. We all work together for better services for everyone in our community.

## CLASS Survey Results

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Upon conclusion of the survey and review of the feedback, it was mostly found that CLASS software continues to be a valuable tool for tax administrators. However, as a result of a few recommendations, the software program is currently being updated.

The updates will enhance and ensure uniformity, standardization, retention of historical data, adaptability to accounting programs, and generate various reports.

Upon successful testing of the software, CLASS 2006 will be released to CLASS users.

## Talking Stick

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Prior to his appointment to the Bench, he was Chief Commissioner of the Indian Claims Commission and Commissioner at the Indian Commission of Ontario. Previous to that, he was in private practice with a focus on aboriginal rights law.

Use of the Talking Stick is a traditional practice common to many First Nations in North America. For Mr. Justice LaForme, the Talking Stick plays an important role in the rituals and ceremonies of his community. It symbolizes the obligations of the speakers and the listeners in the Talking Circle. As the Talking Stick is passed from hand to hand between the people sitting in the Circle, it gives strength to the speaker and reminds the listeners to listen with openness and honesty.

**INDIAN  
TAXATION  
ADVISORY  
BOARD**



**COMMISSION  
CONSULTATIVE  
DE LA FISCALITÉ  
INDIENNE**

### **Head Office**

321-345 Yellowhead Highway  
Kamloops, BC. V2H 1H1

Telephone: (250) 828-9857 Fax: (250) 828-9858

### **Eastern Office**

Lorne Building, 90 Elgin Street  
Ottawa, ON. K1A 0H4

Telephone: (613) 954-6201 Fax: (613) 954-2073

**www.itab.ca**

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# CLEARING THE PATH

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## Committing to FSMA Growth

The *First Nations Fiscal and Statistical Management Act* (FSMA) is an important step for many First Nations on the road to self-government. The legislation has generated a lot of interest and a number of First Nations have passed band council resolutions requesting they be added to the FSMA schedule.

ITAB will soon be hosting a special meeting for these First Nations. The meeting will offer an opportunity for discussion on: implementation of the FSMA for First Nations seeking tax jurisdiction; First Nation transition to the FSMA for current First Nation tax authorities; and ITAB transition to the FNTC.

For ITAB and the many First Nations who have long supported this legislative initiative, the implementation of the FSMA represents an important milestone in asserting jurisdiction and improving First Nation economies.

## CLASS Survey Results

In October 2005, ITAB invited over 36 participants to take the “*CLASS Software Review Evaluation*” survey. The survey was conducted during the period of October 26 – November 14, 2005. Of the 36 surveys circulated, 23 responses were received.

The survey consisted of 26 questions about functionality, technical applicability, training, service, support, and cost of software. The objective was to determine what changes to software and service are required in order to provide the best product, technical support and training.

To undertake the review of the CLASS software, a working group was formed, namely Allyson Fraser and Dawn Campbell of Musqueam Indian Band, Shelley Petersen and Jean Hoover of Lower Kootenay Indian Band, Terry Nicholas of Columbia Lake First Nation, and Denise Birdstone of Tobacco Plains.

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Mr. Justice Harry LaForme with Talking Stick presented at Law Society of Upper Canada ceremony in honour of his appointment to the Ontario Court of Appeal. *See story on page 2.*

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## Chairman's Message

Welcome to the spring edition of *Clearing the Path*. With spring comes renewal, rebirth and growth.

Today, we have a new government and a new Minister of Indian Affairs and Northern Development, the Honourable Jim Prentice. We worked closely with Minister Prentice last year when the *First Nations Fiscal and Statistical Management Act* (FSMA) was in the House of Commons. His dedication to ensuring the legislation was passed and his genuine interest in bettering the economic situation on First Nation lands earned the respect of our team. I look forward to building on our relationship and moving ahead with this and other initiatives that we both agree need to be advanced.



The *First Nations Fiscal and Statistical Management Act* will come into force this year. This will lead to, among other things, the transition of ITAB to the new First Nations Tax Commission. We now have 20 First Nations that have passed band council resolutions to have their names added to the schedule of the FSMA and the interest among First Nations continues to grow. ITAB is working to assist these First Nations with any changes to their property tax systems.

I am excited about the progress we have made with the FSMA and, although we have much work to do to implement the legislation, there is even more we can do in our communities. I have a vision of First Nations that have developed tax systems and have committed to fostering economic growth.

ITAB is fortunate to work closely with a constituency of First Nations that are committed to developing a market-based economy. Together, we have developed a mechanism for financing infrastructure improvements because we want to attract investment. We have created a comprehensive accountability regime that will provide greater investor certainty because we want to be seen as good places to invest. And, I believe it is incumbent on organizations like ITAB to demonstrate the success of this approach to economic prosperity to First Nations and other First Nation organizations.

I hope you enjoy this edition of our newsletter.

Sincerely,

C.T. (Manny) Jules  
Chairman

## Justice Harry LaForme Honoured with Talking Stick

On January 11, 2006, C.T. (Manny) Jules was Master of Ceremonies to honour his longstanding friend, Justice Harry LaForme for his November 2004 appointment to the Ontario Court of Appeal. At the ceremony, hosted by the Law Society of Upper Canada, Justice LaForme was presented with a Talking Stick.

Peers, mentors, and friends of Justice LaForme were there to honour him, including Assembly of First Nations' National Chief Phil Fontaine and Satsan Herb George.

Mr. George described the history of the West Coast tradition of the Talking Stick, uniting the traditions of First Nation people from British Columbia with those from Ontario.

A member of the Mississaugas of New Credit First Nation and the first Aboriginal ever appointed to a court of appeal in Canada, Mr. Justice LaForme received a Bachelor of Laws from Osgoode Hall in 1977 and was admitted to the Law Society of Upper Canada in 1979. He was first appointed to the Ontario Court of Justice (General Division), now the Ontario Superior Court of Justice, in 1994.

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Jan Davis, ITAB Financial Officer, is presented with a CAFM certificate by Ernie Daniels, President and Chief Operating Officer of the AFOA.

## ITAB Chairman to AFOA: “Innovation Requires Dedication”

Winnipeg was the location of the 5<sup>th</sup> National Conference of the Aboriginal Financial Officers Association of Canada (AFOA) held February 22-23, 2006. ITAB Chairman, C.T. (Manny) Jules addressed the delegates in a workshop called “The New First Nations Fiscal Institutions - Up and Ready to Go.”

During his address, Mr. Jules spoke about the work around the implementation of the *First Nations Fiscal and Statistical Management Act* and the development of the First Nations Tax Commission. Emphasizing that innovation often requires perseverance and dedication, Mr. Jules illustrated how First Nation taxation continues to grow despite adversity expressed by some First Nations.

The AFOA was founded as a not-for-profit association in 1999 to enhance Aboriginal financial practices and management skills.

Ms. Jan Davis, ITAB financial officer, was one of 53 delegates to receive a Certified Aboriginal Financial Management (CAFM) designation at the conference. The CAFM designation is the preferred credential for Aboriginal financial management positions in Canada. It identifies one as a highly qualified financial management professional in tune with today’s challenges.

Congratulations Jan!

## Tax Systems at Work Interview with Maryanne Sam, Tax Administrator for Tsawout First Nation

For a more intimate look at First Nation property taxation, we will be featuring articles to show how tax systems work. In this edition, we interview Maryanne Sam from the Tsawout First Nation about their tax experience.

### Q. Can you tell me a bit about your First Nation?

Tsawout was created in 1957 when the Saanich Tribe was divided into 4 reserves (Pauquachin, Tsawout, Tsarlip, Tseycum). Our membership consists of about 876 members (approximately 15% off-reserve). We have 400 native residents on reserve and 1250 non-native.

We have a cultural longhouse, administration band office, education and cultural centre, and a health facility.

### Q. When did you enact a property taxation bylaw?

A. The bylaw was passed in 1994. Tsawout has been collecting property taxes since October 1994.

### Q. What type of taxable property is located on your reserve?

A. Tsawout currently has leased properties consisting of two motels, a gas station, two restaurants, a new RV park, and 15 manufactured home parks.

### Q. How much revenue is generated from property taxation by your community and what has the revenue been used for?

A. The revenue in the beginning was very limited since the majority of properties were manufactured home parks.

However, the revenue has assisted us in building the new administration building and the health facility. We have also contributed to upgrading our water and sewage system and we recently opened a small community store.



Tsawout First Nation Administration Office

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