

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

---

**Official Report  
of Debates  
(Hansard)**

T-14

**Journal  
des débats  
(Hansard)**

T-14

**Standing Committee on  
Regulations and Private Bills**

**Comité permanent des  
règlements et des projets  
de loi d'intérêt privé**

1<sup>st</sup> Session  
42<sup>nd</sup> Parliament

Wednesday 30 September 2020

1<sup>re</sup> session  
42<sup>e</sup> législature

Mercredi 30 septembre 2020

---

Chair: Deepak Anand  
Clerk: Isaiah Thorning

Président : Deepak Anand  
Greffier : Isaiah Thorning

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<https://www.ola.org/>

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7400.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7400.

---

House Publications and Language Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service linguistique et des publications parlementaires  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

ISSN 1180-4319

## CONTENTS

Wednesday 30 September 2020

Cherry Hill Orchards Pelham Limited Act, 2020, Bill Pr23, Mr. Oosterhoff .....	T-45
Mr. Sam Oosterhoff, MPP	
Mr. Patrick Bush	
2404907 Ontario Ltd. Act, 2020, Bill Pr24, Mr. Thanigasalam .....	T-47
Mr. Vijay Thanigasalam, MPP	
Ms. Maggie Vuu	
Tapir Corporation Act, 2020, Bill Pr25, Mr. Bailey .....	T-49
Mr. Robert Bailey, MPP	
Mr. Michael Mumby	



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE  
ON REGULATIONS  
AND PRIVATE BILLS**

Wednesday 30 September 2020

**COMITÉ PERMANENT DES  
RÈGLEMENTS ET DES PROJETS  
DE LOI D'INTÉRÊT PRIVÉ**

Mercredi 30 septembre 2020

*The committee met at 0901 in committee room 1 and by video conference.*

**The Chair (Mr. Deepak Anand):** We officially start the meeting.

I'm just going to go through the list of the members who are here. We have MPP Oosterhoff and MPP Lindo in person, and we have MPP Blais, MPP Gila Martow, MPP Billy Pang, MPP Dave Smith, MPP Jamie West, MPP Daisy Wai, MPP Bob Bailey, MPP Vijay Thanigasalam and MPP Bouma.

Thank you, everybody, for coming. This is my first meeting I'm chairing after the coronavirus, so hopefully it will go well.

The Standing Committee on Regulations and Private Bills will now come to order. We have three private bills on the agenda today which we will consider.

**CHERRY HILL ORCHARDS  
PELHAM LIMITED ACT, 2020**

Consideration of the following bill:

Bill Pr23, An Act to revive Cherry Hill Orchards Pelham Limited.

**The Chair (Mr. Deepak Anand):** I'd like to ask MPP Oosterhoff to introduce himself.

**Mr. Sam Oosterhoff:** Thank you very much, Chair. I do support this private bill. Mary Louise Haun has applied for special legislation to revive Cherry Hill Orchards Pelham Ltd. The applicant represents that she was a director of the corporation when it was dissolved. The corporation was dissolved under the Business Corporations Act on June 25, 2018, pursuant to articles of dissolution, and the applicant would like to revive the corporation in order to deal with certain property that was held in the corporation's name at the time of the dissolution. And I do support this bill.

**The Chair (Mr. Deepak Anand):** Now I'll ask the applicant's solicitor, Patrick Bush, to introduce himself. Can you please unmute yourself?

**Mr. Patrick Bush:** Oh, sorry. I think I tried to unmute, but you did it for me.

My name is Patrick Bush. I'm a lawyer for the applicant, and I'm here to answer any questions that you might have about the application.

**The Chair (Mr. Deepak Anand):** Thank you so much. MPP Oosterhoff, would you like to add any other comment?

**Mr. Sam Oosterhoff:** No, Chair.

**The Chair (Mr. Deepak Anand):** All right.

Solicitor Bush, would you like to have any other comments?

**Mr. Patrick Bush:** I'm not sure if I make a first submission or I just await questions. I'm not sure what the traditional procedure is.

I can perhaps provide a little bit of background on the situation, if that might help.

**The Chair (Mr. Deepak Anand):** Yes, that would be appreciated. Thank you.

**Mr. Patrick Bush:** Okay. Perfect. So my clients had three corporations that they used in the running of their business of an orchard. They're near retirement age. They're in their eighties now, so they were looking to wrap things up and deal with the next phase of their lives, being retirement.

Their three corporations—they had a previous accountant and a previous lawyer determine that they should dissolve one of these corporations, and they chose the one that is the subject of this committee meeting and this private bill. They selected the wrong one. This one had significant shareholder loans still outstanding to the shareholders. They dissolved this one, had our client sign off on it on the advice of their accountants and their lawyers.

They signed off on it, dissolved it and immediately realized their mistake, that it was not this corporation which was to be dissolved. This one was to be kept in place for the next several years in order to have their retirement plan fulfilled. So they immediately sought the advice of other accountants and other lawyers who advised that, yes, this one was erroneously dissolved. It was supposed to be another of the corporations that was to be dissolved. And that's where we find ourselves making the private member's bill in order to revive this corporation.

**The Chair (Mr. Deepak Anand):** Is there any comment from the government side? I see a hand raised from MPP Gila Martow, first, and then MPP Dave Smith. Go ahead, please.

**Mrs. Gila Martow:** Hi. I've been on this committee quite a few times, and I just want to say to the solicitor that it was something that was a bit of a surprise to me when I was elected, because I feel it's a very grave responsibility. We're putting our trust in you to tell us the full story, that nobody is being taken advantage of in some way by

reopening a corporation—I can't imagine that would be the case—and that it was just, as you said, a mistake. We hear of a lot of corporations that are shut down. Maybe it's time for a better public service message to all our corporations in Ontario to let them know that this happens often and that they should be a little more careful. It's very complicated to revive.

Of course, I personally want to support you and your client. We're putting our trust that if there's anything we should know, please share it with us. Otherwise, I personally support it. Thank you.

**The Chair (Mr. Deepak Anand):** Solicitor Bush.

**Mr. Patrick Bush:** I agree with that. When I explained to my client the process of reviving, they said, "Wow, we have to do all of that just based on this mistake?" I said, "Unfortunately, that is the reality. When you voluntarily dissolve a corporation, you have to do this, this and this and actually enact a piece of legislation."

Hopefully they've imparted to their friends and everybody else that they've talked to how serious an implication it is when you erroneously dissolve a corporation.

**The Chair (Mr. Deepak Anand):** MPP Smith.

**Mr. Dave Smith:** There is shareholder equity that's available in this company? Is that what I understand?

**Mr. Patrick Bush:** Yes. Prior to the dissolution, there were shareholder loans that were owing to the shareholders. Part of their entire plan with the multiple corporations was that they loaned the money to this corporation and part of the retirement process was that those shareholder loans were going to be repaid to them over their retirement years.

**Mr. Dave Smith:** What happened to the assets, then, when they dissolved the company?

**Mr. Patrick Bush:** The assets would have passed off to the shareholders as part of dissolution.

**Mr. Dave Smith:** If there are shareholder loans but there are no assets, how are they repaying them by bringing the company back to life?

**Mr. Patrick Bush:** It was going to be through a series of interrelated company transactions as designed by the accountant.

**Mr. Dave Smith:** So the company has no assets right now, but it has shareholder loans, money that would be going to the owners of the company, the shareholders themselves?

**Mr. Patrick Bush:** Yes, yes. Exactly.

**Mr. Dave Smith:** How are you going to get any funds, if the company has no assets, to pay those loans?

**Mr. Patrick Bush:** I don't know the specifics of that. It was designed by the accountants and that was part of the initial retirement planning process that they had, through a series of intercorporate transactions where the other related corporations, who potentially have other relationships with the corporation, would provide the money, which would be paid back to the shareholders in the form of the repayment of the shareholder loans.

**Mr. Dave Smith:** Are there tax implications where they're avoiding paying taxes by doing it this way?

**Mr. Patrick Bush:** I think the result could be that there is going to be a lowering of the taxes, to take advantage of

those shareholder loans that were still owing. But I think that it is a situation where that was the original intention and, based on the erroneous advice of the lawyer and the accountant, they dissolved the wrong corporation and were not able to take advantage of that.

**Mr. Dave Smith:** Where I'm struggling with all this—I'll come back to it again—is that the company has no assets. The company owes money. You want to be able to transfer that money back to the shareholders themselves. The shareholders have other companies. The other companies that would be transferring the money to the shareholders directly are instead going to transfer the money into this company to realize a tax saving so that they can pay off the shareholder loans.

Really, it's just a shuffling of the shells. It has nothing to do with whether or not the client can receive the money; they can through the other companies. It is purely to avoid paying taxes that this would be done.

**Mr. Patrick Bush:** I think it is part of their tax planning that was initially the plan years ago, the result of which is that the tax savings that they are qualified for and that they have been qualified for for many years, they will now realize those through the repayment of those shareholder loans.

**0910**

**Mr. Dave Smith:** Right. So ultimately it is about avoiding paying taxes. That's what it really comes down to on this. It's not that they can't get the money, because the money is available in the other companies. They're going to transfer the money from the other companies into this company to reduce the amount of tax they're going to have to pay. They could have done it well before they dissolved the company. They made a mistake, and now they want to get a tax advantage, to fix the mistake that they made. You're asking us to revive the company so that they can avoid paying taxes to the province of Ontario.

**Mr. Patrick Bush:** I think we would classify this more so as that was their initial tax plan that they'd been working toward for many years—

**Mr. Dave Smith:** Regardless of what their original plan was—the original plan was to do X, Y and Z, and they did Q instead. That may have been a mistake; it may not have been a mistake. But ultimately, by bringing this back to life, they are avoiding paying taxes to the province of Ontario. And you're asking us, then, to let them avoid paying taxes by bringing this up.

Whether it was their original plan or not, whether their accountant had done the right thing or not, that really is irrelevant. What you're asking us to do is you're asking us to bring this company back to life so they can pay less taxes, because they got bad advice from an accountant. You pay your accountant to give you good advice. You pay your lawyer to give you good advice. If you have bad advice from them, that is not our responsibility. It's your responsibility as a company to hire the right people to give you the good advice.

**Mr. Patrick Bush:** I agree with that. I think that was their initial mistake, that they had the wrong person in there providing them the advice, the wrong lawyer fulfilling the paperwork to dissolve the corporation in the first

place. But I see this as the taxes and the tax planning that they had originally intended. It's not a transaction where they are trying to find a way to pay less tax. It's a way to have the tax plan in place where they will pay the tax that they originally intended to and to save based on their structure of transactions throughout the course of their running of this business.

**Mr. Dave Smith:** And because they got bad advice from somebody else, you want us to revive it so that they can get better advice. How do I do that with someone who doesn't have the assets that they have? How do I do that with somebody who doesn't have the ability to hire a second lawyer to give them a better piece of information or a different accountant to give them better information? How do we do that equitably across the province? Ultimately, I come back to how you're asking us to revive this company so that your clients can pay less tax to Ontario.

**Mr. Patrick Bush:** Yes, I think that is the ultimate result, but I think the original result with the tax planning prior to this—if it was bad advice or erroneous advice or somebody made a mistake—that was how their entire series of their business was structured, to take advantage of what the tax laws are. I wouldn't classify this as a case of avoiding tax; I would classify this as tax planning that they had been doing for many years. Due to either bad advice, erroneous advice or a mistake on the part of their lawyers or accountants, the result of that is the dissolution of this corporation. We are simply looking to revive that, so they can realize their tax planning that they've been doing for their whole life to fund their retirement.

**Mr. Dave Smith:** So if I own a company and I hire a marketing company to do a marketing plan for me, and they do a crappy job and I paid them for it, and I have less revenue as a result of it and I end up with less money in my pocket, is that something that the government should take a look at? Because this is no different. If you hire a professional to give you advice for something, and they give you bad advice and you follow that bad advice, there are financial consequences of it. Why should we bail them out? That's really what it comes down to: Why should we bail them out when what we're doing is we're reducing the amount of tax that will come to us, because they got bad advice from somebody else?

**Mr. Patrick Bush:** I don't think I would classify it as the government bailing them out. I would classify this as part of the process where we are required to revive the corporation. If we look at a situation where the corporation is dissolved because they did not make their corporate filings, then there is a different process for reviving the corporation. Unfortunately, we have a voluntary dissolution. So we have a mistake involved in the failing to file the corporate returns, and we have a situation where they had bad advice and they dissolved the corporation voluntarily themselves. This is the just the process by which it has to be revived.

I don't see it as a case of the government bailing them out. I see it as a case of this is the process by which they would revive the corporation and correct that mistake.

**Mr. Dave Smith:** All right. Thank you.

**The Chair (Mr. Deepak Anand):** MPP Blais, did you raise a hand? Would you like to say something?

*Interjection.*

**The Chair (Mr. Deepak Anand):** Sorry, we're still on the government. Anyone else from the government side wanting to comment? Seeing none, if any other members want to comment—I see MPP Jamie West. Go ahead, please.

**Mr. Jamie West:** Mr. Bush, I'm just curious on the type of property. This is a certain property, and is this residential, commercial or farmland? I'm just curious.

**Mr. Patrick Bush:** At the time of dissolution, the corporation, as part of the dissolution process, transferred any of its existing property over to its shareholders. The property that remains is the liabilities associated with the shareholder loans that it still owes to the shareholders.

**Mr. Jamie West:** So it's not a physical property?

**Mr. Patrick Bush:** No, it's not a physical property. It's the liabilities associated with the corporation.

**Mr. Jamie West:** Okay. That's all I wanted. Thanks, Chair.

**The Chair (Mr. Deepak Anand):** Any other comments or any other questions? Seeing none, are members ready to vote? Thank you.

Bill Pr23, An Act to revive Cherry Hill Orchards Pelham Limited: Shall section 1 carry? All in favour? Anyone opposed? None. Carried.

Shall section 2 carry? All in favour? Anyone opposed? Seeing none, carried.

Shall section 3 carry? All in favour? Anyone opposed? Seeing none, carried.

Shall the preamble carry? All in favour? Anyone opposed? Seeing none, carried.

Shall the title carry? All in favour? Anyone opposed? Seeing none, carried.

Shall the bill carry? All in favour? Anyone opposed? Seeing none, carried.

At this time, shall I report the bill to the House? All in favour? Anyone opposed? Seeing none, I'll be reporting the bill to the House.

Thank you, solicitor Bush. Thank you so much for coming. Thank you, MPP Oosterhoff, for your support.

## 2404907 ONTARIO LTD. ACT, 2020

Consideration of the following bill:

Bill Pr24, An Act to revive 2404907 Ontario Ltd.

**The Chair (Mr. Deepak Anand):** Now we're moving on to Bill Pr24, An Act to revive 2404907 Ontario Ltd. We have the sponsor, MPP Vijay Thanigasalam. At this time, I'll ask MPP Vijay to introduce himself. And any comments?

**Mr. Vijay Thanigasalam:** Good morning, Chair. I have no comments on this bill.

**The Chair (Mr. Deepak Anand):** Thank you so much. At this time, I would like to call the applicant, Maggie Vuu, a parliamentary agent. Introduce yourself. And your comments?

**Ms. Maggie Vuu:** Hi, sir. Good morning. How are you? Should I go and talk about why I am requesting to revive this company?

**The Chair (Mr. Deepak Anand):** Yes, please.

0920

**Ms. Maggie Vuu:** Okay. This is a company that—my husband and I basically hoped to have an autobody shop. We went to banks and stuff like that, and no one approved us, so we went to a private lender. We bought land in Stouffville, and he basically signed a contract, everything, with us. He said that the whole process of buying the land and to build the building, it's roughly about \$3 million and it will be done in a year, with the amount that we have to put down roughly about \$300,000. That's the fee for him. So we pay everything to him, and after two years or three years, it's still not done, and then he just said that he doesn't want to do it anymore.

Long story short, he basically came back and sued us for the difference of the amount that he put out. When we go through all that, I don't know why and what we were thinking, my husband and I—we somehow closed his account by not thinking. Now we're in the process of countering him back for all the fees that he charged us, and nothing has been done, but my lawyer is saying that in order for the process to go through, I have to revive the company again.

**The Chair (Mr. Deepak Anand):** At this time, I will ask the government members if any one of you would like to ask a question. Please raise your hand. I see MPP Smith, and I see MPP Gila Martow.

MPP Smith, go ahead, please.

**Mr. Dave Smith:** Thank you, Chair. I appreciate that. Just so I'm clear on it, you entered into an agreement to purchase some property. You went through a private lender. You paid a fee to them to borrow the money. Did you buy the property itself, or is that still in the process?

**Ms. Maggie Vuu:** Yes, we bought the properties already, with the fee and everything, and then he put down a lien on the house in order to lend us the money to buy that property. Then every month, we have to pay him with what he would consider—he said that it's a construction loan. So in another way, he uses his money in his right hand and lends it to us, and we pay him back in the left hand. But we didn't even know what was going on with that, so all the money, actually, eventually went back to him. But now, at the end, we still owe him money after we sold the land.

**Mr. Dave Smith:** Okay. So where I'm trying to go with it—I'm just trying to understand the timeline on all of this.

**Ms. Maggie Vuu:** Okay.

**Mr. Dave Smith:** You arranged a private mortgage for it. You purchased the property. Did you build anything on the property?

**Ms. Maggie Vuu:** Not yet, because we have to get the permit—

**Mr. Dave Smith:** So it's vacant property right now. There is nothing built—

**Ms. Maggie Vuu:** Well, it sold already. It sold back in 2016, in November.

**Mr. Dave Smith:** Okay. And there wasn't enough money from that to pay the mortgage off, or there was enough money from that sale to pay the mortgage off?

**Ms. Maggie Vuu:** There was enough. There was enough but, because of the extra, the profit, he took it, because he said that we still owed him \$600,000.

**Mr. Dave Smith:** Okay. And he is in turn suing you right now for that money.

**Ms. Maggie Vuu:** That's correct, sir.

**Mr. Dave Smith:** And in order for you to defend yourself and to actually have a countersuit, you need to bring the company back, because it's all based around the company itself.

**Ms. Maggie Vuu:** That's correct.

**Mr. Dave Smith:** Okay. Thank you very much. I appreciate that.

**Ms. Maggie Vuu:** Thank you.

**The Chair (Mr. Deepak Anand):** Over to MPP Gila Martow.

**Mrs. Gila Martow:** At the risk of sounding like a broken record for the committee members, I just count on the applicant. I wish you luck with all of your endeavours. I hope you're successful at achieving what it is that you want. But again, we're just sort of trusting, almost, the Clerk's office and the public. We're voting on things that are really beyond our knowledge. There are a lot of moving parts—lawsuits and things like that—that we don't know about.

Of course, I support my colleague sponsoring, and I support the resident of Ontario who obviously needs to revive this company to conduct the business that they need to conduct. Again, I hope any lawyers who are on the call and any members of the Legislature who are on the call are advising people, over and over again—because I certainly am—who have corporations to please, please, please be careful and not to dissolve them without being absolutely certain that all the business with that corporation is done. Thank you.

**The Chair (Mr. Deepak Anand):** Would anyone else like to comment or ask questions? I see MPP Wai.

**Mrs. Daisy Wai:** I just want to ask two questions. Why did you close the business in the first place? And why did you sell that land in the first place? I think I have the answer, but I just want to have it coming from you.

**Ms. Maggie Vuu:** Okay. We had to sell the land because every month we had to pay almost \$3,700, and that's interest only. This whole process was supposed to be done in one year. That's why—the interest was very high; I mean, \$3,700 for one month. We tapped our savings, we borrowed loans, we asked our neighbours—I mean, not neighbours but relatives—everything. We're all tapped. So at that time, either we sell it or we're going to go into foreclosure, because nothing seems to be done.

At the beginning, we didn't realize because we were so into trying to reach our dream. We didn't really see that this whole plan is—the lender had no intention to lend us the money. So all my savings—we're into a lot of debt right now. At that point, I was going to say, "You know what? We're just going to close it, learn from it. This is a



lesson for life that maybe next time when we make a decision, we should look better.”

But then they come back and sue us for the difference. So he’s getting greedy; he wants more. But at the time, I had already closed the account, because I did my filing of my taxes and everything, so we thought, “Okay, this is done.” We went ahead and closed the account, then they come back and sue us for the difference.

Now, in order for us to go back with all the documentation—I didn’t want to fight the first time, but my husband basically said, “We lose all our savings, and this person will go out and try to get someone else.” So we have to fight for justice, right? In order to fight for that, I need to revive my company in order to have a case.

**Mrs. Daisy Wai:** Thank you.

**Ms. Maggie Vuu:** Thank you.

**The Chair (Mr. Deepak Anand):** At this time, I would like to ask all the other committee members if you would like to ask anything. Seeing none, are the members ready to vote? Please raise your hands. I appreciate it. Thank you.

Bill Pr24, An Act to revive 2404907 Ontario Ltd.: Shall section 1 be carried? All in favour? Anyone opposed? Seeing none, carried.

Shall section 2 carry? All in favour? Anyone opposed? Seeing none, carried.

Shall section 3 carry? All in favour? Anyone opposed? Seeing none, carried.

Shall the preamble carry? All in favour? Opposed? Seeing none, carried.

Shall the title carry? All in favour? Anyone opposed? Seeing none, carried.

Shall the bill carry? All in favour? Anyone opposed? Seeing none, carried.

At this time, shall I report the bill to the House? Please show your support. All in favour? Opposed? Seeing none—thank you so much. At this time, I will be reporting Bill Pr24 back to the House.

Thank you so much, MPP Vijay, and thank you, Maggie.

0930

#### TAPIR CORPORATION ACT, 2020

Consideration of the following bill:

Bill Pr25, An Act to revive Tapir Corporation.

**The Chair (Mr. Deepak Anand):** All right. Moving on to Bill Pr25, An Act to revive Tapir Corporation, I see MPP Bob Bailey here. At this time, I would like to ask MPP Bailey, would you like to please introduce yourself, and any comments?

**Mr. Robert Bailey:** Yes. It’s Bob Bailey, MPP for Sarnia–Lambton. I’m here today to sponsor Bill Pr25, which is An Act to revive Tapir Corporation.

Later in the presentation, Michael Mumby, the solicitor for the corporation, will actually represent the corporation. But in a nutshell, this was wound down because of a corporate restructuring. They felt it was no longer required to manage the administrative activities of their law firm. It

ceased carrying on business as of December 31, 2018. It was dissolved by a voluntary dissolution.

Thereafter, of course, it was determined that Tapir Corp. ought to have completed certain tax filings prior to their dissolution. This is why they want to be revived, so they can actually pay taxes that they owe.

With that, Chair, I’ll hand it over to you and to the solicitor representing Tapir Corp.

**The Chair (Mr. Deepak Anand):** Thank you, MPP Bailey. We appreciate those comments.

Now I would like to ask the solicitor, Michael Mumby, to introduce himself. Your comments, sir.

**Mr. Michael Mumby:** Thank you, Mr. Chair. As Mr. Bailey described, that’s the process that we went through on the dissolution of this corporation.

The one thing that I want to amend is that the tax filings they would like to complete is that they have overpaid HST over the last few years prior to the dissolution. That came to light, that the bookkeeper hadn’t properly prepared HST tax filings. In order for them to apply for a refund, it needs to be an active corporation. So they’re applying to be revived as a corporation to allow them to file those tax returns.

**The Chair (Mr. Deepak Anand):** Thank you so much. At this time, I would like to ask the government members for your questions or any comments. I see MPP Dave Smith and MPP Martow.

MPP Smith.

**Mr. Dave Smith:** If you’re reviving a company like this, there must be a significant amount of an HST rebate. Is that the case?

**Mr. Michael Mumby:** It depends on the definition of “significant.” It’s significant enough for them to go through the process. My understanding is the amount is about \$35,000 to \$40,000 in HST rebate.

**Mr. Dave Smith:** And this was a mistake by the bookkeeper who they had been using?

**Mr. Michael Mumby:** Yes. The amounts that were being reported were being inaccurately reported, and that was only determined after our dissolution.

**Mr. Dave Smith:** If the company is not revived, then they can’t recover that HST overpayment?

**Mr. Michael Mumby:** That’s correct. They don’t have standing to refile their tax statements if they don’t exist as a corporation at this time.

**Mr. Dave Smith:** And the repayment of the HST would then be divided back up amongst the shareholders?

**Mr. Michael Mumby:** That’s correct.

**Mr. Dave Smith:** And the company would be dissolved again?

**Mr. Michael Mumby:** That’s correct.

**Mr. Dave Smith:** Thank you.

**The Chair (Mr. Deepak Anand):** Over to MPP Martow.

**Mrs. Gila Martow:** I’ll just say very quickly again that I’m trusting in the solicitor or the representatives of the corporation to tell us if there are any extenuating circumstances that we should know about. It’s uncomfortable for me, personally. Sometimes, with everything going on, we really don’t have the full picture.

We do understand, though, that it's our responsibility as members of the Ontario Legislature to help all the residents of Ontario. People do make mistakes. They've closed down corporations when they shouldn't have. They don't realize that there were still assets. That's what we hear very often, that there is a building in the name of the corporation and they can't sell it until they revive the corporation.

That being said, the HST, I assume, was collected from clients. Did the clients pay the right amount or were the clients overcharged—in which case, they should be reimbursed. So that's my question. Was the correct HST charged to the clients?

**Mr. Michael Mumby:** Yes, that's a good question. The answer to that is that the correct amount was charged to the clients. The correct amount on HST received by this corporation was filed. My understanding is that they did not appropriately file their HST tax credit, which would then offset against that amount.

**Mrs. Gila Martow:** Okay, thank you. No further questions from me. Of course, I support the solicitor, the representative of the corporation. It's necessary.

Certainly, on this committee, our eyes are open to how many people need better business advice. Maybe our high schools could do a better job teaching that and maybe this should be part of the high school curriculum: corporate law and what happens when you dissolve a corporation too soon.

**The Chair (Mr. Deepak Anand):** At this time, any other comments or questions from the government side? Seeing none, would any other members like to comment or ask a question at this time? Seeing none, Bill Pr25, An Act to revive Tapir Corporation: I'd like to ask the members, are we ready to vote? Please raise your hand if you're in favour. Yes.

Shall section 1 carry? Please raise your hand if you support. Anyone opposed? Seeing none, carried.

Shall section 2 carry? All in favour? Anyone opposed? Seeing none, carried.

Shall section 3 be carried? All in favour? Anyone opposed? Seeing none, carried.

Shall the preamble be carried? All in favour? Anyone opposed? Seeing none, carried.

Shall the title be carried? All in favour? Anyone opposed? Seeing none, carried.

At this time, shall the bill be carried? All in favour? Anyone opposed? Seeing none, carried.

It's a lot of exercise, by the way.

At this time, shall I report the bill to the House? All in favour, please show your support. Anyone opposed? Seeing none, I will be reporting the bill to the House.

At this time, there being no further business, this committee now stands adjourned. Thank you so much for your co-operation. I appreciate it.

*The committee adjourned at 0937.*



**STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS**

**Chair / Président**

Mr. Deepak Anand (Mississauga–Malton PC)

**Vice-Chair / Vice-Président**

Mr. Will Bouma (Brantford–Brant PC)

Mr. Deepak Anand (Mississauga–Malton PC)

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Stephen Blais (Orléans L)

Mr. Will Bouma (Brantford–Brant PC)

Mr. Stephen Crawford (Oakville PC)

Ms. Laura Mae Lindo (Kitchener Centre / Kitchener-Centre ND)

Mrs. Gila Martow (Thornhill PC)

Mr. Paul Miller (Hamilton East–Stoney Creek / Hamilton-Est–Stoney Creek ND)

Mr. Billy Pang (Markham–Unionville PC)

Mr. Dave Smith (Peterborough–Kawartha PC)

Mr. Jamie West (Sudbury ND)

**Substitutions / Membres remplaçants**

Mr. Robert Bailey (Sarnia–Lambton PC)

Mrs. Daisy Wai (Richmond Hill PC)

**Also taking part / Autres participants et participantes**

Mr. Vijay Thanigasalam (Scarborough–Rouge Park PC)

Mr. Sam Oosterhoff (Niagara West / Niagara-Ouest PC)

**Clerk / Greffier**

Mr. Isaiah Thorning

**Staff / Personnel**

Ms. Catherine Oh, legislative counsel