

A Rambling Impact Statement

It's 2am, the middle of yet another sleepless night, as usual I cannot switch off the constant worry that I have had to live with since 2001!

Worry, Anxiety, Depression as you read these words they are just that – words. You cannot really feel the depth of misery in them but, for a moment, try!

When I do sleep, my first waking thought is of this horrible problem I have been “blessed” with since I opted to take shares rather than cash back in 2000.

I am not a sophisticated investor, I don't gamble the markets, Mutual Funds and GIC's sold to me by a bank for my RRSP are my stock in trade.

The only debt I have ever had was my mortgage! I was brought up that way and now I find myself sitting here with a debt of over \$200,000 hanging over my head!

How in God's name did this happen! I came here from UK in 1970 with nothing. Worked and saved all my life for a comfortable (not luxurious) retirement. Married a wonderful woman who shared my plans and dreams and in the blink of any eye, literally, it's forfeit. I often look at my wife, such a wonderful and supportive companion, and I am ashamed! Ashamed of what I have done to our retirement, our plans, our future.

I made a mistake, I admit it, I didn't understand the Tax Law pertaining to Stock Options. I thought by taking the shares I would avoid any chance of them expiring. The “experts” tell me I should have sought advice. Of course I wish I had but who among us can afford to go off to some expert source each time there is a change in Tax Law? –But God I wish I had!

The Government says I must pay tax based on the price of the shares when I took them and not when I sold them. They say I assumed the potential for gain and risk like any other investor when I did this. I have never understood this – What potential for gain did I assume? What difference is there in the price of the shares whether I took them in 2000 and sold in 2001 or took and sold on the same date in 2001, they are identical. Same shares, same value. What other investors face this tax on unrealized income.

Then the cruelest thing, a ray of hope when Gary Lunn gets his JDS-Uniphase constituents let off! Finally someone has seen sense. **“It's not in the interest of government to tax people on money they never saw”** YES! Someone get's it, so we wait. I actually get a few nights of unworried sleep, my life and health seem to be in a state of repair. We get a promise of Equality from the Government, we get a Taxpayers Bill of Rights, it all seems to be coming together. But we are still waiting!

Now we are hearing that the JDS situation was **unique, one-off, you can't expect the same treatment!**

What is going on here? Equality is a YES/NO proposition. The Laws of the Country are a YES/NO proposition. You cannot have arbitrary decisions or “**Yes –But**” decisions, “**You have to understand why this doesn’t apply to you**” decisions. You either have equality or you don’t.

I have always played fair, never ever cheated on my taxes and I expect my government to deal with me the same way.

My retirement was not supposed to be like this, 7 years of constant worry. Living in fear that Nortel will be sold before I die and hence trigger the taxes. Feeling sick to my stomach every time there is something in the press or on the news about this. What a way to live.

How would I pay that debt? at my age (68) I cannot get a mortgage so the only options are either selling our home of 20 years. Or cashing in our RRSPs and of course you have to cash in 40% more than you need in order to pay the taxes on the RRSP money! And , oh yes, they claw back your OAS as this ‘Imaginary Income’ takes you way over the limit!

I didn’t get any benefit, why am I being taxed?

I’m so sick of all this and it’s not getting any better. Why am I being hit so hard for such a simple mistake? That’s all it was, a mistake, I really didn’t get any money – honest!