

Minister of Indian Affairs
and Northern Development



Ministre des Affaires
indiennes et du Nord canadien

Ottawa, Canada K1A 0H4

I, the Minister of Indian Affairs and Northern Development, HEREBY
APPROVE, pursuant to section 83 of the *Indian Act*, the following bylaw
made by the Serpent River First Nation, in the Province of Ontario, at a
meeting held on the 9th day of April 1996.

- **Telephone Companies Taxation Bylaw**

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Dated at Ottawa, Ontario this 16th day of September, 1996.

Canada

TELEPHONE COMPANIES TAXATION BYLAW

WHEREAS pursuant to section 83 of the Indian Act, a First Nation may, subject to the approval of the Minister of Indian Affairs and Northern Development, make bylaws for taxation for local purposes of land, or interests in land, in the reserve including rights to occupy, possess or use land in the reserve;

AND WHEREAS it is the practice in the Province of Ontario for telephone and telegraph companies to pay a tax upon a percentage of the gross receipts within a local jurisdiction;

BE IT THEREFORE RESOLVED, that the council of the Serpent River First Nation adopt the following bylaw in an express exercise of its rights under section 83 of the Indian Act.

SHORT TITLE

1. This bylaw may be cited as the Telephone Companies Taxation Bylaw.

DEFINITION

2. In this bylaw:
 - (a) "First Nation" means the Serpent River First Nation
 - (b) "council of the First Nation" means the council of the Serpent River First Nation
 - (c) "customer" means a person who uses or purchases any kind of service from a telephone company;
 - (d) "gross receipts" means all regularly recurring revenue arising from telephones and other equipment used by customers on the reserve and shall include revenue from long distance calls billed to customers on the reserve; and there shall be a deduction from "gross receipts" of any amounts related to uncollectible accounts on the reserve or amounts paid to other telephone or utility companies for the use of their equipment or in settlement with other telephone companies for long distance services;
 - (e) "person" includes a corporation, partnership, agent or trustee, their heirs, executors, administrators or legal representatives;
 - (f) "reserve" means the reserve of the First Nation as defined in the Indian Act, section 2(1), and special reserves pursuant to section 36;
 - (g) "Surveyor of Taxes" means the person appointed by the Council of the First Nation as the Surveyor of Taxes pursuant to this bylaw;

- (h) "telephone company" includes a corporation, person or association of persons owning, controlling or operating a telephone system or line on the reserve or providing long distance telephone service through property, other than personal property, located on the reserve.

EXEMPTIONS

- 3. (a) The property or interest of a telephone company wholly owned by the First Nation or any member of the First Nation is exempt from taxation.
- (b) The council of the First Nation may, by resolution, enter into an agreement with any person to exempt that person from taxation pursuant to this bylaw, in whole or in part, where the council of the First Nation considers such agreement and exemption to be in the best interest of the First Nation.

ASSESSMENT AND TAXATION

- 4. (a) The on-reserve property interests of a telephone company shall be assessed on the basis of the gross receipts of that company from the reserve.
- (b) Every telephone company owning, controlling or operating a telephone system or line on the reserve, shall provide the Surveyor of Taxes with a detailed statement by March 1st in each year, showing the gross receipts of the company from the reserve for the previous year ending on December 31st.
- (c) The on-reserve property interests of a telephone company assessed pursuant to Section 4(a) of this bylaw are taxable at the rate of 5% of the receipts of the telephone company in the previous year.
- (d) Taxes payable under this bylaw are a debt due to the Serpent River First Nation by the telephone company.
- (e) The gross receipts tax provided for in this bylaw shall be in lieu of all other tax which may be imposed on the telephone company's interest on the reserve.

ADMINISTRATION

- 5. (a) The council of the First Nation shall by resolution appoint a Surveyor of Taxes.
- (b) The Surveyor of Taxes shall be responsible for the administration and implementation of the provisions of this bylaw.
- (c) The Surveyor of Taxes shall prepare a report to the council of the First Nation on

or before April 1st in each year. The report shall include:

- (I) A summary of the statements made under section 4(b);
 - (ii) The amount of tax to be levied against each telephone company pursuant to section 4 c) for the current year; and
 - (iii) The recommendation of the Surveyor of Taxes with respect to the administration of this bylaw.
- (d) Upon approval by the council of the First Nation of the report made pursuant to section 5(c), the Surveyor of Taxes shall forthwith issue a Tax Notice to the telephone companies owning, controlling or operating a telephone system or line on the reserve.
 - (e) Taxes are due and payable 21 days after the Tax Notice is posted.
 - (f) In addition to and separate from any penalty or enforcement that may be imposed under this bylaw, interest shall run on all taxes that are due and payable at the rate of 1.5% interest per month.

TAX COLLECTION

- 6. (a) If the taxes imposed under this bylaw remain unpaid after December 31st of the year in which they are levied, the council of the First Nation may bring an action in a court of competent jurisdiction to collect the debt.
- (b) Taxes due and payable are a special lien and encumbrance on the reserve interests of a telephone company.

IMPOSITION PROVISION

- 7. (a) The Surveyor of Taxes shall notify, forthwith, each telephone company owning, controlling or operating a telephone system or line on the reserve that this bylaw is in effect, by registered mail.
- (b) Every telephone company owning, controlling or operating a telephone system or line on the reserve shall commence tracking gross receipts from the reserve, for the purpose of preparing the report required under section 4(a), 60 days after the notice under section 7(a) is mailed until December 31st of that year.
- (c) For the first year that a tax is imposed under this bylaw, the tax shall be 5% of the gross receipts of each telephone company pursuant to section 7(b).

APPEALS

- 8. An appeal, by a telephone company or the council of the First Nation, of the basis upon which the calculation of a gross receipt was made, pursuant to section 4(b), or an appeal of the amount or tax levied pursuant to sections 4(c), shall be made by way of action in a court of competent jurisdiction.

This bylaw is hereby made at a duly convened meeting of the Council of the Serpent River First Nation this 4th day of April, 1996.

Voting in favour of the bylaw are the following members of Council.

[Signature]
(Member of the Council)

[Signature]
(Member of the Council)

[Signature]
(Member of the Council)

[Signature]
(Member of the Council)

[Signature]
(Member of the Council)

[Signature]
(Member of the Council)

(Member of the Council)

(Member of the Council)

Being the majority of those members of the Council of the Serpent River First Nation present at the aforesaid meeting of the Council.

The quorum of the Council is 5 Members.
Number of members of the Council present at the meeting

CERTIFIED TRUE COPY
[Signature]
"Gen. Helen Restoule, a Commissioner,
etc., Province of Ontario, for the
Government of Canada, Indian Affairs
and Northern Development
Expires October 28, 1997."