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### **Court Finds In Favour of City in Catalyst Taxation Challenge**

The BC Supreme Court has found in favour of the City of Campbell River in Catalyst Paper's petition for a judicial review for the City portion of taxes levied.

The Court found that the City's taxes were reasonable and that the tax rates bylaw is *"rationally supported and that its effects or outcomes are within the range of permissible outcomes,"* wrote Judge Voith.

The judge ruled against the manner in which the City collected taxes for the Strathcona Regional District. The City has been using this manner of collection since 1984.

*"It appears from this judgment that the City will have to find a way to fund a small portion of Catalyst Paper's taxes collected on behalf of the regional district,"* says Mayor Charlie Cornfield.

City staff are currently evaluating the impact of the Court's decision and will report to Council early in the new year with options for funding Catalyst's Strathcona Regional District taxes.

*"We continue to work with the company to support it in appropriate ways, and we are pleased with the extent to which the Court has ruled in favour of what we consider the best interests of the City,"* the Mayor adds.

Catalyst has been ordered to pay 80 per cent of the City's legal costs.

Catalyst Paper requested the review of "unfair property taxation" earlier this year and paid the City only a portion of property taxes owed. The payment was based on Catalyst's assessment of services received. Catalyst challenged the bylaws in all four mill communities in an attempt to change the existing assessment-based taxation model to their proposed consumption-based model.

*"Campbell River and the other communities where Catalyst operates consistently rejected the proposal to revise property taxation according to this model,"* says Mayor Charlie Cornfield. *"We made it clear we would defend our property tax bylaw and that we expect all taxpayers to pay their bill."*

- 30 -

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