

Fee challenge

Charities launch suit against city over licence fees; could cost city millions, lawyer says

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A court challenge to the city's long-standing policy of charging licence fees for bingos and other fundraising lottery games such as tear-open tickets could end up costing the city millions of dollars, council was told Monday night.

The ALS (Amyotrophic Lateral Sclerosis) Society of Essex County and a group of bingo hall owners have filed a class-action lawsuit dating back to 1990 that claims the city had no right to charge charities licence fees to hold bingos.

"They are saying the City of Windsor was really trying to collect a tax rather than a fee, that a municipality does not have a legal right to impose a tax on people who obtained a licence," said city solicitor George Wilkki,

"The issue comes down to, is it really a fee or a tax?"

Aside from seeking refunds of fees paid over nearly 20 years, the group wants \$2 million in punitive damages, Wilkki said.

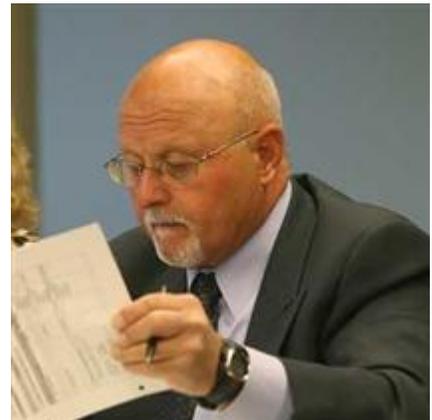
"This will be very significant," he said.

"Everything I know about the situation is that the city has followed the provincially prescribed policy. There is an order in council that allows a municipality to regulate lottery activity. That is what we have been following."

City council discussed the lawsuit Monday behind closed doors and ordered Wilkki to obtain outside legal counsel to handle the lawsuit.

"I will be obtaining external legal counsel," he said. "This is beyond our expertise and resources to handle internally."

The city was to provide a court response by this Friday, but has asked for a 10-day extension, Wilkki said.



CREDIT: File photo, The Windsor Star

In this 2007 file photo, City of Windsor solicitor George Wilkki speaks to city council.

It was unknown Monday night if the lawsuit was the first of its kind in Ontario.

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