

MEETING - Backgrounder

Meeting Date: April 11, 2018

Cliff: 366157

MEETING: BC REAL ESTATE ASSOCIATION (BCREA)

ISSUE: Meeting with BCREA

BCREA Background

- The British Columbia Real Estate Association (BCREA) is the industry organization that represents real estate licensees in British Columbia.
- The BCREA lobbies the provincial government on real estate issues, provides dispute resolution between BCREA members and boards in different real estate board jurisdictions, develops standard forms for use in real estate services, and provides continuing education courses to licensees.
- While there is no requirement for licensees under *Real Estate Services Act* to be a member of a local real estate board, the BCREA, or the Canadian Real Estate Association (CREA), only members of a local Board can access the Multiple Listing Services (MLS) database.
- Darlene Hyde, CEO, and James Palanio, President-Elect, of BCREA are expected to attend the meeting.

Potential BCREA Discussion Topics

1. The Speculation Tax

KEY FACTS REGARDING THE ISSUE:

In *Budget 2018*, the government committed to introduce legislation in 2018 to impose a speculation tax.

The tax will apply in the Metro Vancouver Regional District, the Capital Regional District (excluding the Gulf Islands and Juan de Fuca), Kelowna-West Kelowna, Nanaimo-Lantzville, Abbotsford, Chilliwack, and Mission. The speculation tax will begin in 2018, with tax notices being sent to homeowners by the Province later this year.

Up-front exemptions will be available for most principal residences, qualifying long-term rental properties and certain special cases. Over 99 per cent of British Columbians are estimated to be exempt from the tax.

The government has announced a tax rate of 0.5 per cent of a property's assessed value for 2018. In 2019 and subsequent years, the tax rates will be as follows:

- 2 per cent for foreign investors and satellite families
- 1 per cent for Canadian citizens and permanent residents who do not live in British Columbia
- 0.5 per cent for British Columbians who are Canadian citizens or permanent residents (and not members of a satellite family)

British Columbians who are Canadian citizens or permanent residents, and not part of a satellite family, will be eligible for a tax credit that will offset a maximum of \$2,000 in speculation tax payable. For homeowners with multiple properties, the tax credit will only apply to one property. This tax credit will ensure that British Columbians do not pay tax on the first \$400,000 of a taxable property.

Foreign owners, satellite families and Canadians who are not BC residents can avoid the tax by renting their property. They will be able to offset a portion of the speculation tax with a non-refundable tax credit if they report income in B.C.

Legislation for the speculation tax will be brought forward in the fall.

Budget 2018 forecasts revenue from the tax of \$87 million in 2018/19 and \$200 million in 2019/20.

ADVICE:

- The tax targets foreign and domestic speculators, satellite families who live in B.C. but do not pay their share of income taxes, as well as homeowners who hold vacant property in the designated urban centres.
- We expect that 99 per cent of British Columbians will not be impacted.
 - The tax is restricted to the province's largest urban centres, where there is a housing crisis.
 - There will be up-front exemptions for principal residences and long-term rentals.
 - For British Columbians with vacant property, there will be a \$2,000 tax credit, ensuring that vacant homes under \$400,000 are not subject to the tax.
 - There will also be exemptions for special cases, including individuals in hospital or long-term care, as well as those temporarily absent for work purposes.
- This will make more properties available to be used as homes, not investments vehicles.
- As we finalize details of the tax, we are listening to all British Columbians to make the tax as targeted and effective as possible. One of the goals of the tax is to minimize the compliance burden for homeowners.
- The tax will be administered by the Province.

2. Assignment of pre-sale purchase and sales agreements

KEY FACTS REGARDING THE ISSUE:

Real estate brokers and agents work directly with buyers and sellers, including developers, and will need to advise their clients on the rules.

Developers will be required to collect and report comprehensive information about the assignment of pre-sale condo purchases. The information will be reported to a designated provincial office. The intention is to share the information with tax authorities to support the compliance with federal and provincial taxes, helping to ensure people pay their fair share of taxes. The information will also be used to inform future housing and tax policy.

ADVICE:

- We are building a database on pre-sale condominium assignments. We will require developers to collect and report comprehensive information about the assignment of pre-sale condo purchasers.
- This information will be shared with federal and provincial tax authorities so they can make sure taxes are paid.
- Collecting information on pre-sales will allow government to develop new taxation models in the future.

3. Beneficial ownership of land and corporations

KEY FACTS REGARDING THE ISSUE:

The government has committed to take action to end hidden ownership of real estate, including creation of a new beneficial ownership registry. This new registry, administered by the Land Title and Survey Authority, will be publicly accessible and will be shared with federal and provincial tax and law enforcement authorities.

The Province is making changes to the Property Transfer Tax Form to require information about beneficial ownership.

The Province is also working with federal, provincial and territorial partners to amend our corporate legislation to require corporations in BC to hold accurate and up to date information on beneficial owners.

ADVICE:

- The registry of beneficial land ownership and the increased corporate reporting requirements will give the government the ability to know who owns what in the BC.
- This information will play an important part in fighting tax evasion, fraud, and money laundering both in the real estate sector and in other sectors in BC.

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4. Additional school property tax on homes over \$3 million

KEY FACTS REGARDING THE ISSUE:

The additional school property tax is applied on the value of specified "dwelling property" to the extent that value exceeds \$3 million.

The tax will begin in 2019 and will be included in the usual property tax bill.

A tax rate of 0.2 per cent applies on any amount of taxable assessed value between \$3 million and \$4 million, and a tax rate of 0.4% applies on any amount above \$4 million.

"Dwelling property" is property in class 1, residential class, that is:

- Vacant, but not in the Agricultural Land Reserve,
- A farm dwelling,
- A house, with or without a suite or laneway home, or an un-stratified duplex or triplex, or
- A stratified residence such as a condo unit or a townhouse.

Apartment buildings are not subject to the additional school tax.

Budget 2018 forecasts revenue of \$50 million in 2018/19 and \$200 million in 2019/20.

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ADVICE

- The government is asking those that may have gained the most from the increase in property values to contribute a little more.

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5. Property transfer tax - 5% rate on residential class properties over \$3 million

KEY FACTS REGARDING THE ISSUE:

A new tier is added to the property transfer tax for all transferees, to apply to the fair market value of the residential class portion of the property.

The new tier effectively raises the tax rate from 3% to 5% for any fair market value of residential property above \$3 million.

The new tax rate is effective February 21, 2018.

"Residential property" includes any property classified in "class 1, residential" for property tax purposes, plus some farm land associated with a farm dwelling.

Budget 2018 forecasts revenue of \$81 million in both 2018/19 and 2019/20.

Developers argue this will add to the costs of developing new housing.

ADVICE

- Revenue from purchasers who are buying the most expensive residential properties will help pay for affordable housing. Those who have benefitted the most from the rising real estate market should contribute their fair share.

6. Property transfer tax - Foreign buyers tax expanded

KEY FACTS REGARDING THE ISSUE:

By regulation, the additional property transfer tax, commonly known as the "foreign buyers tax", has been increased from 15 per cent to 20 per cent of the fair market value of the property.

Also, the area where the tax applies has been increased beyond Metro Vancouver to include the Capital, Fraser Valley, Central Okanagan and Nanaimo Regional Districts.

These changes are effective February 21, 2018, with some transitional rules applying in the areas where the tax has been newly imposed.

Budget 2018 forecasts additional revenue of \$35 million in fiscal year 2018/19 and \$40 million in fiscal year 2019/20.

ADVICE

- Expanding the foreign buyers tax ensures that speculation is not pushed into markets outside Metro Vancouver.
- The increase and expansion of this tax will help stabilize housing prices and raise revenues to help fund housing affordability measures in our province.

Program Area Contact:

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A/Executive Director

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NEW SPECULATION TAX ACT
EXEMPTIONS FROM THE NEW SPECULATION TAX

I. ISSUE

Exemptions from the new speculation tax.

II. BACKGROUND

Budget 2018 announced a new tax that will raise revenue, reduce the demand for housing from speculators, and incent the use of houses as homes.

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III. DISCUSSION & OPTIONS

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Page 008 of 354 to/à Page 018 of 354

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SPECULATION TAX: SATELLITE FAMILY TEST

I. ISSUE:

What is a "satellite family".

II. BACKGROUND:

The speculation tax will apply to all owners of residential property in specific geographic regions. These are the regions of the province which have significant housing affordability issues and are large urban centers. The tax targets vacant homes, underutilized homes, foreigners and those residents of BC who are deemed to be satellite families.

III. DISCUSSION & OPTIONS:

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SPECULATION TAX – INCOME TAX CREDIT

I. ISSUE

Implementation issues for the tax credit component of the speculation tax.

II. BACKGROUND

The government has committed to introduce a non-refundable income tax credit in respect of speculation tax paid. This note provides an overview of key implementation issues and the decisions that will be required in order to implement a tax credit.

III. DISCUSSION

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Page 029 of 354 to/à Page 031 of 354

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SPECULATION TAX – INCOME TAX CREDIT FOR FOREIGNERS AND SATELLITE FAMILIES

I. ISSUE

Design of an income tax credit for foreigners and satellite families.

II. BACKGROUND

The government has committed to introduce a non-refundable income tax credit in respect of speculation tax paid.^{s.13}

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III. DISCUSSION

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Page 033 of 354 to/à Page 037 of 354

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SPECULATION TAX – GEOGRAPHY

I. ISSUE

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II. BACKGROUND

Budget 2018 announced a speculation tax that would apply to Metro Vancouver, Fraser Valley Regional District, Capital Regional District, Nanaimo Regional District, West Kelowna and Kelowna.

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III. DISCUSSION

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Page 039 of 354 to/à Page 066 of 354

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Version 3—updated May 17, 2018



SPECULATION TAX IMPACTS ON WEST KELOWNA





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Page 091 of 354

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SPECULATION TAX EXEMPTION FOR LAND BEING DEVELOPED OR RENOVATED

I. ISSUE

Whether to provide a speculation tax exemption for land being developed or renovated.

II. BACKGROUND

The speculation tax will apply to residential property that is left vacant. This includes vacant residential land as well as unoccupied residential buildings, which may be in the process of development or renovation.

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Page 093 of 354 to/à Page 106 of 354

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SPECULATION TAX: SATELLITE FAMILY TEST

I. ISSUE:

What is a “satellite family”.

II. BACKGROUND:

The speculation tax will apply to all owners of residential property in specific geographic regions. These are the regions of the province which have significant housing affordability issues and are large urban centers. The tax targets vacant homes, underutilized homes, foreigners and those residents of BC who are deemed to be satellite families.

Page 108 of 354 to/à Page 115 of 354

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MEETING - Backgrounder

Meeting Date: April 17, 2018

Cliff:

MEETING: URBAN DEVELOPMENT INSTITUTE

ISSUE: SPECULATION TAX, SCHOOL TAX & PROPERTY TRANSFER TAX

- The Urban Development Institute (UDI) represents the real estate development industry.
- UDI has raised concerns about the Speculation Tax, and increases to the School Tax and the Property. Their position is that the combination of the speculation tax, higher property transfer tax and the higher school tax will ultimately increase the costs for developers which will be passed on to buyers or renters.
- UDI will likely request exemptions or refunds for developers from these taxes.

KEY FACTS REGARDING THE ISSUE:

- The goal of these demand side tax measures was to reduce excessive price growth in residential land.
- Higher taxes will raise the costs for developers. Developers will not want to absorb these costs in the form of lower profits and will seek to pass these higher costs on either to the parties they purchase land from (by paying less for land they intend to develop) or to those they sell land or finished homes to (by charging more).
- Having developers pass their costs on to those they purchase land from will achieve government's goal of reducing excessive price growth in residential land.
 - Who developers are able to successfully pass their costs on to will depend on the relative supply and demand for housing in BC. If other aspects of the government's housing plan (those focused on partnering with municipalities to increase supply, increasing municipal capacity to quickly make land use decisions) are successful, developers will be able to pass their costs on to those they purchase land from.
 - Tax Policy Branch also understands that MAH is developing legislation to allow pre-zoning for purpose built rental which will help with supply and lower the cost of building.
- However, if the supply of developable land remains constrained, developers will not be able to bargain for reduced prices for land. Increased costs will be passed on to homebuyers.
- Tax Policy Branch is meeting with stakeholders in the development industry as part of developing options for the speculation tax.

ADVICE:

Speculation Tax:

- The speculation tax targets foreign and domestic speculators who are treating our housing market as a stock market.
- We expect that 99 per cent of British Columbians will not be impacted.
 - There will be up-front exemptions for principal residences and long-term rentals.
 - British Columbians will be eligible for a \$2,000 tax credit on their vacant property, ensuring there is no speculation tax on their vacant property up to \$400,000.
- We are aware of concerns regarding vacant land in development. I understand you have met with senior staff to discuss this issue in the past and are meeting with Tax Policy Branch to continue these discussions.

School Tax:

- We will review this aspect of the taxes in the development of Budget 2019.

Program Area Contact:

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Marissa Burnell-Higgs
Steve Hawkshaw

Number
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778-698-5824

MEETING - Backgrounder

Meeting Date:

Cliff: 366040

MEETING: NANAIMO

ISSUE: SPECULATION TAX

- The speculation tax, as announced in Budget 2018, will apply to the Nanaimo Regional District.
- Bill Veenhof, the regional chair of the Nanaimo Regional District has called for the Regional District to be excluded from the tax.
- He has raised two major concerns:
 - Property prices of existing owners will decline.
 - Developers need to be able to sell to out of province buyers in order to subsidize affordable housing units.

KEY FACTS REGARDING THE ISSUE:

Housing Affordability for new entrants in the City of Nanaimo

In 2017, residential property sales in the City of Nanaimo averaged \$481,563¹. The average household income in Nanaimo for 2017 was \$56,313². This equates to a price-to-income ratio of 8.6, and the affordability numbers appear to be getting worse. January 2018 realtor data reported the average price of a home in Nanaimo at \$518,896

Housing Affordability for current owners and renters

The 2016 census data provides some regional insights into household finances, and in particular, the proportion of homes spending at least 30 per cent of their income on shelter. This metric is used as a proxy for the proportion of homes that may experience financial stress due to high housing costs.

The data show that almost 17 per cent of homeowners in Nanaimo³ spent more than 30 per cent of their income on shelter in 2016. As mentioned above, house prices have been escalating in the Nanaimo area, which will put further pressure on shelter costs for many homeowners. Other external factors, such as higher interest rates and economic shocks, may also add to the stress.

For renters, the situation is far worse with 47.4 per cent of tenant households spending at least 30 per cent of income on shelter. The Canada Mortgage and Housing Corporation (CMHC) report that Nanaimo has a vacancy rate of 1.6 per cent for private apartments (as of October 2017). Rents increased by around 5 per cent over the year to October 2017.

¹ From property transfer tax data, which is based on the fair market value of properties.

² From BC income tax data.

³ The Nanaimo Census Agglomeration Area

ADVICE:

- The speculation tax was announced in *Budget 2018* on February 20 and the government has been clear since then that we are targeting speculators who do not live or pay taxes in B.C. and who are treating our housing market as a speculative investment.
- We're going to ensure the vast majority of British Columbians will not be impacted.
 - There will be up-front exemptions for principal residences and long-term rentals.
 - There will be an income tax credit to help offset the tax for BC residents who do not qualify for an up-front exemption.
- This will leave the bulk of the tax levied on vacant and short-term rental properties owned by individuals who do not live in BC, as well as satellite families. This will make more properties available to be used as homes, not investments vehicles.
- As we finalize details of the tax, we are listening to all British Columbians to make the tax as targeted and effective as possible. One of the goals of the tax is to minimize the compliance burden for homeowners. The tax will be administered by the Province.
- Housing affordability is a major concern for many people in the Nanaimo area. This issue could get a lot worse if nothing is done.

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	Name	Number
Program Area Contact:	Steve Hawkshaw	778.698.5824

MEETING - Backgrounder

Meeting Date:

Cliff: 366041

MEETING: Meeting with Mayor Findlater

ISSUE: SPECULATION TAX IN WEST KELOWNA

- The City of West Kelowna is opposed to having the speculation tax apply to their community.
- The Mayor will likely ask:
 - for an explanation of why West Kelowna was chosen for inclusion,
 - for an exemption from the tax, and
 - for a detailed report on the economic impact the tax will have on West Kelowna prior to the tax being implemented.
- City officials estimate that the speculation tax could apply to roughly 600 homes (approximately 4.5 percent of the homes in West Kelowna) and that West Kelowna property owners could pay a total of \$10 million in speculation tax.

KEY FACTS REGARDING THE ISSUE:

- The Mayor and City Council view West Kelowna as a tourist or recreation destination.
- The Kelowna Census Metropolitan Area (CMA), which includes West Kelowna, has the lowest rental vacancy rate in Canada.
 - The Canada Mortgage and Housing Corporation (CMHC) report that Kelowna CMA has a vacancy rate of just 0.2 per cent for private apartments (as of October 2017), down from 0.6 per cent a year earlier.
 - Rents for the same properties increased by almost 9 per cent over the year to October 2017.
- Census 2016 data indicates that in West Kelowna, roughly 17 per cent of owners and 42 per cent of renters spend 30 percent or more of income on shelter costs.
- In 2017, residential property sales in the Kelowna CMA averaged almost \$570,000. The average household income in the area for 2017 was \$65,680. This equates to a price-to-income ratio of 8.7, roughly in line with Nanaimo.
- West Bank First Nation has reserve lands within West Kelowna, these reserve lands will not be subject to the tax.

ADVICE:

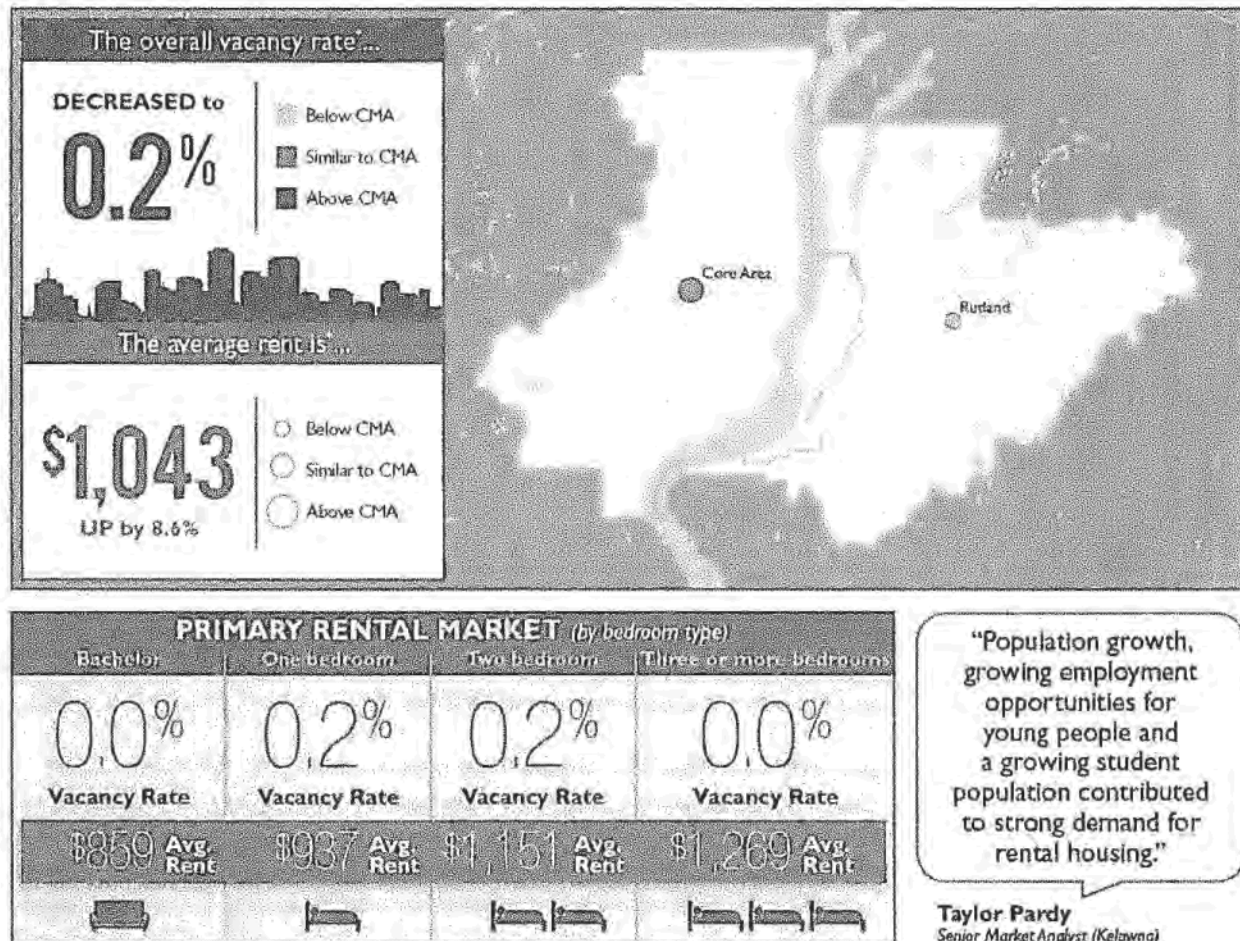
- The speculation tax was announced in *Budget 2018* on February 20 and the government has been clear since then that we are targeting speculators who do not live or pay taxes in B.C. and who are treating our housing market as a stock market.
- We're going to ensure the vast majority of British Columbians will not be impacted.
 - There will be up-front exemptions for principal residences and long-term rentals.
 - There will be an income tax credit to help offset the tax for BC residents who do not qualify for an up-front exemption.
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- As we finalize details of the tax, we are listening to all British Columbians to make the tax as targeted and effective as possible. One of the goals of the tax is to minimize the compliance burden for homeowners. The tax will be administered by the Province.

Program Area Contact: Name
Steve Hawkshaw

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Appendix A – CMHC Rental Data for the Kelowna CMA

Date Released: 2017



MEETING - Backgrounder

Meeting Date: April 11, 2018

Cliff: 365357

MEETING: CANADIAN HOME BUILDERS' ASSOCIATION- CENTRAL OKANAGAN

ISSUE: SPECULATION TAX & PROPERTY TRANSFER TAX

- The speculation tax, as announced in *Budget 2018*, applies to Kelowna and West Kelowna.
- The Canadian Home Builders' Association (CHBA) represents the building industry, including builders, developers, real estate professionals, architects and trade contractors.
- Justin O'Connor, President of CHBA Central Okanagan, has concerns regarding the tax as it applies to builders and developers, as well as its effect on the housing market.
- Mr. O'Connor has raised a few key concerns:
 - The lack of details around the tax will lead to uncertainty and delays in buying, which affects their members and the housing market
 - The Okanagan has proposed and ongoing developments that bring money into the community and are targeted to both part-time and long-term residents.
 - Builders who have vacant land and buildings under construction will have to pass on the tax costs to buyers.
 - Certain strata buildings have bylaws preventing rentals, and owners in those buildings will have to pay the tax or sell.
 - The combination of the speculation tax, higher property transfer tax and the higher school tax will ultimately increase the costs for developers which will be passed on to buyers.

KEY FACTS REGARDING THE ISSUE:

- The Kelowna Census Metropolitan Area (CMA), which includes West Kelowna, has the lowest rental vacancy rate in Canada.
- The Canada Mortgage and Housing Corporation (CMHC) reports that Kelowna CMA has a vacancy rate of 0.2 per cent for private apartments (as of October 2017), down from 0.6 per cent a year earlier.
- Rents for the same properties increased by almost 9 per cent between January and October 2017.
- Census 2016 data indicates that in West Kelowna, roughly 17 per cent of owners and 42 per cent of renters spend 30 percent or more of income on shelter costs.
- In 2017, residential property sales in the Kelowna CMA averaged almost \$570,000. The average household income in the area for 2017 was \$65,680. This equates to a price-to-income ratio of 8.7, roughly in line with Nanaimo.

ADVICE:

- The speculation tax targets foreign and domestic speculators who are treating our housing market as a stock market.
- We expect that 99 per cent of British Columbians will not be impacted.
 - There will be up-front exemptions for principal residences and long-term rentals.
 - British Columbians will be eligible for a \$2,000 tax credit on their vacant property, ensuring there is no speculation tax on their vacant property up to \$400,000.
- We are aware of concerns regarding vacant land in development as well as stratas with rental restrictions. As we finalize details of the tax, we are listening to all British Columbians to make the tax as targeted and effective as possible.

	Name	Number
Program Area Contact:	Marissa Burnell-Higgs	778-698-3915
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The Conference Board
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Le Conference Board
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CUSTOM REPORT

Key Factors Affecting Home Prices in B.C.

Presented to: BC Housing

Final Draft Revised **PRIVATE AND CONFIDENTIAL**

DO NOT CIRCULATE

March 24, 2017

The Conference Board of Canada – 2017

Prepared by: The Centre for Municipal Studies

Insights. Understanding. Impact.



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Page 268 of 354 to/à Page 289 of 354

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VARIOUS ACTS

TAX HOMEOWNERS WHO DO NOT PAY INCOME TAX IN BC

I. ISSUE

A new tax that would target property owners with limited economic or social ties to Canada and property owners who leave residential property vacant.

II. BACKGROUND

Tax Policy Branch has been instructed to develop a tax that that will raise revenue, reduce the demand for housing from speculators, and incent the use of houses as homes.

The tax should be designed to meet the following criteria:

1. Tax liability should fall on:
 - Persons who own residential property in BC but who have limited economic or social ties to BC. For example:
 - A foreign student who purchases a \$30 million house;
 - An investor who purchases house or condo and leaves it vacant; or
 - A family that that pays no income taxes in BC but has a high household income
 - Persons who own more than one residential property; and
 - Persons who leave residential property vacant.
2. The tax should not target other BC residents who do not pay sufficient income tax to offset the new tax such as low income families.

III. DISCUSSION

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IV. OPTIONS

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V. EVALUATION

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VI. RECOMMENDATION

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VII. DECISION

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Appendix A: Tax Design Decisions

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Page 295 of 354 to/à Page 311 of 354

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SPECULATION^{s.13}

TAX

I. ISSUE

A Real Estate Speculation Tax

II. BACKGROUND

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III, DISCUSSION
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Page 314 of 354 to/à Page 315 of 354

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SCHOOL ACT

PROPOSAL FOR A PROPERTY TAX SURTAX / VACANCY TAX

I. ISSUE

A new tax that would target property owners with limited economic or social ties to Canada and property owners who leave residential property vacant.

II. BACKGROUND

There has been increasing interest in taxing individuals who invest in residential real estate in BC if those individuals do not either pay income taxes to BC or rent the property to others. The main proposal states that the goal of taxing these individuals would be to:

"[make] British Columbia a better place to live and work, by making B.C. a less attractive target for investors who wish to avoid taxation or park cash in residential real estate."

The authors of the proposal define "limited economic or social ties" to mean those who do not pay (or pay a modest amount) of Canadian and Provincial income tax.

The new tax would take the form of a 1.5 per cent property tax levied on all residential property in a given region or municipality. For comparison, the average annual property tax rate for residential property located in a municipality (including provincial and municipal levies) is approximately 0.5 per cent.

The application of the tax would then be narrowed by a series of offsets and exemptions in order to only apply to property owners who do not pay a sufficient amount of federal and provincial income tax, or property owners who fall into certain exempt categories.

The proposed offsets and exemptions are as follows:

1. A dollar for dollar offset would be provided for federal and provincial income taxes paid by all members of a household. The rationale for using income tax is that income taxes are a proxy for contributing to the "local economy".
2. Veterans and those living with them would be exempt.
3. Disabled persons and those living with them would be exempt.

4. Canadian residents receiving CPP plan benefits or Old Age Security would be exempt.
5. Individuals who have resided in their *current* home for a significant number of years would be exempt from paying the tax on their current home, in order to protect long-time residents of a community. Additionally, they suggest that this could be a lifetime benefit, once an individual qualifies as a long term resident they would be exempt in any home they occupy.
6. Occupied rental properties would also be exempted from the surcharge. The proposal suggests either using an offset based on gross rental revenue reported to the Canada Revenue Agency (CRA), or a complete exemption, provided some minimum amount of rental income is reported to the CRA. An income averaging mechanism is suggested to deal with temporary vacancies.

The goal of these offsets and exemptions would be to target owners of vacant properties, owners of multiple properties, and those who own property but do not pay a significant amount of income tax, such as so called satellite families.

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The proposal estimates this new tax would raise approximately \$90 million from the City of Vancouver.

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Page 318 of 354 to/à Page 322 of 354

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2017 ADVANCE TAX NOTICE AND 2016 B.C. HOUSING AFFORDABILITY FUND

DUE DATE: Thursday, February 2, 2017

Statement date: Nov. 15, 2016

5% PENALTY IF NOT PAID BY FEBRUARY 2, 2017

Joshua Gottlieb
6000 Iona Drive
Vancouver, BC V6T 1L4

Description	Amount
Advance Amount	2,213.00
B.C. Housing Affordability Fund Contribution – Not Yet Exempt	To be determined
Payments/Adjustments	0.00
TOTAL OUTSTANDING TAXES	2,213.00

B.C. Housing Affordability Contribution

Our records indicate that you are provisionally subject to the B.C. Housing Affordability Fund contribution on the property listed above. **You may qualify for an (additional) exemption that is not yet in our records. If you believe you are eligible, complete the remainder of this form.**

If the property listed above is eligible for one of the following exemptions, check the appropriate box below:

- A: ☐ I/we have lived in B.C. since December 31, 2000 or before and this property is my/our primary residence.
B: ☐ I/we paid combined Canadian and B.C. income taxes for the 2016 tax year of \$_____, and this property is my/our primary residence.
C: ☐ I am above age 65 and receive benefits from the Canadian Pension Plan/Old Age Security, and this property is my/our primary residence.
D: ☐ I am eligible for the Additional B.C. Home Owners' Grant as a veteran or disabled person, and this property is my/our primary residence.
E: ☐ I/we rent this property at arm's length and expect to receive total rental income of \$_____ from this property in 2016, which will be reported to the Canada Revenue Agency.

If you checked box [A], [B], [C], or [D], list the Social Insurance Number(s) of household member(s) who reside at this property and who are eligible for the exemption you claim. For Exemption B, taxes paid by multiple taxpayers residing at this property can be combined.

S.I.N. 1: _____ Exemption code: _____
S.I.N. 2: _____ Exemption code: _____
S.I.N. 3: _____ Exemption code: _____

If you checked box [E], list the Social Insurance Number or Business Number of the property owner who reports the specified rental income to the Canada Revenue Agency:

S.I.N.: _____ OR Business Number: _____

Unless you qualify for one of the exemptions listed above, your main tax notice in June will reflect an additional charge of \$12,750.00 for your B.C. Housing Affordability Fund contribution for 2016. **If you claim an exemption, we may require further information from you, the Canada Revenue Agency, or other sources to verify eligibility for this exemption.**

Page 324 of 354

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s.12; s.13

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Page 326 of 354 to/à Page 332 of 354

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s.12; s.13

Page 333 of 354

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s.13; s.12

Page 334 of 354 to/à Page 354 of 354

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