

Ministry of Finance

BRIEFING DOCUMENT

To: Honourable Katrine Conroy
Minister of Finance

Date Requested: October 25, 2023

Date Required: November 1, 2023

Initiated by: Minister's Office

Date Prepared: October 26, 2023

Ministry Teresa Zhuang
Contact: Director, Housing
Property Tax and
Assessment Policy Branch

Phone Number: (778) 974-2384

Email: Teresa.Zhuang@gov.bc.ca

Cliff #: 504309

TITLE: Speculation and Vacancy Tax (SVT) Expansion Order in Council (OIC)

PURPOSE:

(X) DECISION REQUIRED

DATE PREPARED: October 26, 2023

TITLE: Speculation and Vacancy Tax (SVT) Expansion Order in Council (OIC)

ISSUE: The Minister of Finance has approved the expansion of the SVT to 13 new municipalities for the 2024 tax year.

BACKGROUND:

The SVT originally applied in core urban municipalities in the regional districts of Capital, Metro Vancouver, Fraser Valley, Central Okanagan, and Nanaimo. Those communities experienced near-zero vacancy rates and disproportionately high housing prices.

In July 2022, the Province announced the SVT expansion (effective January 1, 2023) to include six additional municipalities: District of Squamish, District of North Cowichan, Town of Ladysmith, City of Duncan, Town of Lake Cowichan, and Village of Lions Bay.

DISCUSSION:

s. 12, s. 13

APPROVED / NOT APPROVED

Katrine Conroy
Minister of Finance

Date

Order in Council
Cabinet Summary Information
This Template Last Updated: May 30, 2023

Ministry: Finance

Date Prepared: October 25,
2023

Cliff #: 504309

OIC Log #: R10740833

1. Type of OIC

s. 12

Regulation Privacy Impact Assessment

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PART 1: GENERAL INFORMATION

Corporate Privacy Office (CPO) intake number **RPIA# FIN23063R** / PIA file number:

Name of draft regulation	Speculation and Vacancy Tax Regulation
Date of draft materials provided	November 2, 2023
Name of associated legislation	<i>Speculation and Vacancy Tax Act</i>
Ministry	Finance
Your name and title	Marika Glickman, Manager (PTAP)
Your email	Marika.glickman@gov.bc.ca
Is the proposed regulation new or amended?	Amended
Name of regulation being repealed and replaced, if applicable:	

1. Provide a summary of the proposed regulation.

- The Speculation and Vacancy Tax (SVT) relates to how residential (Class 1) properties are used in B.C. It was originally designed to apply in core urban areas with near-zero vacancy rates where housing prices were disproportionately high compared to local incomes.
- The goal of the tax was primarily to target foreign owners, untaxed worldwide earners and Canadians who were holding units vacant in core urban areas experiencing a housing crisis. SVT revenues are also used to support affordable housing initiatives.
- The SVT applies to specified areas that are defined in the *Speculation and Vacancy Tax Act* (SVTA). The SVTA authorizes the Province to add a municipality to the definition by regulation.

s. 12

- The proposed regulation is intended to add 13 new municipalities as SVT specified areas to address housing affordability issues and challenging housing markets that have developed since 2018. These include:
 - The Corporation of the City of Vernon
 - The Corporation of the District of Coldstream
 - The Corporation of the City of Penticton
 - The Corporation of the District of Summerland
 - District of Lake Country
 - The Corporation of the District of Peachland
 - The Corporation of the City of Courtenay
 - Town of Comox
 - The Corporation of the Village of Cumberland
 - City of Parksville
 - Town of Qualicum Beach
 - City of Salmon Arm
 - City of Kamloops

2. Do you have a targeted Cabinet meeting (OIC) date?

- November 22, 2023

3. Has the Privacy, Compliance and Training Branch (CPO) reviewed a legislation PIA (LPIA) on legislative amendments that relate to the proposed regulation?

- YES (LPIA for *Speculation and Vacancy Tax Act*)

PART 2: OVERRIDE PROVISIONS

4. Does the proposed regulation involve a proposal to override or limit provisions of the Freedom of Information and Protection of Privacy Act (FOIPPA) or the Personal Information Protection Act (PIPA)?

- NO

5. If yes, have you consulted with Ministry of Citizens' Services?

- N/A

6. Does the proposed regulation involve a proposal to override or limit provisions of the Public Interest Disclosure Act (PIDA)?

- NO

7. If yes, have you consulted with the Ministry of Attorney General?

- N/A

PART 3: PROTECTION OF PRIVACY

8. In the proposed regulation, what personal information is authorized to be collected, used or disclosed? Be as specific as possible.

- The proposed regulation expands the list of specified areas where the SVT is applicable. Residential property owners in the 13 municipalities will be required to fill out an annual declaration form that collects information on residency status, what the owner's social insurance number and birth date are, whether the property is the principal residence, whether it is rented and for how many months per year, and what exemption(s) apply.

9. Will there be a change to the scope (amount or type) of personal information being collected, used or disclosed?

- **NO** – This information is currently collected in all other areas subject to the SVT. This regulation will simply expand the number of municipalities where the SVT applies.

10. Does the proposed regulation specifically authorize the collection of personal information?

- **NO** – Though personal information is collected as part of the SVT declaration process, this regulation is intended to add municipalities to the list of areas subject to the SVT, not to change the nature of the personal information collected.

11. Will the personal information be collected directly from the individual the information is about?

- **YES** – The personal information gathered as part of the SVT declaration process is either provided by the individual or authorized to declare on behalf of the individual.

12. Does the proposed regulation specifically authorize the use of personal information?

- **NO** – Though personal information is collected as part of the SVT declaration process, this regulation is intended to add municipalities to the list of areas subject to the SVT, not to change the nature of the personal information collected. The Province uses the personal information to determine SVT liability.

13. Does the proposed regulation specifically authorize the disclosure of personal information?


- **NO**

PART 4: CONCLUSION

This RPIA is based on the draft regulation identified on page one. If the regulation undergoes any subsequent, substantive changes, you may need to complete a new RPIA. Please inform CPO if you make any changes to the scope of the regulation.

RPIA Completed by	Marika Glickman
Signature	<i>Marika Glickman</i>
Date	November 2, 2023

CPO Signature

RPIA reviewed by	Joann Berekoff, Privacy Advisor
Signature	
Date	November 3, 2023

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