

Flatman, John CSCD:EX

From: Whitehead, Cameron JTST:EX
Sent: Tuesday, July 26, 2016 2:16 PM
To: Helander, Carling JTST:EX
Subject: 15% tax - QIIP new articles

SCMP: Ian Young ^{s.22}

<http://www.scmp.com/news/world/united-states-canada/article/1994773/foreign-home-buyers-vancouver-hit-hk-style-15pc-tax>

<http://www.vicnews.com/news/388296291.html>

About housing and QIIP: "I think this is beginning to take on a little bit of a conspiratorial theory that vast loads of people are arriving in Montreal with a Vancouver baggage ticket," de Jong said." He said that while some of that happens, the bulk of foreign investment in B.C. is from other sources.

Lynda Steel radio show:

<http://www.cknw.com/2016/07/25/steele-and-drex-how-big-of-a-problem-is-money-laundering-in-the-b-c-real-estate-market/>

Christine Duhaime with Duhaime Law: "We really are known as a jurisdiction where it's easy to become a permanent resident if you have a certain amount of money, and it's easy then to integrate into Canada if you have a lot of money and you follow certain immigration patterns such as you go to Quebec, you apply for permanent residency and then you get on the plane and you move out here to Vancouver."

<http://www.therebel.media/bc/s-new-tax-on-foreign-buyers-root-cause-real-estate-crisis>

"And how about **the Quebec Immigrant Investment program** that sees wealthy applicants accepted by Quebec's immigration system, but then settling in British Columbia instead, putting stress on hard-working taxpayers. Then there are buyers who may be legitimate dual citizens, but are buying here, then paying the majority of their taxes elsewhere."

Also:

After the stand-up I tuned into question period and David Eby was speaking about Quebec, but I didn't get the whole context, so I'm sure there are many more news articles to follow.

Cameron Whitehead

Senior Policy Advisor

Immigration Policy

Workforce Development and Immigration Division

(250) 889-2361

Flatman, John CSCD:EX

From: Przygoda, Annette JTST:EX
Sent: Tuesday, July 26, 2016 1:45 PM
To: Helander, Carling JTST:EX
Subject: FW: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

I'm just looping you back in. Naomi will contact her counterpart at IRCC to see if they have any ideas on where that statement with the "90% end up buying property in Vancouver" is coming from.

I had never actually seen that original statement. It is about buying real estate. Not about moving from QC to BC. Our immigration data here is about landing, immigrating and moving from province to province, so none of what we looked at so far actually addresses anything in the Kenney statement. We don't have data on who buys real estate here....not sure who would have that and if IRCC has it or some other fed department. We will ask and see what they have or can find out.

From: Pope, Naomi JTST:EX
Sent: Tuesday, July 26, 2016 1:39 PM
To: Przygoda, Annette JTST:EX
Subject: RE: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

Ok, thanks – I will note that...

From: Przygoda, Annette JTST:EX
Sent: Tuesday, July 26, 2016 1:39 PM
To: Pope, Naomi JTST:EX
Subject: RE: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

No, feel free to contact Ima about this.

They should be able to track down where that "90%" thing came from. But you should let Ima know that we looked at IMDB to look at how many Quebec Investors moved to BC (around 30%)....however, neither IMDB nor any other data sources we have access to would show how many people buy real estate in BC.

From: Pope, Naomi JTST:EX
Sent: Tuesday, July 26, 2016 1:35 PM
To: Przygoda, Annette JTST:EX
Subject: FW: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

I will follow up with Ima and Purna – any concerns or suggestions?

From: Nicholls, Cloe JTST:EX
Sent: Tuesday, July 26, 2016 1:11 PM
To: Helander, Carling JTST:EX; Pope, Naomi JTST:EX
Subject: Fwd: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

Hey you two - see below. Could we ask:

- 1) IRCC data focal point
- 2) IRCC IGR focal point

If they have access to the data MP Kenney is referencing below and if so, whether they can share it?

Let me know if you want to discuss.

Thanks

Cloe

Begin forwarded message:

From: "Johnson, Sheldon GCPE:EX" <Sheldon.Johnson@gov.bc.ca>
Date: July 26, 2016 at 1:05:55 PM PDT
To: "Nicholls, Cloe JTST:EX" <Cloe.Nicholls@gov.bc.ca>
Subject: RE: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

That was my guess too but we should ask.

From: Nicholls, Cloe JTST:EX
Sent: Tuesday, July 26, 2016 1:03 PM
To: Johnson, Sheldon GCPE:EX
Subject: Re: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

I don't know. We will ask. ^{s.22}

On Jul 26, 2016, at 1:00 PM, Johnson, Sheldon GCPE:EX <Sheldon.Johnson@gov.bc.ca> wrote:

Where could he possibly be getting that data from??

Conservative MP Jason Kenney said he hopes this tax "works to dampen some of the crazy speculation." But he added that a more effective way to cut down on foreign real estate speculation would be to shut down Quebec's investor-immigrant program, because he said more than 90 per cent of its participants end up buying property in Vancouver.

From: tno@gov.bc.ca [<mailto:tno@gov.bc.ca>]
Sent: Tuesday, July 26, 2016 5:29 AM
Subject: TNO: B.C. to tax foreigners who buy in Vancouver - Mike Hager - Globe and Mail

B.C. to tax foreigners who buy in Vancouver
Globe and Mail
26-Jul-2016
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By Mike Hager

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Flatman, John CSCD:EX

From: Nicholls, Cloe JTST:EX
Sent: Thursday, August 4, 2016 12:00 PM
To: Watt, Eben JTST:EX
Subject: RE: Exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District

Follow Up Flag: Follow up
Flag Status: Completed

Given that Rob was cc'd I am just getting some direction from him on how to respond – I'll let you know post-bilat but yes, happy for you to respond after that.

Also – I think it would need to be sent to Finance (revenue folks) not housing. I have been exchanging e-mails with Steve Emery to figure out how to connect/deal with these issues.

From: Watt, Eben JTST:EX
Sent: Thursday, August 4, 2016 11:46 AM
To: Nicholls, Cloe JTST:EX
Subject: FW: Exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District

Cloë,

Unless you would prefer otherwise, I'll take the lead on responding to this.

My approach will be twofold: 1) thank Mr. Natsuhara for his input and let him know we've forwarded his comments to the policy unit that deals with housing issues; 2) forward his comments on to the department that handles housing issues.

Let me know if you have any concerns.

Eben

From: Craig Natsuhara [<mailto:craig.k.natsuhara@ca.ey.com>]
Sent: Tuesday, August 2, 2016 2:11 PM
To: Nicholls, Cloe JTST:EX; Whitehead, Cameron JTST:EX; Watt, Eben JTST:EX
Cc: Kathy Gibson; Seeley, Erin JTST:EX; Mingay, Rob JTST:EX
Subject: Exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District

Hi Cloe, Cameron and Eben,

I wanted to offer our input if the BC government is considering any exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District (<http://www2.gov.bc.ca/assets/gov/taxes/property-taxes/property-transfer-tax/forms-publications/is-006-additional-property-transfer-tax-foreign-entities-vancouver.pdf>). Since we assist a number of local employers, we are aware that there are foreign employee who contribute to the BC economy and who will be adversely impacted by this new tax. Since the Express Entry system for permanent residence makes it more challenging to apply for permanent residence now, requiring an invitation to apply, there is a population of foreign employees in BC (including executives) who won't

be able to become permanent residents soon and who would like to purchase a home instead of rent indefinitely. Adversely impacting this population of TFWs is, I am guessing, an unintended consequence of the quickly implemented tax.

I believe an exemption could be developed to help these foreign employees as long as the proper parameters are set, such as employees of BC businesses in certain sectors or of a certain size or which have carried on business in BC for a certain number of years or have a certain number of Canadian citizen directors (or combination thereof), etc.?

I am happy to discuss further.

Best regards,



Craig K Natsuhara | Associate Partner

EY Law LLP*

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Flatman, John CSCD:EX

From: Kathy Gibson <kgibson@vancouvereconomic.com>
Sent: Tuesday, August 2, 2016 2:34 PM
To: Craig Natsuhara; Nicholls, Cloe JTST:EX; Whitehead, Cameron JTST:EX; Watt, Eben JTST:EX
Cc: Seeley, Erin JTST:EX; Mingay, Rob JTST:EX
Subject: Re: Exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District

Thanks for your feedback Craig. You raise a fair point, particularly if these TFWs are in attempting to land and we're attempting to attract highly skilled, internationally sought after talent.

I attended a City of Vancouver housing consultation on Thursday and measures, recommendations and tactics are actively being considered to deal with the "crisis"... in collaboration with the Province and the Federal Government.

Thank you for sharing you feedback,

Kathy Gibson, Sr. Consultant
Vancouver Economic Commission
Kgibson@vancouvereconomic.com



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From: Craig Natsuhara
Date: Tuesday, August 2, 2016 at 2:11 PM
To: "cloe.nicholls@gov.bc.ca", "cameron.whitehead@gov.bc.ca", "Watt, Eben JTST:EX"
Cc: Kathy Gibson, "Seeley, Erin JTST:EX", "rob.mingay@gov.bc.ca"
Subject: Exemptions to the 15% property transfer tax on residential property transfers to foreign entities in the Greater Vancouver Regional District

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Best regards,



Craig K Natsuhara | Associate Partner

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