



Speculation Tax Recap

CHBA BC submits speculation tax policy paper

CHBA BC was asked by the Ministry of Finance, after a productive technical briefing call in early March, to submit membership comments and concerns on the tax. This paper can be accessed [using this link](#).

The paper highlighted the potential impacts on vacation areas, and significant impact on building costs should land for development not be properly exempted.

Speculation tax details don't go far enough

After weeks of discussions, Minister of Finance Carole James outlined [new changes to the B.C. speculation tax](#) on March 26. These changes include:

- Redrawn boundaries to exclude "rural or vacation areas" like Juan de Fuca and the Gulf Islands, Bowen Island, Cultus Lake, Parksville and Qualicum Beach;
- Decreasing the speculation tax to 0.5% for British Columbians and 1% for Canadian residents, but still 2% for all other non-Canadian owners; and
- Exempting all personal residences, properties rented a minimum six months of the year, and secondary properties with a value up to \$400,000 (through a \$2,000 credit).

It is clear the government is actively listening to concerns from industry and the public, which is very positive. However, these changes do not go far enough in terms of mitigating unintended consequences. There is also more work to be done on its potential impacts for new supply. View the CHBA BC statement from March 26, which received significant media coverage, [using this link](#).

What's next for the speculation tax

CHBA BC has a meeting with the Minister of Finance in April. This meeting is a key step that builds on the previous technical briefing and paper submissions.

The Association is also supporting local areas – such as Kelowna – that are still part of the tax and are actively seeking to be excluded. The communities of [Nanaimo](#), [Sidney](#), [West Kelowna](#) and [Kelowna](#) have asked to be left out since the changes were announced.

There is still time for changes before the legislation is introduced this Fall. We encourage all members to continue to write our office with any events related to the new tax, such as cancelled contracts.

CHBA Conference Reception

The Canadian Home Builders' Association (CHBA) National Conference was held in Victoria from March 19-23, 2018. As the host province, CHBA BC held a successful kick-off reception on March 19 to welcome everyone to Victoria. This event was well attended by members and government officials, with Minister of Education and MLA for Victoria-Swan Lake Rob Fleming providing greetings on behalf of the province.



Image: CHBA Vancouver Island President Mark Bernhardt, CHBA BC CEO Neil Moody, CHBA National CEO Kevin Lee, CHBA BC President Matt McCurrach and Minister of Education Rob Fleming.

Ongoing Consultations

Poverty Reduction Strategy Roundtable

CHBA BC staff member Alycia Coulter attended a poverty reduction roundtable, hosted by Minister of Social Development and Poverty Reduction Shane Simpson, with other members of the B.C. business community on March 28. The provincial government will be creating the first B.C. poverty reduction strategy this year. A feedback report from the consultations will be released in June 2018, with poverty reduction legislation expected in Fall 2018. The full poverty reduction strategy will come after that. Learn more about the strategy consultation and submit your feedback [here](#).

Agricultural Land Reserve (ALR) Survey Now Open

Minister of Agriculture Lana Popham has tasked an Advisory Committee to review the Agricultural Land Reserve (ALR) and Agricultural Land Commission (ALC). An online survey is open until April 30 to collect opinions on common ALR themes, including interpretation and implementation of the Act, efficacy of zones 1 and 2, food security, and residential uses in the ALR. Submit your thoughts on this topic [at this link](#).