

July 26, 2016

Premier Christy Clark
West Annex, Parliament Buildings
Victoria, BC V8V 1X4

Dear Premier Clark,

We are writing to you as construction industry associations with respect to the proposed changes to the property transfer tax announced yesterday in the Legislature. The residential construction industry represents 137,000 jobs in new home construction, renovation, and repair – one of the largest employers in British Columbia.

Our members have expressed concern with the legislation, specifically the clause that indicates that the tax will apply to all applicable transfers registered on or after August 2, 2016, regardless of when the contract of purchase and sale was entered into.

In the home building industry, deposits and contracts to purchase are agreed upon months and years in advance of the closing dates and land transfers. These contracts are based in good faith on full disclosure of costs and tax structures at that time. To unilaterally apply this new tax to all purchases will directly penalize those who purchased in pre-sales and will take possession thereafter.

We must honour the contracts that were previously signed and grandfather them in. If the legislation stands as is, this is an unfair and punitive approach to the contracts in place. We need investment of all types in this province, and cannot harm investor confidence in British Columbia. This decision could create longer-term risks to the industry and the economy at large without this important amendment.

There is still time before this legislation takes effect to rectify this. We strongly encourage you to consider amending the legislation to apply only to all contracts *signed after August 2, 2016*.

Thank you for your time and consideration of this important request.

Yours sincerely,



Anne McMullin, President & CEO
Urban Development Institute Pacific Region



Bob de Wit, CEO
Greater Vancouver Home Builders' Association



Phillip Hochstein, President
Independent Contractors & Businesses Assn. of B.C.



Neil Moody, CEO
Canadian Home Builders' Association of B.C.

Cc: The Hon. Rich Coleman, Deputy Premier, Minister of Energy and Mines, Minister Responsible for Housing
The Hon. Peter Fassbender, Minister of Community, Sport and Cultural Development and Minister
Responsible for TransLink
The Hon. Michael de Jong, Minister of Finance and House Leader