



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION



For Immediate Release

Attainable Housing and Green Buildings: Budget 2009

Vancouver, BC – October 16, 2008. This afternoon, the British Columbia Real Estate Association (BCREA) and the Canadian Home Builders' Association of BC (CHBA BC) recommended the provincial government, in Budget 2009, restructure the Property Transfer Tax to improve housing affordability and make better use of the housing sector to help residents make greener building choices.

“The Property Transfer Tax detracts from provincial affordable housing initiatives previous budgets have put in place, such as enhancements to the First-Time Home Buyers' Program, and changes to the Home Owner Grant aimed at seniors,” said Robert Laing, BCREA Chief Executive Officer.

The BC Government levies a Property Transfer Tax rate that is 129 per cent higher than the average for Canadian provinces. The rate—1% on the first \$200,000 of a property and 2% on the remainder—has remained the same since the tax was introduced in 1987. The negative impact of the Property Transfer Tax on British Columbians appears to be at odds with the provincial government's competitive taxation principles.

In a submission to the Select Standing Committee on Finance and Government Services, and as a first step to a fairer Property Transfer Tax that enables greater affordability and accessibility to housing, BCREA and CHBA BC suggest the government restructure the Property Transfer Tax to reflect current housing market conditions in BC by increasing the 1% tax threshold to \$400,000 and levying 2% tax on the balance.

The second key recommendation is for the government to improve the attainability of green housing through a program that provides a Property Transfer Tax rebate to buyers of new homes that meet a Built Green™ standard for greenhouse gas emissions and less waste. With the introduction of a new building code and a desire by CHBA BC builders to build to a higher energy standard, a home can now cost between 4 and 6% more.

“Built Green™ BC is about healthier buildings for homeowners and for the environment,” noted M.J. Whitmarsh, CEO of the Canadian Home Builders' Association of BC. “The incentive we propose would return money to British Columbians in a way that's directly targeted at reducing greenhouse gas emissions.”

With Budget 2009, the BC Government has the opportunity to build on past initiatives to help British Columbians become homeowners and reduce the province's carbon footprint.

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1 [backgrounder](#) available. Read the full submission at www.bcrea.bc.ca.

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