



For immediate release

BUDGET 2016 – MEDIA RELEASE

Victoria, BC – February 16, 2016. The British Columbia Real Estate Association (BCREA) welcomes the proposed changes to the Property Transfer Tax (PTT) and other measures in *Budget 2016* to improve housing affordability in the province and collect better information about property transactions.

The PTT exemption for new homes up to \$750,000 will help stimulate supply of new housing and provide more opportunities for home ownership across the province. This exemption is commendable, however with many new housing projects taking years to complete, it may not have the immediate impact desired by the government.

While the new three percent threshold for properties over \$2 million is intended to pay for the new home exemption, the province has missed an opportunity to raise the existing threshold levels to provide broader PTT relief for those who cannot afford a newly constructed home and who are not first time homebuyers.

By not indexing the threshold levels, the province ensures that – in an environment of rising home prices – an increasing number of homes will fall within the new three percent threshold, resulting in a higher tax burden on more home buyers.

Collecting and analyzing information on real estate transactions will help the provincial government make fact-based policy decisions. BCREA welcomes this initiative and looks forward to having the data publicly available.

BCREA continues to call on the provincial government to:

- Increase the 1% PTT threshold from \$200,000 to \$525,000;
- Index the 1% PTT threshold using the MLS® Home Price Index, and make adjustments annually;
- Index the exemption threshold for the First-Time Home Buyers' Program using the MLS® Home Price Index, and make adjustments annually.

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BCREA is the professional association for over 19,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving [Quality of Life](#) in BC communities, BCREA supports policies that help ensure economic vitality, provide housing opportunities, preserve the environment, protect property owners and build better communities with good schools and safe neighbourhoods.

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