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METRO VANCOUVER SEEKS CHANGES TO B.C.'S INEQUITABLE PROPERTY-BASED TAX REGIME

Metro Vancouver is calling on the four main provincial parties to commit to implement substantial changes to the B.C. Home Owner Grant, Property Transfer Tax and School Property Tax to ensure property taxation is fairer and more equitable for residents and businesses across the region.

The recommendation follows a Metro Vancouver-commissioned independent analysis, "[*Provincial Property-Based Taxes in the Metro Vancouver Regional District*](#)," by Cascadia Partners, which found regional homeowners pay a disproportionate share of property taxes – compared with the rest of B.C. – because of an antiquated property tax system that pegs taxes to property assessments.

"Metro Vancouver residents are facing an inequitable tax burden because of an antiquated taxation system based on assessed property values," said Metro Vancouver Board Chair Greg Moore. "It's patently unfair for more than half of B.C.'s population to be financially penalized when many residents are struggling to afford to remain in their homes."

Higher property assessments throughout Metro Vancouver are not reflective of the homeowner's ability to pay, and property taxes do not rise or fall in direct correlation to assessed values. Instead, rates vary each year depending on growth of assessed value across property classes.

Metro Vancouver residents pay three times as much School Property Tax per household than the rest of B.C., while Property Transfer Tax growth in Metro Vancouver has outpaced the rest of the province by 85 per cent since 2011 – in two years, Metro Vancouver's contributions are estimated to have generated additional Property Transfer Tax revenue of \$900 million. At the same time, a meteoric rise in house prices means fewer homeowners are eligible for the full Home Owner Grant.

"If school expenditures kept pace with revenue, education spending would have increased by \$290 million per year, while we could also use the revenue from Property Transfer Tax to address affordable housing and the homelessness crisis we're facing right now," said Metro Vancouver Vice-Chair Raymond Louie. "The system needs an urgent overhaul."

Metro Vancouver is recommending B.C.'s four main political parties commit to implement the following measures to achieve fairness in property taxation throughout the province, specifically in the areas of Home Owner Grant eligibility, the outdated Property Transfer Tax brackets and application of the School Property Tax:

- Set the Home Owner Grant threshold within Metro Vancouver to match the provincial average, currently at 91 per cent for residential properties that fall below the threshold, to reflect increased values within the region and protect homeowners facing tax increases without corresponding income growth.
- Calculate the School Property Tax annually on a regional basis to reflect the provincial average threshold of school district expenditures, which were 46 per cent in 2016.
- Invest the unbudgeted revenue generated within the Metro Vancouver Regional District from the Property Transfer Tax collection back into local government infrastructure, transit and affordable housing within the Metro Vancouver region.

[Report: Provincial Property-Based Taxes in the Metro Vancouver Region](#)

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Metro Vancouver is a federation of 21 municipalities, one Electoral Area and one Treaty First Nation that collaboratively plans for and delivers regional-scale services. Its core services are drinking water, wastewater treatment and solid waste management. Metro Vancouver also regulates air quality, plans for urban growth, manages a regional parks system and provides affordable housing. The regional district is governed by a Board of Directors of elected officials from each local authority.