

NEWS RELEASE

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HIGHER HOMEOWNER GRANT THRESHOLD PROTECTS TAXPAYERS

VICTORIA – More than one million B.C. homeowners with homes valued up to \$1.15 million may be eligible for the full homeowner grant amount as the Province raises the threshold by 10 per cent for the 2011 tax year.

“Raising the homeowner grant threshold ensures that 95 per cent of homeowners continue to benefit from a full grant, helping them with the cost of living,” Finance Minister Colin Hansen said. “While we’re starting to see mills and mines reopen in our smaller communities, we recognize the economic downturn hit some parts of rural B.C. harder, so we’ve kept our promise to provide a Northern and Rural Home Owner Benefit to ease the burden on rural families in the months ahead.”

BC Assessment estimates the value of most properties (homes) as of July 1 each year, based on market value. Assessment notices were mailed to all property owners Dec. 31, 2010.

The Province reviews B.C. Assessment’s property value information and adjusts the grant threshold so that at least 95.5 per cent of homeowners are eligible for the full grant. People with homes valued above the threshold may be eligible for a partial grant.

The home owner grant provides a maximum reduction in residential property taxes of \$570. An additional grant of \$275 — for a total of \$845 — may be available if the homeowner is 65 or over, permanently disabled or eligible to receive certain war-veteran allowances. The assessment data reflects the market value of homes as of July 1, 2010. The grant threshold was \$1,050,000 for both 2009 and 2010.

A further measure of relief from residential property taxes for northern and rural homeowners takes effect in 2011, with the start of the Northern and Rural Area Homeowner Benefit. This benefit provides up to \$200 for homeowners living outside of the Capital, Greater Vancouver and Fraser Valley regional districts. To be eligible, homeowners must meet the requirements to receive the basic or additional homeowner grants. The new benefit will be included with property tax notices in the spring, and eligible homeowners will not need to apply separately.

Other changes taking effect this year to benefit property taxpayers include:

- Increasing the Industrial Property Tax Credit to 60 per cent of school property taxes payable by light and major industrial properties.
- Establishing a credit of 50 per cent of school property taxes for land classified as “farm”.

For more information on the Home Owner Grant program and the Northern and Rural Homeowner Benefit, please visit:
www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm

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