



## Empty Homes Tax

Empty Homes Tax due dates

**Property status declaration (for 2017):** February 2, 2018

**Empty Homes Tax payment:** April 16, 2018

**Unpaid tax added to property tax bill:** December 31, 2018

Homes that are deemed empty will be subject to a tax of 1% of the property's assessed value.

Most homes will not be subject to the tax, as it does not apply to principal residences or homes rented on a long-term basis.

**The Empty Homes Tax will come into effect in January 2017**, but it will not be assessed and payable until 2018.

Net revenues from the Empty Homes Tax will be reinvested into affordable housing initiatives.



Will your home be taxed?

Determine if your property will be subject to the Empty Homes Tax.



Enforcement and penalties

Learn how the Empty Homes Tax will be enforced, how to avoid penalties, and what evidence will be required if you are audited.



## Understanding the Empty Homes Tax

Find out more about the Empty Homes Tax: why we have the tax, our progress, and more.



## Will your home be taxed?

### Empty Homes Tax due dates

**Property status declaration (for 2017):** February 2, 2018

**Empty Homes Tax payment:** April 16, 2018

**Unpaid tax added to property tax bill:** December 31, 2018

All owners of residential property in Vancouver will be required to make a property status declaration, which will determine if they are affected by the Empty Homes Tax.

Most properties will not be subject to the Empty Homes Tax, including those:

- Being used as a principal residence by the owner or his/her family member
- Rented for a total of 180 days of the year, in periods of at least 30 consecutive days
- Meeting the criteria for one of the permissible exemptions listed below

[Show all](#) | [Hide all](#)

## What is a principal residence?

[Show less](#)

A principal residence is defined as: "... the usual place where an individual lives, makes his or her home and conducts his or her daily affairs, including, without limitation, paying bills and receiving mail, and is generally the residential address used on documentation related to billing, identification, taxation and insurance purposes, including, without limitation, income tax returns, Medical Services Plan documentation, driver's licenses, personal identification, vehicle registration and utility bills."

## Permissible exemptions

[Show less](#)

For your property to be eligible for an exemption, you must submit supporting evidence at the time of your property status declaration.

Exemption

Evidence required

Your home is being used for a minimum of six months of the year for work purposes within the City of Vancouver, but you claim your principal residence elsewhere.

- Address of owner's principal residence
- Contact information for Vancouver employer
- Letter from Vancouver employer confirming full time employment status and required physical presence for purposes of work

You or your tenant is receiving long-term, in-patient medical or supportive care.

- Contact information for care facility
- Letter from care facility confirming property owner is undergoing medical/supportive care

The owner is deceased and a grant of probate or administration is pending.

- Death certificate of registered owner

The ownership of the property changed during the year.

- Signed Agreement of Purchase and Sale

The property is undergoing major renovations, or is under construction or redevelopment and permits have been issued.

- Short description of redevelopment/renovation project
- Permit Number

The property was subject to strata rental restrictions as November 16, 2016.

- Copy of strata bylaws
- Letter from strata council confirming maximum number of units have been rented and the property in question is on the waiting list

The property is under a court order prohibiting occupancy.

- Copy of the court order

The property's use is limited to vehicle parking, or the shape, size, or other aspect of the property precludes the ability to construct a residential building.

## What to do if your property is currently empty or under-utilized

[Show less](#)

If you do not qualify for an exemption, several options are available to you:

- Become a landlord by renting your property for a minimum of 180 days of the year, in periods of at least 30 consecutive days
- Enlist a property management firm to rent your property on a long-term or periodic basis
- Invite a family member to occupy your property as his/her principal residence
- Occupy your property as your principal residence
- Keep your property as-is and pay the Empty Homes Tax
- Sell your property

## Declaring your property status

[Show less](#)

All homeowners must make a property status declaration for the 2017 calendar year by February 2, 2018.

Homes that are deemed to be empty as a result of the property status declaration will be subject to a tax of 1% of the property's assessed value. Failure to declare will result in the home being deemed empty.

If applying for an exemption, you must submit supporting evidence with your property status declaration (see above for list of exemptions).



## Enforcement and penalties

Empty Homes Tax due dates

**Property status declaration (for 2017):** February 2, 2018

**Empty Homes Tax payment:** April 16, 2018

**Unpaid tax added to property tax bill:** December 31, 2018

All owners of residential property in Vancouver will be required to make a property status declaration, which will determine if they are subject to the Empty Homes Tax.

Homes that are deemed to be empty as a result of the property status declaration will be subject to a tax of 1% of the property's assessed value.

## Penalties and fines

Late and unpaid Empty Homes Taxes are subject to the same remedies for non-payment as property taxes, including:

- A late payment penalty of 5%
- Daily interest on arrears
- The tax sale process

Failure to make a property status declaration will result in the home being deemed empty and subject to the tax. It may also attract a penalty and we may prosecute for fines.

False declarations will result in fines of up to \$10,000 per day of the continuing offense, in addition to payment of the tax.

## Audit process

Property tax declarations will be subject to a rigorous audit process, in line with best practices for provincial and federal tax programs. If your property is selected for an audit, you will be asked to provide evidence in support of your declaration.

[Show all](#) | [Hide all](#)

Evidence required if the audited property is a principal residence

[Show less](#)

If your property is selected for audit and it is a principal residence, you will be required to provide evidence that supports that declaration.

### **Types of evidence**

Types of evidence that can be submitted in support of a declaration include (but are not limited to):

- ICBC vehicle insurance and registration
- Government-issued personal identification, including, driver's license, BCID card, British Columbia Services Card
- Medical Services Plan invoice
- Income tax returns and notices of assessment
- Employment contracts, pay statements or records of employment
- Insurance certificates for homeowners insurance

**!** If the occupant does not have their personal information registered to the property address, you could fail an audit and be subject to the tax.

### **Evidence required if the audited property is rented for six months or more**

[Show less](#)

If your property is selected for audit and it is rented for six months or more of the year, you will be required to provide evidence that supports that declaration.

To declare that your property is rented, it must be occupied for a minimum 180 days of the calendar year. This requirement can be met through either a:

- Long-term lease (minimum of six months in duration)
- Combination of rental periods, each lasting at least 30 consecutive days, for a cumulative total of 180 days of tenancy

### **Types of evidence**

Types of evidence that can be submitted in support of a declaration include (but are not limited to):

- Tenancy agreements
- Income tax returns and notices of assessment stating rental income
- Insurance certificates for tenants insurance
- Bank statements demonstrating re-occurring rental payments
- Information from a long-term tenant proving occupancy

Questions?

**Phone:** 311

**Email:** [eht@vancouver.ca](mailto:eht@vancouver.ca)