City of Parksville

INFORMATION RELEASE

parksville.ca

REVISED INFORMATION March 23, 2026

Province of BC 2026 Budget Changes Affect Property Taxes

The information provided below is for the benefit of City of Parksville residential property owners.

Repeal of the Northern and Rural Homeowner Benefit

In February, the Province of BC released its 2026 budget which eliminated the $200 Northern and Rural Homeowner benefit effective for the 2027 taxation year and subsequent years. This benefit is available to qualifying residents outside the Capital, Metro Vancouver, and Fraser Valley Regional Districts and was originally introduced under the homeowner grant program to offset the impacts of the provincial carbon tax, which is no longer applicable.

The basic homeowner grant, effective, January 1, 2027, for eligible principal residences will be reduced to $570 and for qualifying seniors aged 65 or older, veterans and persons with disabilities the total grant amount will be $845. Homes assessed above $2.075 million may still qualify for a partial grant. Also, grant amounts may be adjusted to ensure the minimum amount of annual property taxes are paid.

The homeowner grant is a provincial subsidy program that reduces the amount of property tax you pay for your principal residence. Property owners must meet eligibility requirements and complete an application each year. Eligible homeowners can apply for the grant through the BC Government website after annual property tax statements are issued by the City of Parksville in May. Refer to the BC Homeowner Grant Program for more information.

Additional School Tax Rates

Effective for the 2027 and subsequent taxation years, the additional school tax rates on residential properties valued over $3 million are increased. The tax rate that applies to the residential portion assessed between $3 million and $4 million is increased from 0.2 percent to 0.3 percent, and the tax rate that applies to the portion of residential assessed value that exceeds $4 million is increased from 0.4 percent to 0.6 percent. More information available here.

Increasing Interest Rates for Property Tax Deferment Program

Effective for this year and subsequent taxation years, the province is harmonizing and increasing interest rates under the property tax deferment program for homeowners who are 55 years of age or older (regular program), as well as surviving spouses or persons with disabilities and the families with children program

REVISED INFORMATION: The interest rate on the deferred tax amount will increase to an annual rate of prime plus 2% compounded monthly. The increased interest rate on deferred property taxes applies only to property taxes deferred for 2026 and subsequent years. The previous year's property tax deferments will still be charged interest at prime less 2% simple rate which has been in place for many years. Please refer to the information provided at this link.

There is no immediate financial impact to homeowners who defer their property taxes. However, this is a significant increase from the existing interest rates applicable to property taxes deferred for prior tax years (including 2025). This interest will become payable when the property is sold or otherwise changes ownership. Refer to the BC Property Tax Deferment Program for more information.

###

For more information:

Deb Tardiff, Manager of Communications; communications@parksville.ca; 250 954-3073