

Parksville Council Advocates for Elimination of Speculation Tax

In the 2018 budget, the provincial government created a speculation tax on residential properties in the Regional District of Nanaimo intended to target foreign and domestic speculators who own residential property in BC. Earlier this month, the Council of the City of Parksville passed resolutions to address the ramifications caused by the provincial government's new speculation tax and an additional transfer tax. The City recently took the following actions:

- Letters were written to the Premier of BC and BC Ministers of Finance, and Tourism, Arts and Culture outlining Council's concerns regarding the implications of the recently announced speculation tax for communities with large numbers of shared ownership vacation rental properties or properties being held for retirement purposes.
- A copy of this letter was sent to the Union of BC Municipalities for circulation to UBCM members with a request for letters from members to the province in support of Council's concerns.
- A resolution to raise awareness of the impact of the speculation tax on Vancouver Island municipalities will be presented to the 2018 Association of Vancouver Island and Coastal Communities conference in April.

Mayor Marc Lefebvre said, "Parksville is well known as a community that welcomes retirees. In planning to retire here, many purchase homes while still employed elsewhere in Canada. These are not rich speculators but ordinary Canadians who are building a better life for themselves and families and who pay their fair share of property taxes."

Mayor Lefebvre also stated, "If the government applies this tax to these properties, the economy will certainly suffer. To prosper, our community relies on tourism as well as continued investment in our community which will be negatively impacted with this tax."

This tax will have a negative impact on those who have purchased future retirement homes, vacation homes or shared ownership units in resort properties resulting in a reduction in the economic viability of this industry and subsequent negative economic impact on our community. The City is actively advocating for exemptions from the speculation tax for those who have purchased vacation, shared ownership or retirement homes in British Columbia.

At a meeting on March 13, the Regional District of Nanaimo board of directors unanimously agreed to object to the speculation tax in any form, in any region or municipality in BC. The City of Parksville will continue to advocate for the elimination of this tax.

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