

Ministry of Finance

Tax Bulletin



ISSUED: April 2008 REVISED: February 2012

Bulletin HOG 001

www.fin.gov.bc.ca/rev.htm

Home Owner Grant Program

Home Owner Grant Act

Do you need to know if you are eligible for a home owner grant?

Do you need to know how to apply for a home owner grant?

This bulletin provides specific tax information to help individuals understand the Home Owner Grant Program requirements and application process.

For general property tax information, please visit our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/property_taxes.htm

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Overview

The home owner grant is a grant to help British Columbians reduce their property taxes. There are two categories of grants.

1. The regular grant may reduce your taxes up to \$570.
2. The additional grant may reduce your taxes up to \$845.

You may qualify for either the regular grant or the additional grant but not both. To receive the grant, both the owner and the property must meet the qualification requirements.

The home owner grant does not apply to delinquent taxes or to any penalties, interest or fees. For the 2012 tax year, the grant is reduced by \$5 for each \$1,000 of assessed value over \$1,285,000. This means the regular grant is eliminated on homes assessed at \$1,399,000 or more. The additional grant is eliminated on homes assessed at \$1,454,000 or more.

For the 2012 tax year, the regular grant with the Northern and Rural Area Home Owner Benefit (NRAHOB) is eliminated on homes assessed at \$1,439,000 or more, and the additional grant with a NRAHOB is eliminated on homes assessed at \$1,494,000 or more.

Qualifications

Regular Home Owner Grant

To qualify for the regular grant:

- you must be a Canadian citizen or permanent resident and ordinarily reside in British Columbia,
- you must be the registered owner or eligible occupant (which includes an eligible occupant in an eligible apartment, housing unit, land cooperative or multi-dwelling lease parcel) of the home on which the grant is being claimed, and
- you must occupy the home as your principal residence.

Owner is defined as the owner of a property registered at a land title office, Manufactured Home Registry or the Integrated Land Management Bureau and includes a tenant for life under a registered life estate or a registered 99-year lease. The lessee is responsible for paying the current year's taxes under the terms of the lease.

Principal residence is the property where you live and from where you conduct your daily affairs (for example, pay your bills, file your income tax returns, receive your mail, have a telephone listing). It is the address where you reside when the grant is submitted and the property taxes are paid. A person can have only one principal residence.

If you and your spouse live apart, you cannot claim a grant on a second property you jointly or individually own unless you have a written agreement or court order recognizing your separation. A copy of the agreement or court order should accompany your grant application.

Additional Home Owner Grant

You may qualify for the additional grant if you meet the regular grant qualifications and any of the qualifications listed below.

- You are 65 or older during the calendar year. If your home is jointly owned, only one owner or occupant must be 65 to qualify for the additional grant. The qualifying owner or occupant's date of birth and signature must appear on the grant application.
- You are a veteran or a veteran's spouse or widow/widower receiving an allowance under the *War Veterans Allowance Act* (Canada) or the *Civilian War-Related Benefits Act*. Veterans must attach documentary proof (for example, a letter) from Veterans Affairs Canada to the home owner grant application. Surviving spouses who received either allowance at the time of their spouse's death also qualify for the additional grant.
- You are a person with disabilities and are receiving disability assistance, hardship assistance or a supplement under the *Employment and Assistance for Persons with Disabilities Act*. You must provide the required *Consent for Release of Information* form (FIN 81) completed and signed by you and your Ministry of Social Development representative. Enclose a current form with your grant application **each year**. Only a registered owner or eligible occupant (which includes an eligible occupant of an eligible apartment, housing unit, land cooperative or multi-dwelling leased parcel) may qualify under this category.
- You are a person with disabilities, who does not receive disability assistance under the *Employment and Assistance for Persons with Disabilities Act*, **or** you are the spouse or relative of a person with disabilities and the disabled person resides with you. You must submit a Form B - *Certificate of Physician and Property Owner* (FIN 74) completed and signed by both you and the physician. Attach the form to the home owner grant application the first year that you apply for this additional grant. This medical form must indicate that:

- the disability is permanent and there is no remedial therapy available that would significantly reduce the disability, and the disability requires extensive physical assistance in the form of physical care in the home, costing more than \$150 per month,
- structural modifications costing more than \$2,000 have been made to your home in order to manage daily functioning by the person with a disability,
- you purchased your home with structural modifications completed by a previous owner, where the modifications meet the disability needs of the person with a disability and have a value exceeding \$2,000, or
- you made changes to the design specifications of your newly constructed principal residence that meet the disability needs of the person with a disability, and the value of the changes to the structural features of the home exceed \$2,000.

You must submit the receipts with your application. An incomplete application will not be accepted. Physicians do not approve the additional grant; they provide information used to determine eligibility.

Retroactive claims are not allowed for first time applicants that are applying as a person with a disability under the Form B - *Certificate of Physician and Property Owner* (FIN 74) criteria.

Please note: Canada Pension Plan disability benefits do not necessarily qualify a home owner for the additional home owner grant.

Northern and Rural Area Home Owner Benefit (NRAHOB)

You may be eligible for the NRAHOB benefit of up to \$200 if you meet the qualifications listed below.

- You meet the requirements for the basic or additional grant.
- Your home is located within British Columbia but is outside of the Capital Regional District, the Greater Vancouver Regional District and the Fraser Valley Regional District.

Minimum Tax Requirement

You must pay at least \$350 per year in property taxes before claiming a regular home owner grant or at least \$100 before claiming an additional grant.

Low-Income Seniors and Others

Continuing from the 2007 tax year, the grant may be available to some low-income home owners or occupants who, but for the high assessed value of their home, would receive the additional home owner grant. Key eligibility criteria are that the home owner or occupant:

- would qualify for the additional home owner grant amount (seniors, veterans receiving an allowance under the *War Veterans Allowance Act* [Canada] or the *Civilian War-Related Benefits Act* [Canada] and certain persons with disabilities) except that their home is assessed above the threshold, and
- meets low-income criteria.

For program details and qualifications, please see the information sheet, *Home Owner Grant Low-Income Grant Supplement Program*.

Veterans Supplement

Effective for the 2012 tax year, eligible low-income veterans under the age of 65 and not otherwise eligible for the low-income grant supplement, may qualify for the veterans supplement. To be considered a veteran for the purpose of this supplement, you must be a former officer or a former non-commissioned member of the Canadian Forces who has been honourably discharged from service. For complete program details and qualifications, please see **Information Sheet 2012-01, Home Owner Grant Veterans Supplement**.

Other Circumstances

Property Damaged or Destroyed by Fire, Flood or Other Natural Disaster

Effective for the 2008 tax year, a home owner grant is provided for up to two taxation years to eligible home owners or occupants who cease to occupy their principal residence due to property damaged or destroyed by fire, flood or other natural disaster.

The eligibility criteria are as follows.

- You meet the qualifications of the regular grant.
- You occupied the property as your principal residence immediately before you ceased to occupy the residence.
- The eligible residence was assessed and taxed as an improvement in the tax year that you ceased to occupy the residence.
- The eligible residence is assessed and taxed as an improvement in the tax year that you apply for the home owner grant.
- The eligible residence is not for sale.

- The eligible residence cannot be occupied by any person during the reconstruction or repair.
- You intend to occupy the residence as your principal residence after the reconstruction or repair. You may be absent from the property while it is under reconstruction or repair for more than two taxation years; however, the grant is still only provided for two taxation years. If you do not occupy the home as your principal residence in the first taxation year after the reconstruction or repair, you will be required to repay any home owner grant that you received during your absence.

Temporary Absence

Effective for the 2008 tax year, a home owner grant is provided for up to two taxation years to eligible home owners or occupants who cease to occupy their principal residence for reasons, such as medical, travel, work or education.

The eligibility criteria are as follows.

- You meet the qualifications of the regular grant.
- You occupied the property as your principal residence immediately before you ceased to occupy the residence.
- You applied for and received the home owner grant in the tax year immediately before the tax year you ceased to occupy the residence.
- The eligible residence was assessed and taxed as an improvement in the tax year in which you ceased to occupy the residence.
- The eligible residence is assessed and taxed as an improvement in each year that you apply for the home owner grant.
- The eligible residence is not for sale.
- While you are absent, the eligible residence is either vacant or occupied by your spouse or relative who resided in the home as his or her principal residence at the time you ceased to occupy the residence.
- You intend to occupy the residence as your principal residence after your absence. You must reoccupy the residence in the taxation year following the last taxation year that you claimed a home owner grant as an absent owner or occupant. If you do not reoccupy the residence as your principal residence after your absence, you will be required to repay any home owner grant that you received during your absence.

If you cease to occupy your residence because of imprisonment, you are not eligible for the home owner grant.

Moving into a Residential Facility

Effective for the 2012 tax year, home owners who cease to occupy their principal residence because they move into a residential facility may be entitled to the home owner grant for one additional year.

To be eligible, you must meet the following qualifications.

- You meet the qualifications of the regular grant.
- You occupied your home as your principal residence immediately before you moved into the residential facility.
- You still own the home at the time you make your application for the home owner grant.
- Your home is not rented or advertised for rent or sublease during the time period from when you moved into the residential facility until you applied for the home owner grant, although it may be for sale.
- You applied for and received the home owner grant on the home in the tax year immediately before the tax year you moved into the residential facility.
- You live in a qualifying residential facility due to your family circumstances, age, disability, illness or frailty. A residential facility is a premise operated by someone other than a related person and the facility provides housing and daily meals.

Deceased Owner

You may be eligible to claim the grant to which the deceased owner or occupant would have been entitled to, providing:

- the death occurred in the current year,
- you are a relative (a spouse, child, grandchild, parent, brother or sister) of the deceased,
- you occupied the property as your principal residence on the date of that owner or occupant's death and continue to occupy the residence,
- the deceased owner or occupant would have qualified for the grant at the time of death, and
- you have not claimed a grant on any other residence in British Columbia for the current year. In the following years, claim the grant that you are entitled to.

Submitting the Application

The home owner grant application form is included with your property tax notice. Electronic applications are available through some municipal taxing authorities' websites. Alternatively, you can use the *Application for Home Owner Grant* form (FIN 78).

The *Application for Home Owner Grant* form (FIN 78) and all forms mentioned in the Qualifications section above are available from your municipal office, local **Service BC Centre** or on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm.

If you live in a rural area, you send your application to the Surveyor of Taxes office or to your local **Service BC Centre**. Rural applications can be completed and submitted electronically on the Rural Property Tax website at www.sbr.gov.bc.ca/applications/rpt/EHOGForms/EHogFormV1.dll. If you live in an incorporated municipality, return the form to your municipal tax office.

To avoid a penalty charge on your home owner grant amount, your application must be received **before** the property tax due date. A person appointed in writing as your power of attorney may apply for the grant on your behalf.

You can apply for the current year's grant until December 31; however, penalty charges apply if your application is received after the property tax due date.

Further Requirements

Grant applications are reviewed to ensure that grants have been approved only for owners or occupants of eligible properties. You may need to provide documentation to support your claim, such as proof of ownership, residency or costs associated with your disability. Failure to provide the requested information may result in the denial of your grant claim.

Applications may be audited at a later date. The audit period consists of the current year plus the six preceding tax years. Grants obtained by ineligible taxpayers must be repaid with interest. Persons who commit an offence are liable for a fine of up to \$10,000.

Claiming the Grant Retroactively

You may apply for the prior year's grant if you are the home owner or eligible occupant and you met all residency qualifications up to December 31 of that year. Applications received after December 31 of the current year or after the date a property is sold cannot be considered. You must provide a written reason why you missed the previous year's December 31 deadline together with a completed *Application for Retroactive Home Owner Grant* form (FIN 92). This form is available on our website or from your municipal office, the Surveyor of Taxes, or your local **Service BC Centre**.

Please note: Retroactive claims are not allowed for first time applicants that are applying as a person with a disability under the Form B - *Certificate of Physician and Property Owner* (FIN 74) criteria.

Appealing the Denial of a Grant Claim

If you do not agree with the denial of your grant claim, you may appeal it to the minister. An appeal to the minister must be made within 90 days of the date on the *Notice of Disentitlement*. For more information, please see **Bulletin GEN 003, Appeals of Tax Assessments, Disallowed Refunds or Other Determinations**.

Need more info?

For more information on the Home Owner Grant Program, please see your property tax notice, the insert titled *Explanatory Notes* that comes with your tax notice, or the Frequently Asked Questions on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/faq.htm

Home Owner Grant Administration

Ministry of Finance

PO Box 9991 Stn Prov Govt, Victoria BC V8W 9R7

Telephone (Victoria): 250 356-8904 or 250 387-8166

Toll free in British Columbia: 1 888 355-2700

Fax (Victoria): 250 356-8994

E-mail: hogadmin@gov.bc.ca

Website: www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm

Municipal Tax Office (municipal property)

Check your property tax notice or the blue pages of your local telephone directory for the number.

Service BC Centres

Check the blue pages of your local telephone directory for the number.

Website: www.servicebc.gov.bc.ca

Surveyor of Taxes (rural property)

Telephone (Victoria): 250 387-0555

Toll free through Enquiry BC: 1 800 663-7867 (or 604 660-2421 in Vancouver) and request a transfer to 250 387-0555

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation. The *Home Owner Grant Act* and Regulations are on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/legislation.htm

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Tax Information Sheet



ISSUED: February 2012

Information Sheet 2012-01

www.fin.gov.bc.ca/rev.htm

Home Owner Grant Veterans Supplement

Home Owner Grant Act

What is the Veterans Supplement

As announced in November 2011, a new home owner grant supplement program is available to qualifying low-income veterans beginning in the 2012 tax year. The veterans supplement is in addition to the regular home owner grant.

The veterans supplement provides qualifying low-income veterans with the same relief from property taxes as a home owner who qualifies for the additional home owner grant. You cannot apply for the veterans supplement if you have applied and been approved for the additional home owner grant.

For more information on the regular and additional home owner grant, please see **Bulletin HOG 001, *Home Owner Grant Program***.

Specific application information for this program is still being developed. This information sheet will be updated as new information becomes available.

Who Qualifies for the Veterans Supplement

You may qualify for the veterans supplement if you have been approved for the regular home owner grant. In addition to the regular grant qualifications, you must also meet the following qualifications at the time you apply for the veterans supplement:

- you are a Canadian citizen or permanent resident and ordinarily reside in British Columbia,
- you are the registered owner or eligible occupant of the home on which the grant is being claimed,
- you occupy the home as your principal residence,
- you have a low income (please see the section below, *What is Low-Income*), and
- you are a former officer or non-commissioned member of the Canadian Forces who has been honourably discharged from service.

If you are a spouse or relative of a deceased low-income veteran, you may be eligible for this supplement in the year the veteran died. You must have resided with the veteran at the time of death.

What is Low-Income

Low-income means you have an adjusted net income of \$32,000 or less in the preceding year. Your adjusted net income is based on your net income, including amounts from a shared-income partner, less eligible deductions. Once the veterans supplement application form is available, you will be able to calculate your adjusted net income to determine if you meet the low-income amount. Also, this information sheet will be updated to provide you with more information on eligible deductions.

For the 2012 tax year, you will need to use income information from your 2011 income tax return to help you calculate your adjusted net income.

If your adjusted net income does not exceed \$30,000, you will receive up to the maximum supplement amount. If your adjusted net income exceeds \$30,000 but does not exceed \$32,000, you will receive a partial supplement amount.

How to Apply for the Veterans Supplement

You may apply for the regular home owner grant at the time your property taxes are due through your municipality or the Surveyor of Taxes office (for rural properties). After you have applied for the regular home owner grant, you may apply for the veterans supplement by completing the veterans supplement application form and sending it to the ministry along with the required documents.

If you are not entitled to the home owner grant because of the value of your home, you may still be eligible for the veterans supplement if you meet all the qualifications. To apply, you complete the veterans supplement application form.

The application form along with information about the required documents will be available soon.

The amount of the supplement will depend on the amount of your adjusted net income, the value of your home, the amount of your taxes and whether your property is in the northern and rural area. Most qualifying low-income veterans will receive a cheque for \$275, the difference between the regular and additional grants.

Please note: You should not anticipate receiving your veterans supplement before your property taxes are due. To avoid penalties, you must pay your property taxes in full by the due date unless you are deferring your taxes under a tax deferral program.

Property Tax Deferral Programs

You may also apply for the veterans supplement even if you are deferring your taxes under a property tax deferral program.

Further Information

If you have any questions, please call us at 250 356-8904 in Victoria, or toll-free from anywhere in British Columbia at 1 888 355-2700, or e-mail your questions to hogadmin@gov.bc.ca

You can also find information on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm

The information in this information sheet is for your convenience and guidance and is not a replacement for the legislation. The *Home Owner Grant Act* and Regulations are on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/legislation.htm

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ISSUED: May 2007 REVISED: February 2012

Information Sheet 2007-01

www.fin.gov.bc.ca/rev.htm

Home Owner Grant

Low-Income Grant Supplement Program

Home Owner Grant Act

What is the Low-Income Grant Supplement

The low-income grant supplement is a grant provided to eligible low-income individuals with homes assessed above \$1,285,000 (for the 2012 tax year). To apply for the low-income grant, you need to complete an *Application for Home Owner Grant Low-Income Supplement* form (FIN 65) and submit it to the Home Owner Grant Administration, Ministry of Finance. If you qualify, you will receive a cheque for the Low-Income Grant Supplement up to a maximum of \$845. If your property is in the northern and rural area, as defined in the *Home Owner Grant Act*, you will receive a maximum up to \$1,045.

Who Qualifies for the Low-Income Grant Supplement

Eligible low-income seniors, certain veterans, or certain home owners or occupants with disabilities (or with a spouse or relative with a disability residing with them) who would otherwise qualify for the additional home owner grant except that your home is assessed above \$1,285,000 (for the 2012 tax year).

You need to meet the following qualifications to be eligible:

- the home is your principal residence,
- you have a low income (please see the section below, What is Low-Income),
- you are:
 - 65 or older, or the spouse or relative of the deceased owner or occupant (which includes an eligible occupant of an eligible apartment, housing unit, land cooperative or multi-dwelling leased parcel) who would have been 65 or older during the calendar year,
 - a veteran, or a veteran's spouse or widow/widower receiving an allowance under the *War Veterans Allowance Act* (Canada) or the *Civilian War-Related Benefits Act*, or

- a person with disabilities or with a spouse or relative with disabilities that resides with the owner and meets the qualifying criteria set out in the *Home Owner Grant Act* (please see the section below, *Who Qualifies as a Person with Disabilities*),
- you are the registered owner or eligible occupant of the home on which the supplement is being claimed, or you are the spouse or child, grandchild, father, mother, brother or sister of a deceased owner or occupant who passed away in the current year and you occupied the home with the owner at the time of the owner or occupant's death,
- the deceased owner or occupant would have qualified for the grant at the time of death, and
- you are a Canadian citizen or permanent resident and ordinarily reside in British Columbia.

Please note: If you are a low-income veteran under the age of 65 and not otherwise eligible for the low-income grant supplement, please see **Information Sheet 2012-01, Home Owner Grant Veterans Supplement** as you may qualify for the veterans supplement.

What is Low-Income

Low-income means you have an adjusted net income, of \$32,000 (for 2012 tax year) or less in the preceding year. For the 2012 property tax year, use income information from your 2011 income tax return.

Your adjusted net income includes your net income, plus the net income of your shared-income partner if married or living in a marriage-like relationship, less specified deductions for dependent children, age and/or disability. To determine your adjusted net income, please see the Calculate Deductions Section on the application form.

What is a Shared-Income Partner

A shared-income partner is the person you are married to, or living together with, in a marriage-like relationship (including same-gender relationships) for at least two years before the date of your application, and whom is your spouse at some time during the relevant tax year. This does not include spouses who are separated and living apart and who have a written agreement or court order recognizing the separation.

If your current spouse was not your spouse during the relevant tax year, his or her income is not included in your adjusted net income calculation.

What is a Dependent Child

A dependent child is an individual who, during the tax year for which you are applying,

- is 19 years old or younger,
- lives with you or your shared-income partner (or both of you) for at least 50% of the time, and
- relies on you or your shared-income partner (or both of you) for the necessities of life for at least 50% of the time.

Please note: 50% of the time includes the time up to the date you make the application.

Who Qualifies as a Person with Disabilities

You may qualify as a person with a disability if you receive disability assistance, hardship assistance or a supplement under the *Employment and Assistance for Persons with Disabilities Act*. You must provide the required *Consent for Release of Information* form (FIN 81) completed and signed by both you and your Ministry of Social Development representative. Only a registered owner or eligible occupant (which includes an eligible occupant of an eligible apartment, housing unit, land cooperative or multi-dwelling leased parcel) may qualify under this category.

You may also qualify as a person with a disability if you do not receive disability assistance under the *Employment and Assistance for Persons with Disabilities Act*, **or** you are the spouse or relative of a person with disabilities and the disabled person resides with you. If this situation applies to you, you must submit a *Form B - Certificate of Physician and Property Owner* (FIN 74) completed and signed by both you and your physician. Attach the form to your application the first year that you are claiming the low-income grant supplement. This medical form must indicate that:

- you are permanently disabled and there is no remedial therapy available that would significantly reduce the disability and the disability requires extensive physical assistance in the form of physical care in the home, costing more than \$150 per month,
- structural modifications costing more than \$2,000 have been made to your home in order to manage daily functioning by the person with a disability,
- you purchased your home with structural modifications completed by a previous owner, where the modifications meet the disability needs of the person with a disability and have a value exceeding \$2,000, or
- you made changes to the design specifications of your newly constructed principal residence that meet the disability needs of the person with a disability, and the value of the changes to the structural features of the home exceed \$2,000.

What Qualifies as a Disability Deduction

Claim a disability deduction on Line 9 of the application form for each person for whom you or your spouse claimed the disability tax credit on line 316 in Schedule 1 of your federal income tax return.

The Amount of the Low-Income Grant Supplement

For the 2012 tax year, if your adjusted net income does not exceed \$30,000, you will receive up to the maximum supplement amount. If your adjusted net income exceeds \$30,000 but does not exceed \$32,000, you will receive up to half of the maximum supplement amount.

Please note: The low-income grant supplement is not in addition to the home owner grant. If you are eligible for a partial home owner grant, you must apply in the usual manner through your municipality or the Surveyor of Taxes office (for rural properties), and you must apply separately for the partial low-income grant supplement.

How to Apply

You need to complete an *Application for Home Owner Grant Low-Income Supplement* form (FIN 65). Please be sure to sign and date the application and, if applicable, have your shared-income partner sign and date the form.

You need to include with your application for both you and your shared-income partner, if applicable, the following documentation:

- a copy of your *Certificate of Title* document if you are a new owner and your name is not appearing on the property tax notice,
- a copy of your 2011 Notice(s) of Assessment/Reassessment or income tax returns if you have not yet received your notice(s) from Canada Revenue Agency,
- schedules from your income tax return(s) if you are claiming deductions for any family member and/or disability, and
- a copy of your 2012 property tax notice (not your BC Assessment notice).

If you or your shared-income partner is a person with disabilities, you need to include a completed *Form B - Certificate of Physician and Property Owner* (FIN 74) with your application.

Mail your application to:

Home Owner Grant Administration
PO Box 9991 Stn Prov Govt
Victoria BC V8W 9R7

You can also deliver your application to the nearest **Service BC Centre** and request that it be forwarded to Home Owner Grant Administration.

Property Tax Deferment Program

If you are deferring your taxes under the Property Tax Deferment Program, you may also apply for the low-income grant supplement.

Deadline for Submitting Your Application

Your 2012 low-income grant supplement application and supporting documentation must be received by the Home Owner Grant Administration or by a **Service BC Centre** by **December 31, 2012**.

You may also apply for a low-income grant supplement for the previous year. You do not need to provide a written reason why you are applying retroactively for a low-income grant supplement. For the 2011 tax year, homes assessed above \$1,150,000 were eligible and the low-income amounts were \$28,000 or less for the maximum supplement and between \$28,000 and \$30,000 for a partial supplement.

Please note: You should not anticipate receiving your grant before your property taxes are due. **To avoid penalties, you must pay your property taxes in full by the due date unless you are deferring taxes under the Property Tax Deferment Program.**

Further Information

If you have any questions, please call us at 250 356-8904 in Victoria, or toll-free from anywhere in British Columbia at 1 888 355-2700, or e-mail your questions to hogadmin@gov.bc.ca

You can also find information on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm

The information in this information sheet is for your convenience and guidance and is not a replacement for the legislation. The *Home Owner Grant Act* and Regulations are on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/legislation.htm



Internet: www.sbr.gov.bc.ca/hog

E-mail: hogadmin@gov.bc.ca

Questions?

Contact Home Owner Grant Administration at 250 356-8904 (in Victoria) or 1 888 355-2700 (toll-free in British Columbia).

Please type or print clearly

Freedom of Information and Protection of Privacy Act (FOIPPA) The personal information on this form is collected for the purpose of administering the Home Owner Grant Act under the authority of both this Act and section 26 of the FOIPPA. Questions about the collection or use of this information can be directed to the Branch Services Administrator, PO Box 9446 Stn Prov Govt, Victoria, BC V8W 9V6. (Telephone: Victoria at 250 356-8904 or toll-free at 1 800 663-7867 and ask to be re-directed).

Applicant Information

APPLICANT NAME – Owner (or spouse or relative of deceased owner - see 2(e) below)

PROPERTY ADDRESS

CITY / PROVINCE

POSTAL CODE

APPLICANT TELEPHONE NUMBER

()

MAILING ADDRESS (enter if different than property address)

CITY / PROVINCE

POSTAL CODE

Home Owner Grant Eligibility

- 1. I, [Print name in full] certify the following: (a) I am an owner... (b) I am a Canadian citizen... (c) Neither I, nor my spouse... 2. I am eligible for the additional grant for a reason which follows: (a) I am or will be 65 or over... (b) I am in receipt of... (c) I am designated as a person with disabilities... (d) I am a person with disabilities... (e) I am the spouse or relative of an owner... 3. I understand that the collector and/or Home Owner Grant Administration may require any documentation necessary to establish my eligibility for the grant.

<p>Applicant/and shared income partner are required to file an income tax return by April 30th of each year.</p> <p>IMPORTANT: Please attach photocopies of your Notice(s) of Assessment/Reassessment issued to you by Canada Revenue Agency, or income tax return(s) if you have not received your Notice(s). Please also provide any applicable schedules from your income tax return.</p>	Calculate Net Income	
	This information is from your income tax return for the tax year of <input type="text"/>	
	1. Enter your net income (from line 236 on your Notice of Assessment or income tax return) Note: If net income is a negative number (e.g. \$-2300.00), enter 0	\$ _____ 1
	2. Enter the net income of your shared income partner Note: If net income is a negative number (e.g. \$-2300.00), enter 0	\$ _____ 2
3. TOTAL NET INCOME (add lines 1 and 2)	\$ _____ 3	

<p>AGE Claim \$3,000 for each person who is 65 or older this year.</p> <p>CHILDREN Claim \$3,000 for each dependant child.</p> <p>DISABILITY If you claimed a disability on your income tax return for yourself, your shared income partner or child, claim \$3,000 for each disabled person.</p> <p>If you claimed attendant or nursing home expenses in place of disability, enclose photocopies of receipts.</p>	Calculate Deductions	
	4. Shared income partner – claim \$3,000	\$ _____ 4
	5. If you are 65 or older this year, claim \$3,000	\$ _____ 5
	6. If your shared income partner is 65 or older this year, claim \$3,000	\$ _____ 6
	7. CHILDREN _____ x \$3,000 = \$ _____ (a) <small>number of children</small>	
	Minus one-half child care expenses (per child claimed on your (or your shared income partner's) income tax return \$ _____ (b))	
	Difference (subtract line b from line a)	\$ _____ 7
	8. Universal Child Care Benefit reported on your (or your shared income partner's) income tax return (line 117)	\$ _____ 8
	9. DISABILITY _____ x \$3,000 <small>number of disabled persons</small>	\$ _____ 9
	10. TOTAL DEDUCTIONS (add lines 4 to 9)	\$ _____ 10

<p>ADJUSTED NET INCOME is net income from your income tax return minus the above deductions.</p>	Adjusted Net Income	
	<p>ADJUSTED NET INCOME (subtract line 10 from line 3) If this amount is \$30,000 (\$28,000 if applying for 2011 supplement) or less, you qualify for the low-income grant supplement. If this amount is between \$30,000 – \$32,000 (\$28,000 – \$30,000 if applying for 2011 supplement), you qualify for a partial grant.</p>	
	\$ _____	11

Please read and sign. If you are married, or living and cohabiting, in a marriage-like relationship with a person, that person must also sign. If someone has Power of Attorney or another legal representation agreement, and is signing on your behalf, please provide a copy of the Power of Attorney or agreement.

DECLARATION AND CONSENT

- I hereby consent to the release, by the Canada Revenue Agency to an official of the Ministry of Finance, of information from my income tax returns, and if applicable, other required taxpayer information about me, whether supplied by me or by a third party. The information obtained will be relevant to, and used solely for the purpose of, determining and verifying my initial and ongoing entitlement to, and the general administration and enforcement of, the Low Income Grant Supplement under the *Home Owner Grant Act*, and will not be disclosed to any other person or organization without my approval.
- I reside in Canada as a Canadian citizen or I hold permanent resident status (landed immigrant).
- I declare that, to the best of my knowledge and belief, the above information is true and correct.
- This authorization is valid for the most recently available of the two taxation years prior to the year of signature, the current taxation year, and each subsequent consecutive taxation year for which assistance is requested by me or on my behalf.
- I understand that, if I wish to withdraw this consent, I may do so at any time by writing to the Grant Administrator, PO Box 9991 Stn Prov Govt, Victoria BC V8W 9R7.

SIGNATURE OF APPLICANT	NAME OF APPLICANT (please print)	DATE OF BIRTH YYYY / MM / DD	SOCIAL INSURANCE NO.	DATE SIGNED YYYY / MM / DD
X				
SIGNATURE OF SHARED INCOME PARTNER	NAME OF SHARED INCOME PARTNER (please print)	DATE OF BIRTH YYYY / MM / DD	SOCIAL INSURANCE NO.	DATE SIGNED YYYY / MM / DD
X				

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THE PROPERTY TAX DEFERMENT PROGRAM



February 2012

The British Columbia Property Tax Deferral Program

The British Columbia Property Tax Deferral Program is a loan program that allows you to defer your annual property taxes on your home if you meet certain criteria as outlined below.

Qualifications

To qualify for the program, you must meet the following criteria:

- you are a Canadian citizen or permanent resident who has lived in British Columbia for at least one year immediately prior to applying for tax deferral,
- you are
 - 55 years or older during that calendar year (only one spouse must be 55 or older),
 - a surviving spouse, or
 - a person with disabilities as defined by regulation*, and
- you must have, and maintain, a minimum equity of 25% of the current BC Assessment value (other appraised values are not accepted), after deducting the upper limit of all outstanding mortgages, lines of credit and other charges on your home. Your assessed property value for this calculation must exclude any improvements that are not covered by a current fire insurance policy.

* For detailed information, visit our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Property_Tax_Deferral/ptd.htm

Taxes paid to a First Nation are not eligible for the deferral program. You can only defer property taxes paid to a municipality or the province.

Homes That Qualify for Tax Deferment

You may defer taxes on your home where you live and conduct your daily activities.

If you have a life estate interest in your home, you may also qualify for tax deferment.

Second residences, such as summer cottages or rental properties, do not qualify for tax deferment benefits. Properties registered solely in the name of a business, an executor or executrix, an estate or in trust, also do not qualify.

How to Apply

Once you receive your property tax notice, follow the steps below to apply for the program.

- Pick up an *Application and Agreement for Deferment of Property Taxes* form (FIN 51), available from your municipal office or Service BC Centre, or through our website at www.sbr.gov.bc.ca/individuals/property_taxes/property_tax_deferment/forms.htm
- Complete your home owner grant application and tax deferment application forms, ensuring all registered owners of your home sign the deferment application.
- **Before** your tax due date, send your property tax notice, home owner grant and tax deferment application forms to:
 - if you reside in a municipality, the taxing authority that issued your tax notice,
 - if you live in a rural area, the Service BC Centre in your area, or send directly to the Tax Deferment Office in Victoria.

If you wish to continue to defer taxes in subsequent years, you must apply each year for tax deferment. For example, deferral of your 2011 taxes will not automatically result in the deferral of your 2012 taxes. If you miss the property tax due date, you have until December 31 of the current taxation year to apply; however, penalties will apply.

Tax deferment liens are restrictive. Please complete changes – such as adding or removing owners, subdivisions or refinancing – to the titled ownership before applying for deferment benefits. Title changes after deferment (other than adding your spouse) require repayment of your deferment account.

The Property Tax Deferment Program office receives your application and determines your eligibility. If your application is approved, it becomes a signed agreement and a lien is registered in the land title office or, if your home is a manufactured home, in the Personal Property Registry. The tax deferment office then pays your current property taxes for you. The lien remains in effect until the account is paid in full.

You must pay late payment penalty charges if, after the property tax due date, you:

- are found ineligible for the program,
- cancel or withdraw your application for any reason before this office pays the taxes on your behalf,
- apply for deferment after the property tax payment due date, or
- sell your home before the taxes have been paid on your behalf.

Please note: The Property Tax Deferment Program is a multi-step process that includes several offices within the municipal and provincial governments; therefore, applications that require additional information may take several months to complete.

Fees

The following fees apply.

- A one-time administration fee of \$60 for new approved agreements.
- A \$10 annual renewal fee for accounts with approved renewal applications.

Do not send in these fees. We will mail you a *Statement of Account* and a *Renewal Application* in May.

The Taxes You Can Defer

After deducting your homeowner grant, you can defer all, or part, of the unpaid balance of your residential property taxes for the current year.

All penalties, interest, previous years' property taxes, user fees and utility charges must be paid to your taxing authority, as these cannot be deferred.

If you rent out part of your home, or part of your home is used for business purposes, you can defer taxes only on the part in which you are living. (Contact us for more information.)

Interest

Simple interest is charged on your deferment account at a rate not greater than 2% below the bank prime rate and is set every six months in April and October. Interest begins from the date your property tax is due or the date you apply to defer your taxes, whichever is later. For the current interest rate, please see our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Property_Tax_Deferment/interest_rates.htm

When You Must Repay the Deferred Taxes

You can defer your taxes as long as you own and live in your home and continue to qualify for the program. You will receive a *Statement of Account* and *Renewal Application* each year. If you wish to continue deferring your property taxes in subsequent years, you must complete and submit the *Renewal Application* for each year. If you choose not to renew, you will be responsible for paying your property taxes.

The deferred taxes must be fully repaid, with interest:

- before your home can be legally transferred to a new owner, other than adding your spouse, or
- upon the death of the agreement holders(s).

You may repay all, or part of, the deferred taxes, fees and interest at any time without penalty. If you refinance your home, your mortgage holder may require full repayment of the deferred taxes upon refinancing.

Other Property Tax Deferment Programs

The Financial Hardship Property Tax Deferment Program was in place for the 2009 and 2010 tax years; however, it is no longer available.

The Families with Children Property Tax Deferment Program is available for eligible homeowners who are financially supporting a dependent child under age 18. Program details and qualification requirements are available on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Property_Tax_Deferment/ptd.htm

More Information

Contact your municipal office or nearest Service BC Centre listed in the blue pages of your telephone directory, or:

Tax Deferment Program
Ministry of Finance
PO Box 9475 Stn Prov Govt, Victoria BC V8W 9W6
Phone: 250 387-0555 in Victoria
E-mail: taxdeferment@gov.bc.ca

www.sbr.gov.bc.ca/individuals/Property_Taxes/Property_Tax_Deferment/ptd.htm

Enquiry BC

604 660-2421 in Vancouver, or
1 800 663-7867 elsewhere in British Columbia and request a transfer to 250 387-0555

To: 'hatkinson@cnv.org'; 'info@greenwoodcity.com'; 'info@pittmeadows.bc.ca';
'info@wellsbc.com'; 'inquiry@districtofbarriere.com'; 'jacquest@comox.ca';
'jallen@parksville.ca'; 'janderson@revelstoke.ca'; 'jedha@lantzville.ca';
'jeinerson@pemberton.ca'; 'jgreenlees@squamish.ca'; 'jill.logan@radiumhotsprings.ca';
'jim.hendricks@fernle.ca'; 'jmarsh@qualicumbeach.com'; 'jsteele@district.sechelt.bc.ca';
'jzakall@osoyoos.ca'; 'karen.blakely@esquimalt.ca'; 'kchen@sidney.ca';
'kooistra@chilliwack.com'; 'kostraat@summerland.ca'; 'ksinclair@abbotsford.ca';
'kwatson@bimbc.ca'; 'laura.Mercer@nanaimo.ca'; 'lcoughlin@gibsons.ca';
'lyn.salvil@telus.net'; 'lynn.durand@vancouver.ca'; 'marty.radakovich@vancouver.ca';
'mdeweerd@districtoftaylor.com'; 'midwaybc@shaw.ca'; 'mmason@cumberlandbc.net';
'montcao@telus.net'; XT: Whistler, Municipality ENV:IN; XT:Alonzi, Laura CITZ:IN;
XT:Klassen, Ken J CITZ:IN

Cc: Taylor, Samantha L FIN:EX

Subject: 2012 Provincial Budget - Tax Deferment: Fire Insurance & Leaseholders

Hello. There were two changes to the Land Tax Deferment Act included in the budget that was announced yesterday.

Fire Insurance Requirement Removed for Homeowners with Sufficient Equity

Effective for the 2012 and future tax years, the Act will be amended to remove the fire insurance requirement and to replace it with a more general requirement. In calculating whether the homeowner has a minimum amount of equity in the property, the calculation will now exclude uninsured improvements to the property.

The application form still has a box where the applicant is to confirm if they have fire insurance or not, and there is a reference in the guide portion of the application, under the equity calculator to let applicants know to contact this office if they don't have fire insurance to obtain qualification information. If there is no fire insurance we will use the BC Assessment Value of the residential land portion only in the equity calculation.

Eligibility of Leaseholders to Defer Tax Clarified

The Act will be amended to clarify that beginning with the 2012 tax year no new leaseholders will be eligible to defer taxes. Any leaseholders who currently defer taxes will be grandfathered and will not be affected by this change.

Please let me know if you have any questions in regards to these changes.

Thank you.

Lori Kirk
Director
Property Tax Deferment, Service and Information
Property Taxation Branch
Ministry of Finance
Phone: 250 387-5469
<mailto:Lori.Kirk@gov.bc.ca>

VISION: Trusted financial and economic leadership for a prosperous province

Judy Steele

From: HOGADMIN FIN:EX <HOGADMIN@gov.bc.ca>
Sent: Wednesday, February 22, 2012 10:24 AM
To: Jones, Stacey L FIN:EX; Lacharity, Judy D FIN:EX; Qualicum Beach; Queen Charlotte; Quesnel; Radium Hot Springs; Revelstoke; Richmond; Rossland; XT: Rossland, City ENV:IN; RURALTAX FIN:EX; XT:Tetley, Anne LCTZ:IN; Salmo; Salmon Arm; XT: Sayward, Village ENV:IN; Judy Steele; Sechelt First Nation; Sicamous; Sidney; Silverton; Slokan; Smithers; Sooke; Spallumcheen; Sparwood; Squamish; Stewart; Summerland; Surrey; Tahsis; Taylor; Taylor, Samantha L FIN:EX; Telkwa; Terrace; Tofino; XT: Tofino, District ENV:IN; Trail; Tumbler Ridge; Ucluelet; Valemount; Vancouver; Vancouver; Vancouver; Vancouver; Vanderhoof; Vernon; Victoria; Victoria; View Royal; XT: Warfield, Village ENV:IN; XT:Hohn, Neva GCPE:IN; West Kelowna; XT:Alonzi, Laura CITZ:IN; Whistler; White Rock; Williams Lake; Zeballos
Subject: Circular 3 2012 Budget

Good morning,

As announced in the 2012-13 budget yesterday there are a few changes to the home owner grant program. I have included the highlights below. I have also provided the links to the Veteran's Supplement information sheet, and the HOG001 bulletin that has been updated with the new information and are available on our website.

Threshold for Home Owner Grant Phase-out Increased

As announced on January 3, 2012, the threshold for the phase-out of the home owner grant is increased from \$1,150,000 to \$1,285,000 for the 2012 tax year. This increase ensures that at least 95 per cent of homeowners are eligible for the full grant, consistent with longstanding government policy.

For properties valued above the threshold of \$1,285,000, the grant is reduced by \$5 for every \$1,000 of assessed value in excess of the threshold.

Thresholds for Income-Tested Home Owner Grant Raised

The home owner grant allows low-income seniors and certain other low-income individuals to qualify for the full home owner grant despite the value of their homes. Effective for the 2012 tax year, the income threshold below which home owners may qualify for the full benefit is increased from \$28,000 to \$30,000. The income threshold for a partial benefit is increased from \$30,000 to \$32,000. The income threshold is based on adjusted net income as defined by regulation.

Low-Income Veterans Supplement Introduced

As announced on November 10, 2011, effective for the 2012 and future tax years, the Home Owner Grant Act is amended to create a veterans supplement for qualifying low-income veterans under the age of 65 who have served in the Canadian Forces as officers or non-commissioned members. The supplement is intended to provide low-income veterans with the same home owner grant enhancements that already apply to seniors, some persons with disabilities and their families, and certain veterans of older conflicts and their spouses. Eligible low-income veterans will receive a home owner grant supplement which:

- is up to \$275 for properties under the assessed value threshold (the difference between the current basic and senior's grant amounts);
- effectively lowers the minimum tax payable before enhanced benefits begin from \$350 to \$100; and
- replaces some or all of any reduction in the basic grant amount related to high-valued homes.

The income test is based on the previous year's income. The income threshold below which veterans may qualify for the full supplement is \$30,000. The income threshold for a partial supplement is \$32,000. The income threshold is based on adjusted net income as defined by regulation.

A veteran will be required to apply through the local property tax collector for the basic home owner grant. After this application is approved, a separate application for the supplement must be made directly to the Home Owner Grant Administrator.

Below is the link to the information sheet for Veterans supplement.

http://www.sbr.gov.bc.ca/documents_library/brochures/Info_Sheet_2012-01.pdf

Home Owner Grant Extended for Individuals Moving into a Residential Facility

Effective for the 2012 and future tax years, the Act is amended to allow qualifying homeowners who have moved into a residential facility to apply for the Home Owner Grant for one additional year. The grant can only be claimed on the home that they continue to own and that qualified in the previous year.

See HOG001 bulletin link below for further information

http://www.sbr.gov.bc.ca/documents_library/bulletins/hog_001.pdf

Please let me know if you have any questions.

Regards,

Sarah Letelier
A/Supervisor
Home Owner Grant Administration
Ministry of Finance
Phone: 250-356-8932 Fax: 250-356-8994
Email: Sarah.Letelier@gov.bc.ca