

# HEARD ABOUT THE LATEST TAX RELIEF?



## GOOD NEWS FOR NEW BUILDS IN B.C.

The B.C. government has announced **Transition Rules for Newly-Built Homes** to provide certainty for those building new homes, particularly during the “Return to PST” tax transition period.

### NEW HOUSING REBATE THRESHOLD INCREASED

One huge benefit to those with recent builds is that as of April 1st, the **B.C. New Housing Rebate Threshold** increased from **\$525,000** to **\$850,000**. This means that more than 90% of B.C.'s newly-built homes will now be eligible for a provincial HST rebate of **up to \$42,500**. (This rebate does not apply to resale housing.)

### GRANT FOR NEW SECOND & RECREATIONAL HOMES

There is also great news for those with recent builds used as secondary homes located outside the Greater Vancouver and Capital regional districts. Purchasers of new secondary vacation or recreational homes priced **up to \$825,000** are eligible to claim a **Provincial Grant** of **up to \$42,500**.

### TO FIND OUT MORE:

Check out [www.pstinbc.ca](http://www.pstinbc.ca) to review the “New Housing Transition Rules” in more detail.

## IF YOU BUILD...

### BEFORE April 1, 2013

Where home construction begins before April 1, 2013, but ownership and possession occur after, purchasers will NOT pay the 7% provincial portion of the HST.

INSTEAD, purchasers will pay a temporary, transitional provincial tax of 2% on the full house price. Also, builders will receive temporary housing transition rebates to offset PST on materials to help prevent double-taxation on homebuyers.

### AFTER April 1, 2013

B.C.'s portion of the HST will NO LONGER apply to newly-built homes where construction begins on or after April 1, 2013.

Builders will pay 7% PST on their building materials. On average, about 2% of the home's final price will be embedded PST.