

# Ministry of Finance

## Tax Notice



ISSUED: March 2010

Notice

[www.fin.gov.bc.ca/rev.htm](http://www.fin.gov.bc.ca/rev.htm)

### Budget 2010 Tax Change Summary

On March 2, 2010, the Minister of Finance announced changes to provincial taxation legislation. For a summary explanation of the changes, see the *Budget and Fiscal Plan* at [www.bcbudget.gov.bc.ca/2010/bfp/2010\\_Budget\\_Fiscal\\_Plan.pdf#tax](http://www.bcbudget.gov.bc.ca/2010/bfp/2010_Budget_Fiscal_Plan.pdf#tax)

For detailed explanations of each tax change, please refer to the sources below for updated bulletins, other publications and web pages. To access the sources, please use one of the following options.

- **Internet:** Visit our budget website at [www.sbr.gov.bc.ca/msbr/budget/budget.htm](http://www.sbr.gov.bc.ca/msbr/budget/budget.htm)
- **Mail or Fax:** Request a paper or fax copy of any of our publications by phoning us at 604 660-4524 in Vancouver or toll-free at 1 877 388-4440, or e-mailing us at [SBRPublications@gov.bc.ca](mailto:SBRPublications@gov.bc.ca)
- **E-mail:** Request an electronic copy of any of our publications by e-mailing us at: [SBRPublications@gov.bc.ca](mailto:SBRPublications@gov.bc.ca)
- **Service BC Centres:** Request a copy of any of our publications by visiting or phoning a Service BC Centre in your area. Service BC Centres are listed in the blue pages of your telephone directory or at [www.servicebc.gov.bc.ca](http://www.servicebc.gov.bc.ca)

#### Harmonized Sales Tax (HST)

For updated information on the proposed HST for British Columbia, which comes into effect on July 1, 2010, please see the webpage below. This webpage also provides information on new provincial programs and the transitional provisions related to the elimination of the provincial sales tax (PST) and provincial hotel room tax.

[www.sbr.gov.bc.ca/business/Consumer\\_Taxes/Harmonized\\_Sales\\_Tax/HST.html](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/Harmonized_Sales_Tax/HST.html)

#### Consumer Taxes

##### Carbon Tax

- Propane included in security scheme
- Vendor penalties
- Acid gas
- Kerosene tax rate

##### Motor Fuel Tax

- Vendor penalties

##### Tobacco Tax

- Cigar tax calculation

For more information, please see [www.sbr.gov.bc.ca/msbr/budget/consumer\\_taxes.htm](http://www.sbr.gov.bc.ca/msbr/budget/consumer_taxes.htm)

## Property Taxes

### Home Owner Grant

- Northern and Rural Area Homeowner Benefit

### Property Tax Deferment

- Property Tax Deferment Program for Families with Children

### Property Transfer Tax

- Correcting conveyancing errors
- Transfers that amend strata plans

For more information, please see [www.sbr.gov.bc.ca/msbr/budget/property\\_taxes.htm](http://www.sbr.gov.bc.ca/msbr/budget/property_taxes.htm)

### Rural Property Tax

- Rural property tax rates

### School Tax

- School property tax rates
- Provincial Industrial Property Tax Credit
- Provincial Farm Land Tax Credit

## Income Taxes

### Corporation Capital Tax

- Financial Institutions Minimum Tax repealed

### Income Tax

- BC HST Credit established
- BC mining flow-through share tax credit
- Digital animation or visual effects tax credit
- Film and television tax credit
- Interactive digital media tax credit
- Production services tax credit

### International Financial Activity

- Program broadened to include clean technology, carbon trading and digital media publishing and distribution
- Eligible activities expanded and clarified
- Qualifying patent activities clarified
- Expansion and revision of Specialist rules
- Resident exception for deposit and loan transactions with a prescribed business repealed
- Effect of Section 110.5 election removed
- Lending activities restricted to arm's length parties

For more information, please see [www.sbr.gov.bc.ca/msbr/budget/income\\_taxes.htm](http://www.sbr.gov.bc.ca/msbr/budget/income_taxes.htm)

## Further Information

### HST / Carbon Tax / Motor Fuel Tax / Tobacco Tax

Telephone (Vancouver): 604 660-4524

Toll free in Canada: 1 877 388-4440

E-mail: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

For technical questions on the HST, contact:

### Canada Revenue Agency

Toll-free in Canada: 1 800 959-5525

### Home Owner Grant / Rural Property Tax / Property Tax Deferment / Property Transfer Tax / School Tax

Telephone (Victoria): 250 387-0555

Toll free: 1 800 663-7867 to Service BC

E-mail: [ruraltax@gov.bc.ca](mailto:ruraltax@gov.bc.ca)

### Income Tax

Telephone (Victoria)

Income Tax: 250 387-3332

Corporation Capital Tax: 250 953-3082

International Financial Activity: 250 953-3082

Toll free: 1 877 387-3332

E-mail: [ITBTaxQuestions@gov.bc.ca](mailto:ITBTaxQuestions@gov.bc.ca)