

STOP AND REWIND – END THE SPECULATION TAX NOW

ISSUE

In 2018 the BC Budget introduced the speculation tax as one of a suite of measures aimed at addressing the housing crisis in BC.

One year later, with the introduction underway in a geographically patchy and ethically questionable implementation, many BC residents remain concerned that the “spec tax” will not help alleviate the housing crisis. In fact, the tax seems popular only in areas where the tax is not being implemented or with a demographic slice that does not include home owners.

BACKGROUND

As 1.6 million homeowners throughout the entire province have had to complete intrusive government forms¹ prior to the end of 1Q 2019, it is increasingly clear that the government had no mandate based on business measurements to impose the tax. The system required to process over a million and a half forms creates in itself, a bureaucratic morass that could consume much of the proposed \$200 million tax dollars the tax was meant to create.

More worryingly, the tax is creating municipal inequities,² hardships for thousands of long-term BC homeowners across a broad diversity of profiles, and worryingly, is creating a new database the government appears poised to utilize to tax profile its citizens, notably illegally collecting Social Insurance Numbers and connecting provincial and federal tax authorities in multiple new ways.

Pushback against the tax has come from around the world, from individuals, governments, business groups, and counts into the multiple thousands.³ While an earlier policy “Anti-Canadian Tariff: Pressing the Pause Button” was unanimously adopted in 2018 at the BC Chamber AGM, it is clearly now time to get rid of the tax altogether.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Eliminate the speculation tax immediately
2. Destroy all submission records from citizens

Submitted by the Kelowna Chamber of Commerce; supported by the Greater Vernon Chamber of Commerce, the Greater Westside Board of Trade, the Peachland Chamber of Commerce, the

¹ <https://www2.gov.bc.ca/gov/content/taxes/property-taxes/speculation-and-vacancy-tax>

² <https://www.westkelownacity.ca/en/city-hall/resources/Documents/Speculation-Tax-Impacts-in-West-Kelowna-26-JUL-18-VERSION-5.pdf> July 26, 2018 *Speculation Tax Impacts on West Kelowna*

³ <http://scrapthespeculationtax.ca/>

Summerland Chamber of Commerce, the Penticton & Wine Country Chamber of Commerce and the Maple Ridge Chamber of Commerce.