



**For Immediate Release**  
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## **BC Seniors Advocate encourages seniors to access BC Property Tax Deferment Program**

**Victoria** – As the deadline approaches for BC homeowners to pay property taxes, BC Seniors Advocate Isobel Mackenzie is encouraging seniors to consider property tax deferment as a way to stay living independently. BC's Property Tax Deferment program allows individuals, including senior homeowners, to defer paying taxes for a low simple interest charge (currently 0.7%) that accrues until they withdraw from the program voluntarily, upon ownership transfer, or upon death.

“What I’m hearing as I travel around the province is that there are many seniors living in their own homes who have a very challenging time getting the money together to pay their taxes, and in some cases this drives them from their homes entirely,” said Mackenzie. “This program assists seniors in continuing to live independently as long as possible, which research shows increases overall health and significantly decreases overall costs to the system.”

Approximately 80% of seniors in BC are homeowners (609,920) and 24% of senior homeowners have an annual income of \$30,000 or less. To qualify for the Property Tax Deferment program you must be 55 or older and have a minimum of 25% of equity in your home. Application to the program can be made once tax notices are received.

“I know for some seniors, deferring may be an uncomfortable idea, and they may be worried about equity in their home, but when you actually do the math, in most cases it’s obvious the impact is not as significant as some people may think.”

Mackenzie points out that a substantial portion of a property’s equity remains, even after deferring property taxes for ten years. The following examples use 2016 municipal tax rates, and assume a mild (2%) annual appreciation.

- A \$1,000,000 mortgage-free house in Vancouver would have 96.7% equity remaining after deferring property taxes for 10 years.
- A \$470,000 mortgage-free house in Kelowna would have 93.7% equity remaining after deferring property taxes for 10 years.
- A \$250,000 mortgage-free house in Comox would have 92.3% equity remaining after deferring property taxes for 10 years.

There were 5,278 new users of the Property Tax Deferment Program in 2015, a 10% increase from 2014, but a 2% drop since 2013, when there were 5,375 new users of the program. In 2015, \$131.6 million was deferred under the program.

Additional subsidies available to senior homeowners include the Home Owner Grant, which can reduce homeowners' property taxes by up to \$845, and up to \$1,045 if the property is located in a northern and rural area. Seniors who own homes assessed above \$1.2 million may be eligible for the low-income grant supplement, which replaces any grant amount they would have received if their home were below the threshold. Single seniors earning up to \$35,000 could qualify, and senior couples earning up to \$41,000 could qualify.

To learn more about the Home Owner Grant:

<http://www2.gov.bc.ca/gov/content/taxes/property-taxes/annual-property-tax/reduce/home-owner-grant>

To learn more about the Seniors Low-Income Supplement:

<http://www2.gov.bc.ca/gov/content/taxes/property-taxes/annual-property-tax/reduce/home-owner-grant/senior/low-income>

To find out more about the Property Tax Deferment Program and learn how to apply:

<http://www2.gov.bc.ca/gov/content/taxes/property-taxes/annual-property-tax/pay/defer-taxes>

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