

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Property tax deferral remains a good option for cash-strapped senior homeowners

VICTORIA – BC Seniors Advocate Dan Levitt encourages senior homeowners with affordability challenges to consider deferring their property taxes despite increases to the interest charges announced in Budget 2026.

“The average deferred property tax amount in 2024/25 was \$5,400 which is a lot of money for an older adult on a fixed income,” said Levitt. “Seniors who need help to age at home, must travel for medical care, or pay an unexpected bill often find themselves struggling to come up with extra funds. Despite the program changes, property tax deferral is still a good option to support older people to stay in their own homes.”

Changes to the Property Tax Deferment Program include switching from low simple interest (prime minus 2%) to higher compounded interest (prime plus 2%). These changes apply to taxes deferred in 2026 and later; existing deferrals (2025 and earlier) maintain the previous rates.

The Ministry of Finance data shows that under the new program terms, a senior homeowner deferring the median tax amount of \$3,800 every year for 10 years will pay just over \$17,000 in interest costs. Under the previous program terms, a senior deferring the median tax amount annually for 10 years would pay just over \$5,000 in interest costs.

These estimates assume a prime rate of 4.45% and consistent annual deferrals. However, it is likely both the rate and tax amount deferred will change over time. Approximately 80% of seniors who defer their taxes repay the loan within about 10 years, typically when they sell their home.

“Despite tax deferral costing \$1,200 more per year on average with the government’s recent changes, the loan is not due until the home sells which is a huge advantage over other lending programs,” said Levitt. “There has been a lot of inaccurate information shared about the financial impact of government’s changes, however, the program still provides significant support for seniors needing extra money to pay bills each month or cover an unforeseen expense.”

Anyone interested in deferring property taxes or seeking more information is encouraged to contact a trusted financial advisor or government program representative.

“Many seniors have spoken with me directly and contacted my office to express frustration with changes to the Property Tax Deferment Program. Generally, they are confused, concerned and believe government targeted older adults with increased costs in Budget 2026 by changing the interest terms, adding PST to many goods and services seniors buy, and delaying construction of much-needed long-term care homes. Government needs to act quickly to improve and increase the services, programs and supports seniors and their families across B.C. rely on as they age.”

More information:

Government of BC Property Tax Deferment Program

- Call toll-free 1-888-355-2700
- Visit <https://www2.gov.bc.ca/gov/content/taxes/property-taxes/annual-property-tax/property-tax-deferment-program>

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The Office of the Seniors Advocate is an independent office of the provincial government with a mandate of monitoring seniors’ services and reporting on systemic issues affecting seniors. The office also provides information and referral to seniors and their caregivers by calling toll-free 1 877 952-3181, via email at info@seniorsadvocatebc.ca, Canada Post and the OSA web site <https://www.seniorsadvocatebc.ca/>.

Media contact:

OSA Communications
250 213-2024
osa.comms@gov.bc.ca
www.seniorsadvocatebc.ca