

BRITISH COLUMBIA

	Agreement Date			
	Before November 19, 2009		After November 18, 2009	
Possession and ownership date	Before July 2010	After June 2010	Before July 2010	After June 2010
Tax applicable	5% GST		12% HST	
Rebate on federal GST portion ¹	Yes			
Rebate on provincial portion ²	No			Yes
Transitional Rebate ³				Builder to provide supporting document ³

The Harmonized Sales Tax (HST) rate for British Columbia is 12%, which consists of the Federal GST portion at 5% and the Provincial portion at 7%.

¹ Rebate on federal GST portion

The GST home rebate is calculated as follows:

- Where the price is \$350,000 or less, the rebate is 36% of the GST paid to a max rebate of \$6300.
- Where the price is \$450,000 or more, no rebate is available
- For prices between \$350,000 and \$450,000
 - The lesser of \$6,300 and 36% of the GST paid multiplied by: (((\$450K minus the price) divided by 100)

E.g.:

Purchase Price	Federal Portion		
	5%	Rebate - 36% of the 5%	Net

\$250,000	\$ 12,500	\$ 4,500	\$ 8,000
\$390,000	\$ 19,500	\$ 3,780	\$15,720
\$500,000	\$ 25,000	\$ 0	\$25,000

² Rebate on provincial portion

The rebate on the provincial portion of the HST is calculated as follows:

- 71.43% of the provincial portion of the HST to a max rebate of \$26,250 regardless of the purchase price.

E.g.:

Purchase Price	Provincial Portion		
	7%	Rebate – 71.43% of the 7%	Net
\$250,000	\$ 17,500	\$ 12,500	\$ 5,000
\$500,000	\$ 35,000	\$ 25,000	\$ 10,000
\$600,000	\$ 42,000	\$ 26,250	\$ 15,750

- If the purchaser buys the house, but leases the land, the rebate is 4.47% of the price paid for the building of the house to a max of \$26,250.
- For an owner built home, the rebate can be claimed on the purchase of land based on 71.43% of the provincial portion of the HST paid to a max rebate of \$26,250. Where the provincial portion of the HST was not paid on the land, a rebate of 71.43% of the provincial portion of the HST to a max of \$17,588 can be claimed.

In Summary:

Purchase Price	Federal Portion			Provincial Portion			Total HST net payable	Purchase price including the HST, minus any applicable GST/HST rebates
	5%	Rebate	net	7%	Rebate	net		
\$250,000	\$ 12,500	\$4,500	\$ 8,000	\$17,500	\$12,500	\$5,000	\$ 13,000	\$263,000
\$500,000	\$ 25,000	\$ 0	\$25,000	\$35,000	\$25,000	\$10,000	\$ 35,000	\$535,000
\$600,000	\$ 30,000	\$ 0	\$30,000	\$42,000	\$26,250	\$15,750	\$ 45,750	\$645,750

³ Transitional new housing rebate

- The transitional rebate is temporary in nature as it is only applicable to eligible properties that are at least 10% complete on July 1, 2010. Any homes that are not 10% complete at July 1, 2010 or are built entirely after July 1, 2010 will not be eligible.
- If the transitional rebate applies or if your customer is not certain if they are eligible for the transitional rebate but confirms with the builder that they are, an Amendment/Addendum from their builder reflecting a purchase price inclusive of the HST minus any applicable rebates including the transitional rebate is required.

Additional Information:

- For questions specific to HST and Federal or Provincial New Housing Rebate eligibility, customers must contact their builder or solicitor directly.
- www.cra-arc.gc.ca/E/pub/gi/notice246/notice246-e.pdf - GST/HST Notice. No. 246. December 2009. Harmonized Sales Tax for British Columbia – Questions and Answers on Housing Rebates and Transitional Rules for Housing and Other Real Property

- Situated in British Columbia
- www.sbr.gov.bc.ca/documents_library/notices/HST_Notice_003.pdf - HST Notice #3.
November 18, 2009. Residential Housing New Housing Rebates and Transitional Rules for British Columbia HST