

STATEMENT | Delta Chamber Agrees With Mayor Harvie On Flawed Interim Property Tax Legislation

March 4, 2020 - On February 24th, 2020 the Province announced proposed interim property tax relief legislation with the intent to empower “local governments to provide immediate relief to the small businesses and organizations most affected by skyrocketing property taxes in their communities.”

The Delta Chamber of Commerce, along with our colleagues across the BC Chamber Network, applaud the Province’s recognition of the seriousness of the situation caused by the direct appreciation of property due to BC Assessment valuing of property based on its “highest and best use” according to what a municipality’s future land use designation for that property is in its Official Community Plan, instead of on its current use.

Unfortunately, the Delta Chamber does not see a practical way for the interim property tax relief legislation to effectively address this issue. In fact, it poses multiple implementation challenges, which will tie up municipal resources and prevent them from focusing on other critical local issues, while still not addressing the heart of the issue and the need for a permanent, pan-provincial solution.

As Val Litwin, President and CEO of the BC Chamber recently said, “We appreciate the bipartisan recognition of this issue, and the efforts of the government to provide a short-term solution that gives tools to municipalities. But ultimately we must amend the BC Assessment Act, and we need to expedite that work.”

The Delta Chamber of Commerce endorsed a BC Chamber Network policy resolution in May 2019 ([“AMENDING THE PROPERTY ASSESSMENT PROCESS TO PROTECT BUSINESSES FROM UNSUSTAINABLE TAXATION \(2019\)”](#)) recommending that the Provincial Government amend the BC Assessment Act and work with BC Assessment and local governments to implement a split property assessment process; to create a ‘highest and best use’ exemption for long-standing businesses to allow them to have their properties valued and taxed on their current business use; and to explore implementing a Business Property Tax Deferral Program to help those affected remain viable until redevelopment of their property could begin.

Delta’s Mayor, George V. Harvie, recently co-authored a [letter](#) with ten other regional mayors to Minister Selina Robinson, expressing concerns about the interim legislation. The mayors emphasized the need for public and stakeholder consultation; lack of existing required data to meet the Province’s criteria for the proposed legislation; and the significant unintended consequences and risks which would be created through the exemption. The Delta Chamber echoes these concerns; continues to stress the need for an overarching, holistic solution to this complex challenge; and re-iterates its support for the BC Chamber of Commerce recommendations.

“This is a complex issue and we appreciate the province acknowledging the gravity of the situation through tabling this interim legislation,” said Delta Chamber of Commerce Executive Director Garry Shearer. “Ultimately, however, the solution to this problem lies with the BC Government amending the BC Assessment Act and working with local governments to create a long-term, pan-provincial solution.”