

Compliments of  
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K E L O W N A

### Enhanced BC HST New Housing Rebate

On February 17, 2012, BC Minister of Finance Kevin Falcon announced the provincial government's intention to enhance the existing BC Harmonized Sales Tax (HST) New Housing Rebate by increasing the threshold to \$850,000 from \$525,000. The higher threshold will mean a higher maximum rebate of \$42,500, up from \$26,250. Pending approval by the BC legislature, these changes will be effective from April 1, 2012 to March 31, 2013.

The province is expected to return to a Provincial Sales Tax/Goods and Services Tax system on April 1, 2013. The BC HST new housing rebate program will end on April 1, 2013, as the HST will no longer be in effect on and after that date.

The following questions and answers are intended to provide clarity at a high level. For advice about specific transactions and situations, call your Real Estate Agent.

### How will the current BC HST new housing rebate change?

As of April 1, 2012 (and ending March 31, 2013), the rebate will increase for qualifying buyers of new homes that are priced up to \$850,000 instead of the previous \$525,000. Accordingly, the eligible maximum rebate will increase to \$42,500 from \$26,250. Qualifying buyers of new homes priced above \$850,000 will receive the maximum rebate of \$42,500, and the rebate will not apply to HST the purchaser paid on the portion of the purchase price above \$850,000.

### Is the April 1, 2012 date based on the contract/offer date or the completion date? That is, when does the HST become payable?

On the sale of newly constructed homes, the HST becomes payable (assuming it is not paid on an earlier date) on the earlier of the following dates:

- 1) when the seller transfers ownership (also known as the completion date)
- OR
- 2) when the seller transfers possession (also known as the possession date)

It doesn't matter what date the parties entered into the contract or removed subjects. Provided the HST becomes payable between April 1, 2012 and March 31, 2013 buyers can be eligible for the enhanced BC HST new housing rebate.

### When does the HST become payable when the transaction involves a strata unit?

The only difference for strata titled properties is where the strata plan hasn't been registered by the date possession is transferred. HST is payable on the earlier of the following dates:

- 1) when the seller transfers ownership (also known as the completion date)
- OR
- 2) 60 days following the date the strata plan is registered

### Who is responsible for paying the HST? The builder or the buyer?

As was the case prior to the new transition rules, the buyer is responsible for paying the HST, and the seller is responsible for collecting and remitting it to the Canada Revenue Agency.

Source: British Columbia Real Estate Association

### Residential Sales By Price Year To Date

PRICE RANGE	2012	2011
\$0 to \$200,000	3	1
\$200,001 to \$240,000	4	6
\$240,001 to \$280,000	5	13
\$280,001 to \$320,000	21	18
\$320,001 to \$360,000	42	29
\$360,001 to \$400,000	33	43
\$400,001 to \$440,000	27	37
\$440,001 to \$480,000	23	17
\$480,001 to \$520,000	19	20
\$520,001 to \$560,000	14	19
\$560,001 to \$600,000	10	10
\$600,001 to \$999,999	23	21
\$1 Million and over	1	2

### Summary of Residential Sales Year To Date

TYPE	2012	2011
Acreage	2	6
Acreage/House	13	14
Acreage (Waterfront)	0	0
Business	1	2
Townhouse	74	55
Condo	94	92
Duplex	14	8
Farms	1	1
IC & C	20	10
IC & Lands	0	1
Lots	24	10
Lots (Waterfront)	0	0
Multi-Family	0	0
Multi-Plex	0	2
Mobile Homes	25	25
Recreational	0	1
Residential	232	228
Residential (waterfront)	0	7
Timeshares	0	0
<b>TOTAL</b>	<b>500</b>	<b>462</b>

### A Few More Real Estate Stats

Average house price last month	\$437,267
Median house price last month	\$404,950
Number of houses listed last month:	380
Number of lakeshore homes sold last month:	0
Average mobile home price last month	\$66,592
\$ value of sales last month	\$100,399,501
\$ value of sales last month 2011	\$95,525.43

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### ACTIVE LISTINGS

Res.	Mobiles	Strata	Lots
<b>1351</b>	<b>186</b>	<b>1360</b>	<b>613</b>

*If you are thinking of buying or selling ...please give me a call.*