



# COUNTRY LIFE IN BC

Provincial  
Unfarmed land tax



*FILE PHOTO / Myrna Stark Leader*

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by Peter Mitham

ABBOTSFORD – Unused farmland could be the next front in the province’s battle against real estate speculators.

Citing the precedent of the speculation and vacancy tax the province levies on underused housing, BC Premier David Eby said the province is considering applying a version of the tax to underused farmland in the ALR.

“There’s a very similar and parallel issue [in housing],” he said as part of the keynote presentation at the BC Young Farmers’ Farm Fest event in Abbotsford, November 16.

BC Young Farmers is a committee of the BC Agriculture Council, whose executive director Danielle Synotte moderated the presentation.

She said the province’s anti-speculation efforts have been ongoing for several years, so a proposal to tax unfarmed land is not a surprise.

“This is an ongoing, anti-speculation issue that this government has worked on for several years now,” she said. “Anti-speculation in agriculture? Of course we support that.”

The speculation and vacancy tax applies to homes unoccupied for six months or more each year. All residential property owners in the Lower Mainland from Squamish to Chilliwack must file an annual declaration, as well as those in the Capital Regional District and six municipalities north to Nanaimo and Lantzville. Kelowna and West Kelowna are also subject to the tax. The rate is 0.5% of property value for Canadians and 2% for foreign nationals.

“The ALR preserves much-needed land for farming, not real estate speculation,” the BC Ministry of Finance told Country Life in BC in a statement. “A targeted unfarmed land tax is worth considering but no action has been taken at this time.”

It encourages owners of ALR properties classified as residential to actively farm these lands to meet the BC Assessment Authority’s requirements for farm class.

BC Assessment requires documentation of farming activity prior to assigning properties farm class status, which gives owners a preferential rate. Unfarmed properties do not receive the rate, even if zoned for agriculture.

In addition, rules governing housing in the ALR were tightened in 2019 with the aim of preventing speculative construction in areas such as Richmond. The rules were tweaked in 2021 to permit up to three dwelling units on a farm property without seeking the permission of the Agricultural Land Commission.

Agricultural Land Commission CEO Kim Grout says the province has not approached the ALC about the proposed tax.

*With files from Ronda Payne*



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