

# Property Transfer Tax – Fact Sheet

Updated May 2024



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The Property Transfer Tax (PTT) is a land registration tax paid by a property buyer or owner when a property title is registered at the [Land Title and Survey Authority \(LTSA\)](#).

The PTT is based on the fair market value of the property being transferred whether or not money changes hands, including transfers of property between a corporation and its shareholders, gifts of property and land exchanges.

## Taxable transactions

Taxable transactions include:

- transfer of fee simple title and registration;
- right to purchase or agreement for sale;
- lease or lease modification agreements;
- inheritance;
- life estate;
- foreclosure;
- estates, forfeiture or quit claim; and
- transfer as a result of corporate reorganization; and Crown grants.



## Exemptions

### First Time Home Buyers' Program

As of April 1, 2024, there are PTT exemptions for eligible first-time home buyers of a property under \$835,000, and for newly built homes under \$1,100,000.

The [First Time Home Buyers' \(FTHB\) Program](#) gives a PTT exemption to eligible first-time home buyers.

To qualify for a full exemption, a first time buyer must:

- be a Canadian citizen or permanent resident;
- have lived in BC for 12 consecutive months before the date the property is registered, or
  - have filed two income tax returns as a BC resident in the last six years;
  - have never owned an interest in a [principal residence](#) anywhere, anytime; and
  - have never received a first-time home buyers' exemption or refund.

The property must be used as a [principal residence](#) and have a [fair market value](#) of \$835,000 or less and be 0.5 hectares (1.24 acres) or smaller.

If all of the above requirements are met, then the buyer will be exempt from PTT [on the first \\$500,000](#) of the purchase price of the property.

### Multiple buyers

If one or more of the buyers don't qualify for FTHB Program, only the percentage of interest that the first-time home buyer has in the property is eligible.

### Example:

- Buyer one: has a 60% interest in the property and qualifies for the first-time buyer exemption.
- Buyer two has a 40% interest and doesn't qualify for the exemption.

The exemption is 60% of the fair market value up to \$835,000.

### Partial exemption

Home buyers may qualify for a partial exemption if the resale property:

- has a value of more than \$835,000 but less than \$860,000;
- is larger than 0.5 hectares, and/or
- has another building on the property other than the [principal residence](#).

Find out [exemption amounts](#).

## PTT amount

Canadian citizens or permanent residents pay:

- 1% on the first \$200,000;
- 2% on the balance up to and including \$2,000,000;
- 3% on the balance greater than \$2,000,000; and
- if the property is residential, a further 2% on the portion of the value greater than \$3,000,000.

## Foreign buyers/entities

- Foreign buyers/entities pay an additional PTT of 20%.

This is also based on proportionate share. For example, two buyers purchasing together, and one buyer is a foreign buyer, the additional PTT will only be calculated on the proportionate interest in the property. Note: the foreign buyer ban has been [extended to January 1, 2027](#).

## Pre-sales

Buyers of [pre-sold strata units](#) will typically pay the PTT [on the total consideration paid for the unit](#), not the fair market value on the date the title is registered.

The total consideration is the entire amount paid to acquire the property, including the price of the unit plus fees for upgrades or additions, or any premiums for the assignment of a written agreement.

Once a developer files a strata plan at the [LTSA](#), whomever registers the transfer pays the PTT.

## Newly built homes

There is a PTT exemption for [newly built homes](#) valued up to \$1,100,000, including a house constructed on vacant land, a new apartment in a newly built condominium building, a manufactured home on vacant land, and other newly built homes. There are also occupancy requirements.

Buyers may be eligible for a partial exemption for newly built home with a value up to \$1,150,000.

To apply for the Newly Built Home Exemption, enter exemption code 49 on the Special Property Transfer Tax Return when the [property is registered](#) at the LTSA.

## Vacant land

If a buyer purchased a vacant lot and paid the tax upon registration, they may apply for a refund if:

- they build [a new home](#) on the land;
- they meet the [qualifications for the Newly Built Home Exemption](#);
- the value of the land plus the cost of the newly built home is \$1,100,000 or less; and
- they moved into their home and occupied it as their [principal residence](#) for the remainder of the first year.

If the buyer moves out before the end of the first year, they may be eligible for a partial refund of the tax they paid based on the number of days they occupied the property.

If the owner passed away, or the property is transferred because of a separation agreement or a court order under the [Family Law Act](#) before the end of the first year, they may still be eligible for a refund.

## Other exemptions

There are many [PTT exemptions](#), including family exemptions, for example:

- transfer of a [principal residence](#);
- transfer of a [recreational residence](#);
- transfer resulting from a [marriage breakdown](#) (opens 7-page pdf);
- transfer of a [family farm involving individuals](#); and
- transfer of a [family farm to or from a family farm corporation](#).

They are also exemptions for:

- transfer of a [newly built home](#);
- transfer to [correct a conveyancing error](#);
- transfer to a [registered charity](#) (opens 2-page pdf);
- transfer to or from [joint tenants to tenants in common](#); (opens 7-page pdf)
- transfer following [bankruptcy](#); (opens 7-page pdf)
- transfer for [subdividing property](#);
- transfer for [company amalgamation](#);
- transfer for [escheats, reverts or forfeits to or from the Crown](#); (opens 7-page pdf)
- transfer under the federal [Veterans Land Act](#); (opens 7-page pdf)
- transfer to [minors from the public guardian and trustee](#); (opens 4-page pdf)

- transfer to [Status Indians and Indian Bands](#);
- transfer to or from [trust companies or the Public Trustee](#). (opens 3-page pdf)

There are also exemptions for registration of:

- an [agreement for sale](#) (opens 7-page pdf); and
- registration of [multiple leases on the same property](#).

## Foreign entities and taxable trusts

[Foreign entities and taxable trustees](#) aren't eligible for the exemption.

## Refunds for permanent resident or Canadian citizen

Home buyers may be eligible for a refund if:

- they became a permanent resident or Canadian citizen [within one year](#) of when the property transfer was registered with the LTSA;
- moved into their home within 92 days from the date the property transfer was registered;
- lived in the home as their principal residence for a continuous period of at least one full year after the date they moved into that home; and
- didn't receive a BC Provincial Nominee exemption.

## Refund for paying the PTT in error

Home buyers may be eligible for a PTT refund if they paid the tax in error, for example, if the homebuyer paid additional tax on a residential property located outside the [specified BC areas](#) or if the home buyer qualified for an exemption at the time of registration but didn't claim the exemption.

## Refund for the additional property transfer tax

Here's how to [apply for a refund](#).

Here's information about whether a home buyer is eligible to [claim a refund](#) of any [additional PTT](#) paid.

## Penalties

If buyers don't comply [there are penalties](#) that can be levied.

## PTT history

In 1987, the PTT was brought in as a luxury tax. Just 5% of homes were taxed the 2% portion (over \$200,000). Today, more than 95% of homes pay the 2% portion.

## Resources

- [Guide to the First Time Home Buyers' Program](#)
- A complete list of [forms](#).
- A table which includes [exemption amounts](#).
- The PTT on [presold strata units](#).

## Help

Phone 250-387-0604 or toll-free at Inquiry BC at 604-660-2421 and ask to be transferred to 250-387-0604.

If you have general questions about the PTT and exemptions, please contact Harriet Permut, director of government relations at [hpermut@gvrealtors.ca](mailto:hpermut@gvrealtors.ca).

For more detailed information about the PTT and the liability for taxation, get professional advice from an accountant or a lawyer experienced with real estate transactions.