

Sigh of Relief – Empty Homes Tax to Remain at 3%

Vancouver City Council voted on May 10, 2023 to hold the Empty Homes Tax (“EHT”) rate at 3% for 2023; rejecting a bid to increase the rate to 5%.

Additional exemptions to the EHT were also introduced. New exemptions include properties:

- with an issued building or development permit;
- whose owners have submitted a rezoning inquiry, rezoning application or policy inquiry;
- which have been developed but not sold to their first owners;
- uninhabitable due to hazardous conditions;

- which are underused but act as a secondary residence for the purposes of receiving medical treatment; and
- subject to strata rental restrictions (2023 only).

The City will now also accept late declaration filings up to five years from the vacancy reference year (upon payment of a late filing penalty).

Council has also directed City staff to explore the implications of a graduated tax rate which increases the penalty for property owners whose homes remain vacant for multiple years. No timeline has been announced with respect to this policy initiative.

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