

## ***First Time Home Buyers' Program***

The First Time Home Buyers' Program (FTHB) was introduced March 22, 1994 to provide an exemption to individuals purchasing their first home.

This bulletin provides a summary of the FTHB program and its eligibility requirements at the time of transfer and during the one year period after the transfer. The companion "Instruction Guide for Completion of the First Time Home Buyers' Property Transfer Tax Return" provides all the information a purchaser will need to:

- Determine their eligibility for the exemption, and
- Post-transfer obligations that are required to be met to remain eligible for the exemption.

**It is important that the purchaser read and understand all of the requirements of the FTHB program. All conditions must be satisfied to become and to remain eligible for the exemption.**

This bulletin concludes by discussing some of the administrative steps and common errors made when completing the First Time Home Buyer's Property Transfer Tax Return. To assist the purchase, examples of how to complete this tax return have been provided.

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### **WHO QUALIFIES FOR THE EXEMPTION?**

There are several requirements with respect to **who** may qualify for the FTHB exemption. The transferee (purchaser) must be:

1. a Canadian citizen, or a permanent resident as determined by Immigration Canada;
2. a person who has resided in British Columbia for 12 consecutive months **immediately prior** to the date of registration of the transfer, or who has filed two income tax returns as a British Columbia resident within the last six years;
3. a person who has never, at any time, held a registered interest in a principal residence **anywhere in the world** (a principal residence is defined as the usual place where an individual resides); and
4. a person who has not previously obtained a FTHB exemption or refund.

## WHAT PROPERTY QUALIFIES FOR THE EXEMPTION?

If the property is within the boundaries of the Capital Regional District, the Greater Vancouver Regional District, or the Fraser Valley Regional District, its fair market value cannot exceed **\$275,000.00** to be eligible for the exemption.

If the property is located outside the districts mentioned above, its fair market value cannot exceed **\$225,000.00** to be eligible for the full exemption.

Effective for purchases on or after February 19, 2003, a property with a fair market value of up to \$25,000.00 more than either of these threshold amounts will be eligible for a proportionate amount of the exemption.

For example, for a property located in the Greater Vancouver Regional District with a fair market value of \$285,000.00, the proportionate amount of the exemption is calculated as follows:

1. Fair market value of property:	\$285,000	
2. Tax at 1% of the first \$200,000 and 2% on the remainder	\$3,700	
3. Proportional exemption:		60%
$\frac{3700 \times (275,000 + 25,000 - 285,000)}{25,000}$		
4. Exemption is: \$3700 x 60%	=	\$2,220

The FTHB program only provides a full exemption from property transfer tax for improvements on a property that are “residential”, and where the land is not larger than 0.5 hectares (1.24 acres).

### PARTIAL EXEMPTION

Where the land purchased is larger than 0.5 hectares, under section 6(1) of the [Property Transfer Tax Act](#), the purchaser may only receive a **partial exemption**. An exemption is provided for the fair market value of the principal residence and 0.5 hectares of the land.

Where the improvements on the land cannot **all** be used for residential purposes, under section 6(2) of the [Property Transfer Tax Act](#), the purchaser may only receive a **partial exemption**. An exemption is provided for the fair market value of the residential improvement and the land.

Example: Vacant land being purchased is 1 hectare so only a partial exemption is available. Fair market value of entire parcel of land is \$100,000.00

Exempt Portion:

$$\frac{\text{Fair Market Value}}{\text{Total Area of Parcel}} \times 0.5 \text{ (hectares)}$$

$$\frac{100,000}{1} \times 0.5 \text{ (hectares)} = \$50,000.00$$

If the property purchased has a fair market value of up to \$25,000 more than the \$275,000 threshold for properties within the Capital Regional District, the Greater Vancouver Regional District or the Fraser Valley Regional District, or the \$225,000 threshold for properties located outside the districts above, the purchaser will be eligible for a proportionate amount of the partial exemption.

## FINANCING REQUIREMENTS

### AMOUNT OF FINANCING

To be eligible for the exemption, the amount borrowed and registered on title to finance the purchase must be **at least 70% of the fair market value of the property**. This amount may include financing that is assumed by the purchaser provided it is registered on title.

An unsecured loan or a loan registered against a different property cannot be included. Only financing that is applied towards the purchase price of the principal residence can be included in this amount.

### SOURCE OF FINANCING

When calculating the amount borrowed to finance the purchase, **do not** include amounts borrowed from “related individuals” or “related persons”. These terms have a specific meaning under the [Property Transfer Tax Act](#).

Also, **do not** include amounts borrowed from a trust of which the purchaser or any related person is a beneficiary, or from a privately held corporation of which the purchaser or one or more related persons are shareholders.

## REQUIREMENTS OF FINANCING

The financing obtained must have a term of at least one year and must be registered against the title within 7 days of the date the transfer is filed at the Land title Office. If it is for a term less than one year, or the mortgage is a demand mortgage (where there is no term stated on the mortgage document), the tax must be paid when the transfer is registered.

If the term of the mortgage is extended to meet the one year term requirement, the purchaser may then apply for a refund of the tax that was paid. The application for a refund must be made within 18 months of the date the transfer of title was registered.

## RE-ADVANCEABLE MORTGAGES AND LINES OF CREDIT

**The FTHB program is not restricted to purchases that have conventional financing, and the requirements discussed above apply regardless of what form the financing takes.**

In addition to the other financing requirements of the exemption, where the purchaser has a re-advanceable mortgage or a line of credit, a copy of the applicable loan or agreement (a schedule to the mortgage document), must be attached to the property transfer tax return filed at the Land Title Office. Also, the purchaser's Statement of Adjustments, which confirms that the loan or line of credit is applied toward the purchase of the home, must also be attached to the return.

Please note that, as with other forms of financing, the loan or agreement must state that the registered mortgage will be in place for at least one year.

## WHEN CAN THE EXEMPTION OR THE REFUND BE CLAIMED?

The "First Time Home Buyers' Property Transfer Tax Return", the application to claim the exemption, is completed and submitted with the other transfer documents when the application to register the transfer is filed at the Land Title Office.

If a purchaser fails to apply for the exemption when the transfer is registered in the Land Title Office, and the other conditions for the FTHB program are met, the purchaser may apply for a refund. The application for a refund of the tax paid must be made within 18 months of the date the transfer was filed at the Land Title Office.

Effective for registrations on or after February 19, 2003, a refund is also available where a purchaser is not a permanent resident at the time of registration, but obtains permanent resident status within 12 months of the date the transfer was filed at the Land Title Office. The application for refund must be made within 18 months of the date the transfer was filed at the Land Title Office.

## REQUIREMENTS WHICH MUST BE MET DURING THE FIRST YEAR THE PROPERTY IS OWNED

### OCCUPANCY REQUIREMENT

The purchaser must occupy the residence as his or her principal residence within 92 days of the transfer being registered at the Land Title Office. To be eligible for the total amount of the exemption, the purchaser must then continue to use the residence as his or her principal residence for a period of at least one year after the date the transfer was registered.

### Exceptions

If the purchaser is unable to reside in the principal residence for the entire 12 months because he or she dies, the exemption is not lost. The exemption is also not lost if this requirement is not met because the property is transferred in accordance with a court order or separation agreement under the [Family Relations Act](#), and an exemption is claimed under section 14(3)(h) of the [Property Transfer Tax Act](#).

Effective February 19, 2003, a purchaser who ceases to maintain the residence as his or her principal residence prior to the first anniversary of the registration date may be eligible for a pro-rated amount of the exemption based on the date the purchaser moved off the property.

### **CONSTRUCTION REQUIREMENT**

If the property purchased is vacant land, and the purchaser wants to claim the first time home buyers' exemption, a principal residence must be built on that land within a year after the transfer is registered, and the purchaser must then reside on the property for the remainder of that year to obtain the full amount of the exemption.

To be eligible for the full amount of the exemption, the fair market value of the land plus the cost to build the home cannot exceed the maximum allowable fair market value for the area in which the property is located. Effective February 19, 2003, a proportional exemption is available where the cost exceeds the maximum allowable fair market value by up to \$25,000.

As above, a purchaser who ceases to maintain the residence as his or her principal residence for the remainder of the year may still be eligible for a pro-rated amount of the exemption.

Where a pro-rated exemption is available to a purchaser, the pro-ration will be applied to whichever of the obligations (either the one-year mortgage paydown restriction discussed below or the one-year occupancy requirement) was broken earlier.

### **MORTGAGE PAYDOWN REQUIREMENTS**

There are also requirements with respect to how much the financing can be reduced during the first year the purchaser owns the property. If a mortgage is paid down by more than the allowable limits within the first year, the purchaser may be eligible for a pro-rated amount of the exemption based on the number of days the purchaser maintained the allowable indebtedness.

These restrictions apply to all types of financing, including re-advanceable mortgages and lines of credit.

All payments made against the principal amount of the mortgage, both regular and lump-sum payments, are used to determine how much the mortgage has been reduced. Sometimes the type of financing used, for example, a re-advanceable mortgage or a line of credit, enables the purchaser to borrow money in addition to the money borrowed to finance the home. When calculating how much the mortgage has been reduced, only the amounts borrowed to finance the home will be considered.

At the end of the first year after the FTHB exemption has been claimed, the Ministry will send the home owner a letter as part of a routine follow-up procedure. This letter will ask for a complete history of the mortgage account to be provided to the Property Transfer Tax Office. The account history should cover the one year period after the transfer was registered in the Land Title Office. All purchasers who claim the FTHB exemption will be asked to provide this information, regardless of the type of financing used.

**MORTGAGE PAYDOWN LIMITS**

***Limits for Properties Within the Capital, Fraser Valley and Greater Vancouver Regional Districts***

During the first 12 months following registration of the transfer, where the property is located within the boundaries of the Capital Regional District, the Greater Vancouver Regional District, or Fraser Valley Regional District, to obtain the full amount of the exemption the mortgage cannot be reduced by more than the greater of:

- **\$11,000.00 and**
- **the amount that would reduce the mortgage to 70% of the fair market value of the property (calculated on the date that the application is made to register the transfer in the Land Title Office).**

<b>Example</b>	<b>Mortgage of 70%</b>	<b>Mortgage of 80%</b>
<b>Value of Property</b>	\$275,000.00	\$275,000.00
<b>Amount of Mortgage</b>	\$192,500.00	\$220,000.00
<b>Maximum Amount by Which the Mortgage can be Reduced</b>	\$11,000.00	\$27,500.00

**Note:** the maximum limits include the total of all regular and lump-sum principal payments.

***Limits for Properties Located Elsewhere***

During the first 12 months following registration of the transfer, if the property is not located within the boundaries of the regional districts described above, to obtain the full amount of the exemption, the mortgage cannot be reduced by more than the greater of:

- **\$9,000.00 and**
- **the amount that would reduce the mortgage to 70% of the fair market value of the property, (calculated on the date that the application is made to register the transfer in the Land Title Office).**

<b>Example</b>	<b>Mortgage of 70%</b>	<b>Mortgage of 80%</b>
<b>Value of Property</b>	\$225,000.00	\$225,000.00
<b>Amount of Mortgage</b>	\$157,500.00	\$180,000.00
<b>Maximum Amount by Which the Mortgage can be Reduced</b>	\$9,000.00	\$22,500.00

**Note:** the maximum limits include the total of all regular and lump-sum principal payments.

## Exceptions

If the eligible First Time Homebuyer dies during this first year and life insurance proceeds are used to paydown the mortgage, the purchaser's exemption entitlement is not lost.

Effective for registrations on or after February 19, 2003, a pro-rated exemption will be available where a purchaser reduces the eligible indebtedness below the specified limits prior to the first anniversary date of the registration date. The pro-rated exemption is based on the date the mortgage was paid down below the required level of financing.

Where a pro-rated exemption is available to a purchaser, the pro-ration will be applied to whichever of the obligations (either the one-year mortgage paydown restriction or the one-year occupancy requirement) was broken first.

## WHAT IS THE PENALTY FOR CLAIMING THE EXEMPTION AFTER HAVING OWNED A PRINCIPAL RESIDENCE?

Every application for the exemption or for a refund will be reviewed to verify eligibility. If a purchaser applying for an exemption or a refund makes a false declaration with respect to whether they have either previously been on title to a residence in which they resided, or previously obtained a first time home buyers' exemption or refund, the Administrator will deny the exemption and the purchaser will be assessed a penalty in addition to the tax payable. The penalty is equal to the amount of the exemption or refund claimed by the purchaser.

## ADMINISTRATIVE STEPS TO CLAIM THE FIRST TIME HOME BUYERS' EXEMPTION

Special attention should be paid to ensure that all the required steps are taken when a purchaser claims the First Time Home Buyers' exemption. The following comments highlight areas where purchasers claiming the exemption commonly make errors. Avoiding such errors will reduce delays and confusion when a purchaser claims the exemption.

## FIRST TIME HOME BUYERS' PROPERTY TRANSFER TAX RETURN

Any purchaser who wants to claim this exemption must complete the tax return specifically designed for the exemption. If a computer generated tax return form is used, it **must be stapled to the back of the original blue return form.**

The First Time Home Buyers' Property Transfer Tax Return requires that the purchaser provide information that verifies that he or she meets all the requirements for the exemption. A taxpayer may seek assistance from the Property Transfer Tax Office when completing the tax return for the FTHB program, at 250 387-0604.

The return requires that the purchaser certify, by signing the return, that he or she meets all the requirements for the exemption. **This section should be read carefully before signing.**

## SPECIFIC SECTIONS OF THE TAX RETURN FORM

Many of the sections of the First Time Home Buyers' Property Transfer Tax Return are the same as those in the General and Special Tax Returns that are also in use. However, several sections are unique to the First Time Home Buyers' Property Transfer Tax Return, and attention should be paid to ensure they are completed correctly. What follows are comments to help a purchaser complete sections A, B, C, E, F and H of the return.

### Section A

Section A requires information about the person purchasing the property, the transferee. The section requires that **every transferee acquiring an interest in the property** be identified. The transferee(s) who qualify for the exemption should be listed in the section before those transferees who do not qualify for the exemption. The form also requires that for each transferee that is acquiring an interest in the property, the percentage of his or her ownership be stated. If more space is needed to complete this section, an additional sheet may be attached.

**Section B**

Section B requires each transferee who is claiming the exemption to provide information about where they lived for the two years immediately before the purchase. Transferees claiming the exemption who did not reside in British Columbia for a period of at least one year immediately prior to the purchase should complete line 3 in section G. If more space is needed to complete this section, an additional sheet may be attached.

**Section C**

The mailing address for the property being purchased must be completed in each case. Where the administrator has to contact the taxpayer to confirm or obtain more information, this is the address that will be used.

**Sections E and F**

Section E requires that a transferee provide information on the financing terms of the purchase. Section F calculates the amount of property transfer tax payable where the exemption is claimed.

## EXAMPLE 1 – APPLICATION TO SECTIONS E AND F

The following example illustrates how sections E and F would be calculated where the property being purchased is **less than 0.5 hectares and all the improvements are classified as residential**. Where the land is less than 0.5 hectares, section H need not be completed.

### Factual Situation

- 3 purchasers, each purchasing a 1/3 interest in the property, 2 are eligible for the exemption
- Land is 0.4 hectares with a value of \$250,000.00, financing for the property is \$225,000.00

<b>E. Terms:</b>					
1. Cash					\$25,000.00 E1
2. Financing	Amortization Period (months)	Renewal Term (months)	Interest rate (%/annum)	Principal Amount	
a. New – first	60	12	5.65	\$200,000.00	
b. New – second	24	24	8.75	\$25,000.00	
c. Assumed	_____	_____	_____	_____	
d. Agreement for sale	_____	_____	_____	_____	
				TOTAL OF ITEMS 2a THROUGH 2d	\$225,000.00 E2
5. Other Consideration paid or property taken in trade (details)					\$_____ E5
				_____	
6. GROSS PURCHASE PRICE (TOTAL OF E1, E2 AND E5 ABOVE)					\$250,000.00 E6

**Note:** E2 must be 70% or greater than F1.

<b>F. PROPERTY TRANSFER TAX CALCULATION:</b>					
1. Fair Market Value of the Property					\$250,000.00 F1
2. Tax at 1% of first \$200,000 reported in line F1 and 2% on remainder					\$3,000.00 F2
3. If property is <b>less than 0.5 hectares</b> , and all the improvements are classified as residential, the percentage interest in the property being acquired by eligible first time home buyers' claiming tax exemption					
				$66.7\% \times F2 \ \$3,000.00 =$	\$2,000.00 F3
4. If property is <b>larger than 0.5 hectares</b> , or if some of the improvements are not classified as residential, <u>complete section H below</u>					
PRINCIPAL RESIDENCE VALUE (H10)	\$ _____	X F2 \$ _____	=		\$ _____ F4
FAIR MARKET VALUE (F1)	\$ _____				
5. If the FMV of the entire property is greater than the applicable qualifying value (QV) but less than the QV + \$25,000, the exemption claimed is:					
				$F3 \text{ or } F4 \times \left[ \frac{(QV + \$25,000) - F1}{\$25,000} \right]$	\$ _____ F5
6. NET TAX PAYABLE (F2 MINUS F5 (if completed) or F3 OR F4)					\$1,000.00 F6

## EXAMPLE 2 – APPLICATION OF SECTIONS E, F AND H

The following example illustrates how sections E, F and H would be completed where the property purchased is **larger than .5 hectares and all the improvements are residential**. Where the property being purchased is larger than 0.5 hectares, section H must be completed.

### Factual Situation

- 3 purchasers, each acquiring a 1/3 interest in the property, only 2 are eligible for the exemption
- Property is 1.4 hectares, land value of \$150,000.00 and improvements with a value of \$100,000.00
- Financing amount for the property is \$225,000.00

<b>E. Terms:</b>					
1. Cash					\$25,000.00 E1
2. Financing	Amortization Period (months)	Renewal Term (months)	Interest rate (%/annum)	Principal Amount	
a. New – first	60	12	5.65	\$200,000.00	
b. New – second	24	24	8.75	\$25,000.00	
c. Assumed	_____	_____	_____	_____	
d. Agreement for sale	_____	_____	_____	_____	
	TOTAL OF ITEMS 2a THROUGH 2d				\$225,000.00 E2
5. Other Consideration paid or property taken in trade (details)					\$_____ E5
_____					
6. GROSS PURCHASE PRICE (TOTAL OF E1, E2 AND E5 ABOVE)					\$250,000.00 E6
<b>Note:</b> E2 must be 70% or greater than F1.					

<b>F. PROPERTY TRANSFER TAX CALCULATION:</b>					
1. Fair Market Value of the Property					\$250,000.00 F1
2. Tax at 1% of first \$200,000 reported in line F1 and 2% on remainder					\$3,000.00 F2
3. If property is <b>less than 0.5 hectares</b> , and all the improvements are classified as residential, the percentage interest in the property being acquired by eligible first time home buyers' claiming tax exemption					
			_____ % x F2	=	\$_____ F3
4. If property is <b>larger than 0.5 hectares</b> , or if some of the improvements are not classified as residential, <u>complete section H below</u>					
PRINCIPAL RESIDENCE VALUE (H10)	\$102,386.02	X	F2 \$3,000.00	=	\$ 1,228.63 F4
FAIR MARKET VALUE (F1)	\$250,000.00				
5. If the FMV of the entire property is greater than the applicable qualifying value (QV) but less than the QV + \$25,000, the exemption claimed is:					
F3 or F4 x [ (QV + \$25,000) – F1 ]					\$_____ F5
					\$25,000
6. NET TAX PAYABLE (F2 MINUS F5 (if completed) or F3 OR F4)					\$1,771.37 F6

**H. PARTIAL PRINCIPAL RESIDENCE CALCULATION:**

Where the property is larger than 0.5 hectares (1.24 acres), or the improvements are not entirely classified as residential, please complete this section.

1. Value of improvements	\$100,000.00	H1	6. Value of improvements classified as residential	\$100,000.00	H6
2. Value of land	\$150,000.00	H2	7. Land value portion Eligible (see below)	\$53,571.42	H7
3. Fair market value of property (H1 plus H2 to equal F1)	\$250,000.00	H3	8. Value of home and land (H6 plus H7)	\$153,571.42	H8
4. Size of property in hectares (see conversion factors being transferred to first time below)	1.4	H4	7. Total percentage ownership home buyers' claiming tax exemption	66.67%	H9
5. If property is larger than 0.5 hectares, then perform the following proportional land exemption calculation:			8. Principal residence value (H9 % of H8)	\$102,386.06	H10

\$150,000 (from H2) divided by 1.4 (from H4) multiplied by 0.5 = 53,571.42 to H7

**CONVERSION FACTORS**

To convert from square feet to hectares, multiply .0000093  
To convert from acres to hectares, divide by 2.471

0.5 hectares = 53,763 square feet  
0.5 hectares = 1.24 acres

## PROPORTIONAL EXEMPTION EXAMPLES

Examples 3 and 4 illustrate how sections F and H would be completed where the fair market value of the entire property is greater than the applicable qualifying value (QV) but less than the QV + \$25,000.

### EXAMPLE 3 – APPLICATION TO SECTION F

The property is all residential, less than 0.5 hectares, and acquired by two purchasers, only one of whom is eligible for the exemption/refund. Registration of title is to be as joint tenants, Fair Market Value is \$295,000.00. The property is within the Capital Regional District.

#### F. PROPERTY TRANSFER TAX CALCULATION:

1.	Fair Market Value of the Property			\$295,000.00	F1	
2.	Tax at 1% of first \$200,000 reported in line F1 and 2% on remainder			\$3,900.00	F2	
3.	If property is <b>less than 0.5 hectares</b> , and all the improvements are classified as residential, the percentage interest in the property being acquired by eligible first time home buyers' claiming tax exemption					
		50% x F2 \$3,900.00 =		\$ 1,950.00	F3	
4.	If property is <b>larger than 0.5 hectares</b> , or if some of the improvements are not classified as residential, <u>complete section H below</u>					
	<u>PRINCIPAL RESIDENCE VALUE (H10)</u>	\$ _____	X	F2 \$ _____	=	\$ _____ F4
	<u>FAIR MARKET VALUE (F1)</u>	\$ _____				
5.	If the FMV of the entire property is greater than the applicable qualifying value (QV) but less than the QV + \$25,000, the exemption claimed is:					
F3 or F4	$\$1,950.00 \times \left[ \frac{(QV + \$25,000) - F1}{\$25,000} \right]$			\$ 390.00	F5	
6.	NET TAX PAYABLE (F2 MINUS F5 (if completed) or F3 OR F4)			\$3,510.00	F6	

#### EXAMPLE 4 – APPLICATION TO SECTION H AND F

The property is all residential, the lot size is 3.9 hectares, the land is valued at \$195,000.00, the improvements are valued at \$100,000.00 and the property is being acquired by two purchasers, only one of whom is eligible for the exemption/refund. The property is within the Capital Regional District, and will be registered as joint tenants.

#### H. PRINCIPAL RESIDENCE CALCULATION:

Where the property is larger than 0.5 hectares (1.24 acres), or the improvements are not entirely classified as residential, please complete this section.

1. Value of improvements	\$100,000.00	H1	6. Value of improvements classified as residential	\$100,000.00	H6
2. Value of land	\$195,000.00	H2	7. Land value portion eligible (see below)	\$25,000.00	H7
3. Fair market value of property (H1 plus H2 to equal F1)	\$295,000.00	H3	8. Value of home and land (H6 plus H7)	\$125,000	H8
4. Size of property in hectares (see conversion factors being transferred to first time below)	3.9	H4	9. Total percentage ownership home buyers' claiming tax exemption	50.00%	H9
5. If property is larger than 0.5 hectares, then perform the following proportional land exemption calculation:			10. Principal residence value (H9 % of H8)	\$62,500.00	H10

\$195,000 (from H2) divided by 3.9 (from H4) multiplied by 0.5 = \$25,000.00 to H7

#### CONVERSION FACTORS

To convert from square feet to hectares, multiply .0000093  
 To convert from acres to hectares, divide by 2.471

0.5 hectares = 53,763 square feet  
 0.5 hectares = 1.24 acres

#### F. PROPERTY TRANSFER TAX CALCULATION:

1. Fair Market Value of the Property		\$295,000.00	F1
2. Tax at 1% of first \$200,000 reported in line F1 and 2% on remainder		\$3,900.00	F2
3. If property is <b>less than 0.5 hectares</b> , and all the improvements are classified as residential, the percentage interest in the property being acquired by eligible first time home buyers' claiming tax exemption			
4. If property is <b>larger than 0.5 hectares</b> , or if some of the improvements are not classified as residential, <u>complete section H below</u>			
		_____ % x F2 \$ _____ =	\$ _____ F3
	<u>PRINCIPAL RESIDENCE VALUE (H10)</u>	\$62,500.00 X F2 \$3,900.00 =	
	<u>FAIR MARKET VALUE (F1)</u>	\$295,000.00	\$ 826.27 F4
5. If the FMV of the entire property is greater than the applicable qualifying value (QV) but less than the QV + \$25,000, the exemption claimed is:			
F3 or F4	$\$826.27 \times \left[ \frac{(QV + \$25,000) - F1}{\$25,000} \right]$	\$ 165.25	F5
6. NET TAX PAYABLE (F2 MINUS F5 (if completed) or F3 OR F4)		\$3,734.75	F6

## DISCLAIMER

This bulletin is presented as an aid to understanding the First Time Home Buyers' exemption, and is not intended to replace the need to consult the legislation for possible application to a particular fact pattern. Where there is a conflict between this bulletin and the legislation, the legislation prevails.

For further information on this program and the Act please contact:

The Administrator, Property Transfer Tax  
Property Taxation Branch  
Ministry of Provincial Revenue  
PO Box 9427 Stn Prov Govt  
Victoria BC V8V 9V1

Telephone: 250 387-0604  
Fax: 250 953-3094

Web site: <http://www.gov.bc.ca/rev>

Property Transfer Tax Returns and guides can be obtained through the forms reorder line at: 250 652-8312

This bulletin replaces information bulletins 2-94, 6-95, 6-96, 1-97, and 4-00.