
NEWS RELEASE

For Immediate Release
2008FIN0020-001779
Nov. 20, 2008

Ministry of Finance and Ministry responsible for the Olympics

LEGISLATION INTRODUCED TO MAINTAIN STRONG ECONOMY

VICTORIA – Proposed legislative amendments introduced today will fulfil Premier Gordon Campbell’s 10-point economic plan and help ensure British Columbians have financial stability during the global financial crisis.

“British Columbia is well positioned to weather these turbulent economic times,” said Finance Minister Colin Hansen. “The proposed amendments build on our solid foundation of prudent fiscal management. We are providing tax relief to families and small businesses, while taking action keep British Columbia’s economy strong and competitive.”

The Economic Incentive and Stabilization Statutes Amendment Act will bring changes to a total of eight government Acts. They include:

- Amendments to the Income Tax Act will accelerate income tax relief for individuals and families, putting more money back in people’s pockets and back into the economy. A five per cent personal income tax cut, on the first \$70,000 in income, will be in place for this year, putting an additional \$144 million back into taxpayers’ pockets.
- Amendments to the Income Tax Act that will accelerate tax cuts for small businesses. Effective Dec. 1 this year, the rate will be dropped to 2.5 per cent – a full two years ahead of schedule. That is a 44 per cent tax cut in just one year. This will inject an additional \$146 million over the next three years back into small businesses, across B.C.
- Amendments to the Land Tax Deferment Act to create a new program which will allow homeowners facing financial hardship, and who have at least 15 per cent equity in their homes, to defer their 2009 and 2010 property taxes.
- Transitional provisions to modify the way property assessment is carried out under the Assessment Act for the 2009 taxation year. This means that for roughly 90 per cent of properties the 2009 assessments will be based on the value on July 1, 2007 or July 1, 2008, whichever is lower.
- Amendments to the School Act to introduce an industrial property tax credit for 2009 and future years. Owners of major or light industrial property will receive a credit that reduces their school property taxes by 50 per cent.

- Amendments to the Financial Institutions Act to provide unlimited deposit insurance protection for depositors in BC credit unions. It is also amended to enhance the supervisory powers of the Financial Institutions Commission that is responsible for the regulation of credit unions.
- Amendments to the Court Order Enforcement Act and the Pension Benefits Standards Act to protect Registered Retirement Savings Plans and similar funds inside other registered plans from seizure by creditors.
- Amendments to the Law and Equity Act in anticipation of the new Tax Free Savings Account created by the federal government to ensure that the designation of a beneficiary will be honoured on the account holder's death.

Premier Campbell announced the 10-point economic plan on Oct. 22. The plan will provide an additional \$485 million in tax relief and support over the next three years.

-30-

1 backgrounder(s) attached.

Media Rena Kendall-Craden
contact: Communications Director
 Ministry of Finance
 250 361 5775 (cell)

For more information on government services or to subscribe to the Province's news feeds using RSS, visit the Province's website at www.gov.bc.ca.