

applies to claims which would otherwise have been required to be filed on or after February 17, 2026.

Effective on royal assent, corporations claiming the Film Incentive B.C. tax credit are no longer required to file a completion certificate with the Canada Revenue Agency that would have been due on or after February 17, 2026.

### **New B.C. manufacturing and processing investment tax credit**

Effective April 1, 2026, a new temporary refundable B.C. [manufacturing and processing investment tax credit](#) is introduced for investments made by B.C. Canadian-controlled private corporations in buildings and machinery and equipment used for manufacturing and processing in B.C., subject to exclusions and expenditure limitations in the legislation.

### **Book publishing tax credit**

Effective March 31, 2026, the expiration date for the [book publishing tax credit](#) will be removed.

### **Shipbuilding and ship repair industry tax credit**

Effective on royal assent, the [shipbuilding and ship repair industry tax credit](#) is extended for one year to the end of 2027.

## **Property taxes**

### **Northern and rural home owner benefit**

Effective for the 2027 and subsequent taxation years, the \$200 northern and rural home owner benefit is repealed. The northern and rural home owner benefit was introduced as part of the home owner grant program to offset the effects of the carbon tax, which has now ended. The regular home owner grant will be \$570 for properties for all areas of the province.

### **Property tax deferment program**

Effective for the 2026 and subsequent taxation years, the [property tax deferment program](#) interest rate terms are amended. The interest rates for the Regular and Families

with children programs are harmonized and increased to an annual rate of prime plus two per cent compounding monthly.

### **Purpose-built rental exemptions**

Retroactive to January 1, 2025, the purpose-built rental exemptions from the property transfer tax are expanded to apply to newly constructed purpose-built rental buildings leased for a maximum of 24 months before their first taxable transaction is registered at the Land Title and Survey Authority of British Columbia.

### **Additional school tax rates**

Effective for the 2027 and subsequent taxation years, the [additional school tax rates](#) on residential properties valued over \$3 million are increased.

The tax rate that applies to the residential portion assessed between \$3 million and \$4 million is increased from 0.2 percent to 0.3 percent, and the tax rate that applies to the portion of residential assessed value that exceeds \$4 million is increased from 0.4 percent to 0.6 percent.

### **Rural area property tax rates**

The 2026 rural area property tax rates for the residential and non-residential classes will be set in the spring. Starting in 2026, the method used to increase rural area property taxes will be the three-year average annual change in provincial nominal Gross Domestic Product. This policy replaces the longstanding rate-setting policy in place since 2005.

### **School tax rates**

The 2026 provincial school tax rates for the residential and non-residential classes will be set in the spring. Starting in 2026, the method used to increase school property taxes on the residential and non-residential classes will be the three-year average annual change in provincial nominal Gross Domestic Product. This policy replaces the longstanding rate-setting policy in place since 2005.

### **Police tax rate**

Effective for the 2026 tax year, the police tax rate is set to recover 33 per cent of legislated costs, after policy-based deductions, consistent with the policy in place since 2023.