

Understanding the exemption for properties undergoing redevelopment or major renovations

Every owner of residential property in Vancouver is required to submit a property status declaration each year to determine if their property is subject to the Empty Homes Tax.

To complete your Empty Homes Tax property status declaration, visit: vancouver.ca/eh-t-declare

The Empty Homes Tax does not apply to principal residences, homes rented for residential purposes for at least six months of the year, or properties that are eligible for an exemption.

If your property falls under one of the following scenarios, it may qualify for an exemption and will not be subject to the Empty Homes Tax.

SCENARIO	NOT SUBJECT TO THE EMPTY HOMES TAX
Under construction and renovation	A property will not be subject to the tax if it is undergoing major renovations, construction, or redevelopment that causes the property to be unoccupied for more than six months where: <ul style="list-style-type: none"> • permits have been issued; and • the work is being carried out diligently and without delay in the opinion of the Chief Building Officer.
Vacant land	A property will not be subject to the tax if it was unoccupied for more than six months because: <ul style="list-style-type: none"> • there is no existing dwelling unit on the property; • permits have been applied for and are under review; and • the application to create housing supply is being diligently pursued. For projects requiring rezoning, submission of a full and complete letter of enquiry package and full payment of the required fee by the registered owner will meet this requirement.
Heritage preservation	A property will not be subject to the tax if it was unoccupied for more than six months because: <ul style="list-style-type: none"> • it is a heritage property as it is defined in the Vancouver Charter (property that, in the opinion of Council or its delegate, either “has sufficient heritage value or character to justify its conservation” or “is protected heritage property”); • it has a development permit; or • a heritage alteration permit application for the rehabilitation and conservation of heritage property has been applied for and is under review.
Phased development	A property will not be subject to the tax if it was unoccupied for more than six months because it has no existing dwelling unit and is part of a phased development, and one of the following applies: <ul style="list-style-type: none"> • a rezoning application is under review; • rezoning has been approved and permits are under review; or • rezoning has been approved and construction has commenced.

Once an occupancy permit has been issued for the property, or the property passes final inspection, the building is considered complete and fit for occupancy and this exemption will no longer apply.

Therefore, in order for the property to be exempt from the Empty Homes Tax, it must either be:

- occupied as a principal residence;
- rented out for residential purposes for at least six months of the tax year; or
- be eligible for another exemption.

If your property qualifies for one of the above exemptions:

- **you are required to submit an Empty Homes Tax property status declaration by February 2, 2022; and**
- **you must provide the building or development permit number and a short description of the construction project on your declaration.**



When does the renovation exemption not apply?

Minor renovations do not qualify for the renovation exemption.

- There are many types of renovations that may make occupancy unsafe or impractical while work is underway. However, very few of these will require the home to be unoccupied for six months. The vast majority of renovation projects can be completed in less than six months.
- If a renovation project can be completed in less than six months, the home will not be eligible for the renovation exemption.

The following are examples of projects that can usually be completed in less than six months' time and, therefore, will generally *not* qualify for the exemption:

- Kitchen renovation
- Bathroom renovation
- Window replacement
- Plumbing upgrades
- Energy upgrades
- Most additions

If a property is unoccupied for more than six months of the current year, it will be subject to the tax unless an exemption applies.

For more information about whether the tax applies to you, or details on additional exemptions, visit: vancouver.ca/eh