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1st SESSION, 67th GENERAL ASSEMBLY
Province of Prince Edward Island
2 CHARLES III, 2023

(Bill No. 39)

An Act to Amend the Real Property Tax Act

Hon. Jill Burridge
Minister of Finance

GOVERNMENT BILL

Andrea MacRae
Acting King's Printer
Charlottetown, Prince Edward Island

**For House
Use Only**

**Prince Edward Island
Legislative Assembly**

ASSEMBLY / SESSION / YEAR
67th General Assembly / 1st / 2023

AMENDMENTS

BILL NUMBER: 39 **PAGE No. 2 of 6 PAGES**

TITLE: An Act to Amend the Real Property Tax Act

#	SECTION	AMENDMENT	DATE

NOTED:	CERTIFIED CORRECT:
_____	_____
COMMITTEE CLERK	CHAIR, IN COMMITTEE



AN ACT TO AMEND THE REAL PROPERTY TAX ACT

BILL NO. 39

2023

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

1. The *Real Property Tax Act R.S.P.E.I. 1988, Cap. R-5*, is amended by the addition of the following after section 5.4:

5.5 Tax credit, owner-occupied residential property – 2024 and after

- (1) For the calendar year beginning January 1, 2024, and for every calendar year following, a person in whose name residential property is assessed pursuant to the *Real Property Assessment Act* on January 1 of the calendar year is eligible to receive a tax credit, in an amount determined in accordance with the regulations, in respect of the residential property, if the person
- (a) occupied the residential property for all or part of the calendar year;
 - (b) did not lease or rent any part of the residential property during all or part of the calendar year; and
 - (c) owned the residential property continuously since December 31, 2023.

Buildings with multiple dwelling accommodation units

- (2) For greater certainty, where a residential property in respect of which a person is assessed under the *Real Property Assessment Act* is located in a building with more than one dwelling accommodation unit, the eligibility of the person for a tax credit under this section and the amount of the credit shall be determined only in respect of the dwelling accommodation unit that was occupied on a permanent or seasonal basis by the person during the calendar year.

Lapse of tax credit

- (3) The tax credit available under this section
- (a) ceases to apply when the person in whose name the residential property is assessed rents or leases the residential property referred to in subsection (1) or the dwelling accommodation unit referred to in subsection (2); and
 - (b) cannot be claimed again by the person in respect of that residential property.

5.6 Tax credit, leased or rented multiple dwelling accommodation units – 2024 and after

- (1) For the calendar year beginning January 1, 2024, and for every calendar year following, a person in whose name non-commercial realty is assessed pursuant to the *Real Property*

Assessment Act on January 1 of the calendar year is eligible to receive a tax credit, in an amount determined in accordance with the regulations, in respect of the non-commercial realty assessment on the portion of the property that is in the form of multiple dwelling accommodation units, if

- (a) the dwelling accommodation units in respect of which the tax credit is claimed were not owner-occupied property during the calendar year, irrespective of whether an owner has applied for a tax credit under subsection 5.5(2) in respect of a dwelling accommodation unit that was an owner-occupied property; and
- (b) the person, in relation to the dwelling accommodation units in respect of which the tax credit is claimed,
 - (i) owned the units continuously since December 31, 2023,
 - (ii) leased or rented the units on a long-term basis for at least six months of the calendar year, and
 - (iii) did not lease or rent the units for periods of less than 30 days during the calendar year.

Lapse of tax credit

- (2) The tax credit available under this section in respect of a dwelling accommodation unit
 - (a) ceases to apply when the person in whose name the non-commercial realty is assessed rents or leases the dwelling accommodation unit for a period of less than 30 days during a calendar year; and
 - (b) cannot be claimed again by the person in respect of that dwelling accommodation unit.

2. This Act comes into force on January 1, 2024.

EXPLANATORY NOTES

SECTION 1 amends the *Real Property Tax Act* R.S.P.E.I. 1988, Cap. R-5, by adding a new section 5.5(1) and (2) to authorize a new tax credit for owner-occupied residential property for 2024 and following years. The tax credit is available to eligible owners as specified, but the credit lapses when the owner rents or leases the residential property. The section also adds a new section 5.6 that authorizes a new tax credit for owners of rented or leased multiple dwelling accommodation units, as specified, for 2024 and following years. The credit lapses as specified. The amount of the credit is to be determined in accordance with the *Real Property Tax Act* Regulations (EC512/72).

SECTION 2 provides for the commencement of this Act.

(Bill No. 39)

An Act to Amend the Real Property Tax Act

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	November 17, 2023
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

SIGNATURES:

Honourable Antoinette Perry, Lieutenant Governor

Honourable Darlene Compton, Speaker

Joseph Jeffrey, Clerk

Hon. Jill Burridge
Minister of Finance

GOVERNMENT BILL

2023
1st SESSION, 67th GENERAL ASSEMBLY