



BC BUYER CHEAT SHEET

Your Complete Guide to Programs, Incentives & Savings

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Your Path to Homeownership

Navigating the BC Housing Market

Buying your first home in British Columbia is an exciting milestone, but it can also be overwhelming with all the programs, incentives, and requirements to understand.

This guide will help you navigate the **financial benefits** and **savings opportunities** available to first-time home buyers in BC.

Key Programs We'll Cover:

- ✓ BC Property Transfer Tax Exemption
- ✓ First Home Savings Account (FHSA)
- ✓ Down Payment Requirements & Strategies
- ✓ Federal Tax Credits & GST Relief









BC Property Transfer Tax Exemption

Save Up to \$8,000 in Transfer Taxes

The BC First-Time Home Buyers' Program reduces or eliminates the property transfer tax when you purchase your first home.

This program can save you up to **\$8,000** on a qualifying property, making home ownership more affordable.

Eligibility Requirements:

-  Canadian citizen or permanent resident
-  Never owned a principal residence anywhere in the world
-  BC resident for at least 1 year OR filed 2+ BC tax returns in last 6 years
-  Property value \$835,000 or less (as of April 2024)
-  Property size 0.5 hectares (1.24 acres) or smaller
-  Must be used as your principal residence



Exemption Amounts & Savings

How Much Can You Save?

The exemption amount depends on the fair market value of your property. Here's a breakdown of potential savings:

Property Value	Tax Without Exemption	Exemption Amount	Tax Payable
Under \$500,000	Up to \$8,000	Full amount	\$0
\$500,000	\$8,000	\$8,000	\$0
\$600,000	\$10,000	\$8,000	\$2,000
\$700,000	\$12,000	\$8,000	\$4,000
\$835,000	\$14,700	\$8,000	\$6,700
\$860,000+	\$15,200+	\$0	Full amount

How the Exemption Works:

- Properties over \$860,000 receive no exemption
- The maximum exemption amount is \$8,000
- Properties under \$500,000 receive full exemption
- Properties between \$500,000-\$835,000 receive partial exemption

Note: For properties valued between \$835,000 and \$860,000, the exemption amount is proportionally reduced.

First Home Savings Account (FHSA)

Tax-Free Savings for Your First Home

The First Home Savings Account (FHSA) is a registered plan that allows first-time home buyers to save for a home purchase with significant tax advantages.

It combines the best features of both RRSPs and TFSAs, offering a **double tax advantage** that no other savings vehicle provides.

Key FHSA Features:

- 💰 Annual contribution limit: **\$8,000**
- 📦 Lifetime contribution limit: **\$40,000**
- 📅 Unused contribution room carries forward
- ↔️ Can transfer funds from your RRSP (non-taxable transfer)
- 👤 Must be 18+ and a Canadian resident
- 🏠 Must be a first-time home buyer







✔️ **Tax-deductible contributions + Tax-free withdrawals**

FHSA: Maximizing Your Benefits

Strategic Approaches to Your FHSA

The First Home Savings Account offers a **unique double tax advantage**: tax-deductible contributions and tax-free withdrawals for home purchases.

Maximizing Your FHSA Benefits:

-  Contribute the full \$8,000 annually
-  Consider RRSP transfers annually
-  Invest based on timeline
-  Plan withdrawals strategically

Pro Tip

If you don't use your FHSA for a home purchase, you can transfer the funds to your RRSP without affecting your RRSP contribution room.

Down Payment Requirements

How Much Do You Need to Save?

Your down payment is a crucial part of your home buying journey. In Canada, the minimum down payment depends on the purchase price of your home.

Minimum Down Payment Rules:

- 🏠 Homes \$500,000 or less: **5%** of purchase price
- 🏠 Homes \$500,000 to \$1.5 million: **5%** on first \$500K + **10%** on amount above \$500K
- 🏠 Homes \$1.5 million or more: **20%** minimum down payment
- 📌 Example: \$600K home requires minimum \$35K down payment (\$25K + \$10K)



Down Payment Sources:

🏠 Personal Savings

🏠 FHSA Withdrawals

📈 RRSP Home Buyers' Plan

📁 Gifts from Family

Federal Programs & Tax Credits

Federal Support for First-Time Buyers

In addition to provincial programs, the federal government offers several incentives to help make home ownership more affordable.



Home Buyers' Tax Credit

A non-refundable tax credit that provides up to **\$1,500 in tax**

relief.

- ✓ \$10,000 tax credit amount (15% credit rate)
- ✓ Must be a first-time buyer (no ownership in past 5 years)
- ✓ Property must be your principal residence

GST Relief for New Homes (2025)

Significant GST savings on newly built homes:

- ✓ GST eliminated on new homes up to \$1 million
- ✓ Reduced GST for homes between \$1M-\$1.5M
- ✓ Applies to construction starting May 27, 2025 or later

Additional Resources & Tips

Beyond the Basics: More Ways to Save

Beyond the major programs, there are several additional resources and lesser-known benefits that can help make your first home purchase more affordable.

BC Home Owner Grant

Reduces annual property taxes on your principal residence. The 2025 threshold is \$2,175,000, with higher amounts available for those in rural areas.

BC Energy Efficiency Rebates

Various rebates available for energy-efficient upgrades to your new home, which can reduce long-term ownership costs.

Newly Built Home Exemption

If your first home is newly built, you may qualify for both the First-Time Home Buyers' Exemption and the Newly Built Home Exemption.


Quick Tips:


- ✓ Get pre-approved for a mortgage before house hunting
- ✓ Budget for closing costs (1-4% of purchase price)
- ✓ Consider working with a mortgage broker to compare options

Ready to Take the Next Step?

Let's Make Your First Home Purchase a Success

Navigating the BC real estate market as a first-time buyer can be complex. I'm here to help you understand all the programs and incentives available to you.

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How I Can Help You:

- ✓ Personalized guidance on first-time buyer programs
- ✓ Expert advice on the BC housing market
- ✓ Support throughout your entire home buying journey



[Book a Free Consultation](#)