


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 252

, Approved and Ordered

May 19, 2020



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, effective June 1, 2020, the Property Transfer Tax Regulation, B.C. Reg. 74/88, is amended as set out in the attached Schedule.



Minister of Finance and Deputy Premier



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Property Transfer Tax Act*, R.S.B.C. 1996, c. 378, s. 37 (2.1)

Other: OIC 364/88

R10392503

SCHEDULE

1 The Property Transfer Tax Regulation, B.C. Reg. 74/88, is amended by adding the following section:

Exemption for general partner in limited partnership

- 22** (1) In this section:
- “foreign limited partner”** means a limited partner that
 - (a) is a foreign entity, or
 - (b) holds an interest in the limited partnership in trust for a foreign entity;
 - “general partner”** has the same meaning as in Part 3 of the *Partnership Act*;
 - “limited partner”** has the same meaning as in Part 3 of the *Partnership Act*;
 - “limited partnership”** means a limited partnership
 - (a) formed under section 51 of the *Partnership Act*, or
 - (b) registered under section 80 of the *Partnership Act*;
 - “profit”** includes compensation in the form of income on contributions made by limited partners;
 - “taxation year”** has the same meaning as in section 249 (1) of the *Income Tax Act* (Canada).
- (2) A transferee who is a general partner in a limited partnership is exempt from the obligation to pay tax under section 2.02 (3) (a) of the Act with respect to the transferee’s proportionate share of a taxable transaction’s fair market value if
- (a) the transferee is acquiring the land that is the subject of the taxable transaction on behalf of the limited partnership, and
 - (b) all of the following conditions are met with respect to the limited partnership:
 - (i) on the date on which the application for registration of the taxable transaction is made at a land title office,
 - (A) each general partner is a Canadian citizen, a permanent resident of Canada or a corporation other than a foreign corporation, and
 - (B) the combined interest in the limited partnership of all foreign limited partners accounts for less than half of the entitlement of all partners to share in the profits of the limited partnership;
 - (ii) each general partner and limited partner is a resident of Canada for income tax purposes throughout the taxation year in which the taxable transaction occurs.
- (3) An application for an exemption under this section must
- (a) be in the form required by the administrator, and
 - (b) include a consent, in the form required by the administrator, by which the transferee consents to the administrator conducting inquiries that the administrator considers necessary to confirm that the transferee qualifies for the exemption.