

# Ten Things You Need to Know about HST in B.C.

1. The HST will mean a stronger economy, which will create more jobs and enhance job security for British Columbians.
2. Evidence in other countries, and provinces, with similar tax structures indicates that an HST in B.C. will lead to higher wages and a higher standard of living for British Columbians.
3. Many products will go down in price. Because farmers, manufacturers, and other businesses will receive a 12% tax credit for the HST they pay, the cost of making their products will go down. Economic research has shown that in other jurisdictions where an HST has been implemented, the overall prices paid by consumers on many products went down, as these lower costs were passed along to customers.
4. All businesses, including small, neighborhood businesses will benefit from reduced paperwork and lower costs by combining two taxes into one. The B.C. Government estimates these savings will add up to approximately \$150 million per year.
5. The B.C. Government is tailoring the HST to respond to the needs of fixed and low-income British Columbians. Several products, such as books and children's clothing, will be exempt from the HST, and low income individuals and families will receive a cheque four times a year to reimburse them for the HST they spend.
6. Brand new homes (sold by the builder to the first owner) up to \$400,000 will be HST-exempt, and new homes over \$400,000 will be eligible for an HST rebate of \$20,000. Re-sales of existing homes that are simply changing hands will not have HST applied to the purchase price.
7. Without a move to an HST, B.C. would not be able to keep pace with Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland, and the majority of developed nations with which we compete. These jurisdictions have an HST-style value added tax, and would be more attractive alternatives for investors.
8. B.C.'s forest industry is fundamental to our economic strength, and the HST will provide the industry with a needed boost. The forest industry employs 80,000 people and contributes \$17 billion to B.C.'s GDP. The HST will reduce costs on the industry and make it more competitive.
9. The HST will mean more exports of B.C. made products. B.C. has had the weakest growth in exports in Canada since the late 1980s. The HST will make our exports less expensive, will stimulate BC exports, and encourage more companies to engage in exporting. More exports mean more jobs.
10. Business associations representing more than 100,000 small, medium, and large businesses in sectors as diverse as forestry, mining, telecommunications, retail, small business, manufacturing, film and television, and many others believe that the HST will be good for the B.C. economy and good for the people their sectors employ. These associations include:

Business Council of BC  
BC Chamber of Commerce  
Institute of Chartered Accountants of BC  
Retail Council of Canada  
BC Technology Industry Association  
Canadian Manufacturers and Exporters  
Mining Association of BC  
Council of Forest Industries  
BC Trucking Association  
BC Road Builders and Heavy Construction Association  
Coast Forest Products Association  
New Car Dealers Association of BC

BC Construction Association  
BC Pulp and Paper Steering Committee  
Truck Loggers Association  
Motion Picture Industry Association of BC  
Greater Vancouver Gateway Council  
Railway Association of Canada  
Independent Contractors and Businesses Association of BC  
Initiatives Prince George  
Canadian Association of Petroleum Producers  
Association of Mineral Exploration BC  
New Media BC