

COUNCIL MEMBERS' MOTION

*For consideration at the Standing Committee on Policy and Strategic Priorities meeting on
September 17, 2025*

7. Improving the Empty Homes Tax to Curb Speculation

Submitted by: Councillor Orr

WHEREAS

1. The Empty Homes Tax, (also known as the “Vacancy Tax”), was introduced in 2017 with the goal of returning empty and under-utilized properties to the market as long-term rental homes for people who live and work in Vancouver;
2. The Empty Homes Tax has been a success so far, generating \$169.8 million of net revenues between 2017 and 2023 to support affordable housing initiatives in Vancouver, and reducing the number of known vacant properties in Vancouver during that period by 58%;
3. In 2023, City Council approved a proposal to freeze the Empty Homes Tax at 3%, stopping a previously planned increase to 5% that City Council had approved in 2020;
4. In 2023, City Council approved a new exemption for “vacant new inventory” - meaning that newly built condos that are unsold and sitting empty can remain untaxed and empty in perpetuity;
5. These changes combined represent a significant amount of lost revenue for badly needed affordable housing programs in Vancouver; and
6. Stronger enforcement for the Empty Homes Tax would generate significant revenue: Vancouver’s 2024 Empty Homes Tax Annual Report indicates that “Revenue generated from non-compliant audits during the period from November 2, 2023 to November 1, 2024 was \$18.8 million.”

THEREFORE BE IT RESOLVED

- A. THAT Council direct staff to bring forward amendments to the Vacancy Tax By-Law to increase the rate from 3% to 5% for 2026.
- B. THAT Council direct staff to bring forward amendments to the Vacancy Tax By-Law to impose a partial tax on currently-exempted “vacant new inventory” at a rate of 1% starting in 2026.
- C. THAT Council direct staff to report back in Q2 of 2026 with recommendations for a graduated Vacancy Tax on unsold new builds that starts at 1% and increases each year to disincentivize the under-use of properties.

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