



canadian | association  
energy | canadienne  
pipeline | de pipelines  
association | d'énergie

Suite 1110 505 3rd St SW | P: (403) 221 8777  
Calgary, Alberta T2P 3E6 | F: (403) 221 8760  
| aboutpipelines.com

June 30, 2020

Honourable Carole James  
Minister of Finance  
Government of British Columbia  
PO Box 9048 Stn Prov Govt  
Victoria, BC V8W 9E2

Dear Minister James:

The Canadian Energy Pipeline Association (CEPA) and its members would like to express our appreciation for the Government of British Columbia's leadership as we face the current public health and economic crisis. The steps taken to support B.C. businesses, non-profits and other organizations through the COVID-19 pandemic will help to reduce the economic hardships that are being felt across the province.

One example of such steps is action taken to further reduce the school property tax rate for commercial properties to enhance the 50% reduction to the provincial school property tax rate for Classes 4, 5 and 6 announced as part of the COVID-19 Action Plan. This type of action is important to the BC economy, however, the exclusion of Class 2 properties (utilities, including transmission pipelines) should be reconsidered in order to ensure an equitable distribution of school tax rates between property classes.

Pipelines in British Columbia have been paying more than their fair share of the School Tax even before COVID-19 relief measures were applied to other property classes. Currently, the province utilizes nine different tax classes of property. The 2020 Class 2 rate (13.03) is 13,000,000% greater than class 4 (Major Industry) (0.0001). Class 4 also receives the Industrial Property Tax Credit (IPTC) which provides for a credit equal to 60 per cent of the school taxes levied on that tax class, per Section 131.2.2 of the *School Act*. In order to address this inequity CEPA recommends the BC government create a Utility Property Tax Credit (UPTC) for Class 2 properties based on the IPTC.

CEPA and its members believe that British Columbia is a critical economic driver for our country and that pipelines are an integral part of realizing the many economic opportunities for the province. We encourage the government to consider our recommendations to ensure these opportunities are fully realized.

Yours sincerely,

Jim Campbell  
Vice President, Business Environment

Cc: Christine Kennedy, Deputy Minister, Ministry of Jobs, Economic Development and Competitiveness  
Kaye Krishna, Deputy Minister, Municipal Affairs & Housing  
Lori Wanamaker, Deputy Minister, Finance