

Interest and fees for property tax deferment

✦ Last updated on April 1, 2026

Budget 2026 includes changes to the interest rate terms for the property tax deferment program. These changes will apply to all taxes deferred for the 2026 and subsequent tax years and are subject to approval by the Legislative Assembly and any necessary regulation changes.

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Interest rate term changes

Interest rate term changes		
Interest rate: Regular program	Interest rate: Families with children program	Interest rate terms



	Interest rate: Regular program	Interest rate: Families with children program	Interest rate terms
Taxes deferred for 2025 and previous years (no change)	Prime minus 2%	Prime	Simple interest
Taxes deferred for 2026 and subsequent years	Prime plus 2%	Prime plus 2%	Compound interest

How interest will be calculated

For taxes deferred for 2026 and subsequent tax years, the tax deferral program will use compound interest, which means:

- Interest will compound monthly at an annual rate of 2% above the prime rate of the government's principal banker
- On the 23rd day of each month, accrued interest for the month will be added to your balance and subject to interest the following month
- You will not be charged interest on application or renewal fees

Example of how compound interest accumulates

Interest for regular and families with children programs				
Month	Deferral amount	Opening balance	Interest (6.95% annually)	Closing balance
Month 1	\$3,000.00	\$3,000.00	\$17.71	\$3,017.71

Month	Deferral amount	Opening balance	Interest (6.95% annually)	Closing balance
Month 2	\$3,000.00	\$3,017.71	\$16.09	\$3,033.80
Month 3	\$3,000.00	\$3,033.80	\$17.91	\$3,051.71

Automatic renewals

If you're registered for the automatic renewal option, your 2026 and subsequent years property taxes will be automatically deferred under the new interest rate terms unless you choose to opt out of automatic renewal. We will continue to confirm you meet the program requirements before deferring your 2026 taxes.

How to opt out of automatic renewal

1. Submit a web message through your eTaxBC Property Tax Deferment account with the subject line: Opt Out – Auto Renewal, or
2. Call us at [1-888-355-2700](tel:1-888-355-2700)

You can opt out of automatic renewal at any time. However, we suggest you contact us before **June 1, 2026**, if you do not want your 2026 taxes automatically deferred.

Opting out of automatic renewal does not require immediate repayment of your previous loans. However, you must pay your current property taxes to your municipality or rural tax office on or before the tax due date to avoid penalties and interest charges.

Fees

When you first apply for the regular program, you will be charged a \$60 administrative fee. For every year that you renew your application, you will be charged a \$10 renewal fee. These fees are charged and added to your loan balance if you're approved. Each April, you will receive an annual Statement of Account letter which will indicate fees.

You will not be charged these fees if your application under the program or your renewal application has been denied.

You will not be charged these fees if you apply for the families with children program.

Interest applicable to amounts deferred before 2026

Interest is charged on your tax deferral loan from the date your property tax is due or the date you apply to defer your taxes, whichever is later.

The interest rate you're charged depends on the tax deferral program you're enrolled in. The interest rates are:

- Set April 1 and October 1 every year
- Calculated on the 23rd of each month
- Not compounded

The current interest rates are in effect until September 30, 2026.

Note: [Interest rates are determined](#) on December 15 and June 15 each year (6 months prior to April 1 and October 1)

Interest rates for property tax deferral programs	
Tax deferral program	Interest rate
Regular program	2.45%
Families with children program	4.45%
Financial hardship program†	4.45%

Under the [regular program](#), you're charged [simple interest](#) at a rate not greater than 2% below the prime rate of the government's principal banker.

Under the [families with children program](#), you're charged [simple interest](#) at a rate not greater than the prime rate of the government's principal banker.

† The Financial hardship program was only available to homeowners in 2009 and 2010.

How interest is calculated

The property tax deferralment program uses [simple interest](#), which means:

- You are only charged interest on the principal amount that has been deferred
- You are not charged interest on top of the amount of interest owed
- You are not charged interest on application or renewal fees

If you [make a payment on your property tax deferralment account](#), the payment is applied in the following order, starting with the oldest year debt first:

1. Fees (if applicable)
2. Interest
3. Principal

Estimate your interest

Use the [interest calculator](#) to estimate your annual and daily interest amounts.

Example of how interest and fees accumulate

Regular program					
Year	Deferral amount	Principal	Interest (2.45%)	Fees	Total
Year 1	\$3,000.00	\$3,000.00	\$73.50	\$60.00	\$3,133.50

Year	Deferral amount	Principal	Interest (2.45%)	Fees	Total
Year 2	\$3,000.00	\$6,000.00	\$147.00	\$10.00	\$3,157.00
Year 2 End Total		\$6,000.00	\$220.50	\$70.00	\$6,290.50

Families with children program

Year	Deferral amount	Principal	Interest (4.45%)	Fees	Total
Year 1	\$3,000.00	\$3,000.00	\$133.50	\$0	\$3,133.50
Year 2	\$3,000.00	\$6,000.00	\$267.00	\$0	\$3,267.00
Year 2 End Total		\$6,000.00	\$400.50	\$0	\$6,400.50

More topics

Interest rate history

See [what the interest rates used to be](#) for each of the tax deferral programs.

Resources

- [Interest calculator](#)

- [Repay your deferred property taxes](#)

Contact information

Contact us with your questions about deferring your property taxes.



Toll Free

[1-888-355-2700](tel:1-888-355-2700)



Office

[1-250-387-0555](tel:1-250-387-0555)

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