

Production Services Tax Credit Certification Fee Increased and Major Production Tax Credit Certification Fee Introduced

Effective March 1, 2026, the accreditation certificate fee for the production services tax credit is increased to \$19,000 for corporations that began principal photography after December 31, 2024 and apply for certification on or after March 1, 2026. The major production tax credit certificate fee is set at \$5,000.

B.C. Manufacturing and Processing Investment Tax Credit Introduced

Effective April 1, 2026, a new temporary refundable investment tax credit is introduced for investments made by Canadian-controlled private corporations in buildings and machinery and equipment used for manufacturing and processing, subject to exclusions in the legislation.

The new investment tax credit is calculated as 15 per cent of eligible investments up to \$2 million, for a maximum credit of \$300,000.

The new investment tax credit is available at a rate of 15 per cent for investments made on or after April 1, 2026 until March 31, 2031. Starting April 1, 2031, the tax credit rate will be reduced by 2.5 percentage points per year until it is fully phased out for investments made after March 31, 2036.

Book Publishing Tax Credit Made Permanent

Effective March 31, 2026, the book publishing tax credit is made permanent by removing its sunset date.

The refundable credit, worth 90 per cent of the base amount of federal contributions received under the Canada Book Fund, supports B.C.-based book publishers.

Shipbuilding and Ship Repair Industry Tax Credit Extended

Effective on royal assent, the shipbuilding and ship repair industry tax credit is extended for one year to the end of 2027.

Land Tax Deferral Act**Property Tax Deferral Program Interest Rate Terms Amended**

Effective for the 2026 and subsequent taxation years, the property tax deferral program interest rate terms are amended. The interest rates for the regular and families with children programs are harmonized, increased to rate of prime plus two per cent compounded monthly.

The new interest rate will apply to property taxes deferred under both programs in respect of 2026 and subsequent taxation years. Any amounts deferred in respect of taxation years prior to 2026 will continue to be subject to the interest rate terms set under their applicable deferral agreements.

The Province's borrowing costs have been higher than the program's lending terms, at a cost to other taxpayers. With this change the lending terms for new loans will more closely align with commercial lending terms.