



MINISTRY OF PROVINCIAL REVENUE

The mission of the Ministry of Provincial Revenue is to provide fair, efficient and equitable revenue and debt collection, which supports public services to meet the needs of British Columbians.

MINISTRY SUMMARY

(\$000)

	Estimates 2004/05 ¹	Estimates 2005/06
VOTED APPROPRIATION		
Vote 31 — Ministry Operations.....	42,109	42,095
STATUTORY APPROPRIATION		
Provincial Home Acquisition Wind Up Special Account.....	25	25
OPERATING EXPENSE	<u>42,134</u>	<u>42,120</u>
PREPAID CAPITAL ADVANCES ²	—	—
CAPITAL EXPENDITURES ³	13,297	34,683
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ⁴	(910)	1,590
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁵	—	—
FULLTIME EQUIVALENT (FTE) EMPLOYMENT ⁶	1,054	837

NOTES

¹ For comparative purposes only, figures shown for 2004/05 expense, FTEs and capital expenditures have been restated to be consistent with the presentation of the 2005/06 Estimates. Schedule A presents a detailed reconciliation.

² Details of prepaid capital advances are presented in Schedule C.

³ Details of capital expenditures are presented in Schedule D.

⁴ Details of loans, investments and other requirements are presented in Schedule E.

⁵ Details of revenue collected for, and transferred to, other entities are presented in Schedule F.

⁶ Details of FTEs are presented in Schedule G.

MINISTRY OF PROVINCIAL REVENUE

CORE BUSINESS SUMMARY

\$000

	2004/05	2005/06 ESTIMATES		
OPERATING EXPENSE	Net	Gross	External Recoveries	Net
Core Business				
Revenue Programs.....	18,370	44,979	(26,609)	18,370
Revenue Services.....	8,477	36,099	(27,636)	8,463
Executive and Support Services.....	15,287	37,432	(22,145)	15,287
TOTAL OPERATING EXPENSES	42,134	118,510	(76,390)	42,120
CAPITAL EXPENDITURES	Net	Disbursements	Receipts	Net
Core Business				
Revenue Services.....	—	21,348	—	21,348
Executive and Support Services.....	13,297	13,335	—	13,335
TOTAL CAPITAL EXPENDITURES	13,297	34,683	—	34,683
LOANS, INVESTMENTS AND OTHER REQUIREMENTS	Net	Disbursements	Receipts	Net
Core Business				
Revenue Programs.....	(900)	28,600	(27,000)	1,600
Revenue Services.....	(10)	40	(50)	(10)
TOTAL LOANS, INVESTMENTS AND OTHER REQUIREMENTS.....	(910)	28,640	(27,050)	1,590
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES	Net	Disbursements	Receipts	Net
Core Business				
Revenue Programs.....	—	960,800	(960,800)	—
TOTAL REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES.....	—	960,800	(960,800)	—

MINISTRY OF PROVINCIAL REVENUE

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 31 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following three core businesses: Revenue Programs, Revenue Services, and Executive and Support Services.

REVENUE PROGRAMS

Voted Appropriation

Revenue Programs.....	18,370	18,370
-----------------------	--------	--------

Voted Appropriation Description: This sub-vote provides for the administration and enforcement of tax statutes administered by the ministry, and revenue and benefit programs that are the responsibility of the Ministry of Provincial Revenue. This sub-vote also provides for payment of interest or refunds of taxation revenues under statutes administered by the ministry. Costs are partially recovered from revenues administered by the ministry.

REVENUE SERVICES

Voted Appropriation

Revenue Services.....	8,452	8,438
-----------------------	-------	-------

Statutory Appropriation

Provincial Home Acquisition Wind Up Special Account.....	25	25
	8,477	8,463

Voted Appropriation Description: This sub-vote provides for accounts receivable collection, loan administration, revenue programs, including premiums and fees for the Medical Services Plan for the Ministry of Health Services, and administration services through a combination of in-house service providers and a private sector partner. Costs are partially recovered from within the Consolidated Revenue Fund or deducted from collected proceeds and revenues administered by the ministry.

Statutory Appropriation Description: This statutory appropriation provides for the Provincial Home Acquisition Wind Up Special Account.

MINISTRY OF PROVINCIAL REVENUE

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

Estimates
2004/05

Estimates
2005/06

EXECUTIVE AND SUPPORT SERVICES

Voted Appropriations

Minister's Office.....	430	430
Corporate Services.....	14,857	14,857
	15,287	15,287

Voted Appropriations Description: This sub-vote provides for the office of the Minister of Provincial Revenue, and includes salaries, benefits, allowances and operating expenses of the minister and the minister's staff. It also provides for executive strategic direction of the ministry and administrative support services; tax appeal management and administration; and policy and legislation. Costs are partially recovered from revenues administered by the ministry.

VOTE 31 — MINISTRY OPERATIONS	42,109	42,095
STATUTORY — SPECIAL ACCOUNT	25	25

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	64,366	60,258
Operating Costs	70,281	70,700
Government Transfers	500	500
Other Expenses	3,527	3,527
Internal Recoveries	(15,251)	(16,475)
External Recoveries	(81,289)	(76,390)
TOTAL OPERATING EXPENSE.....	42,134	42,120

MINISTRY OF PROVINCIAL REVENUE

SPECIAL ACCOUNT¹

\$000

PROVINCIAL HOME ACQUISITION WIND UP

This account is established under the *Special Appropriation and Control Act* effective April 1, 2004, for the purpose of providing for expenditures for the winding up of the loan and financial assistance programs under the *Home Conversion and Leasehold Loan Act*, the *Home Mortgage Assistance Act*, the *Home Purchase Assistance Act*, the *Homeowner Interest Assistance Act* and the *Provincial Home Acquisition Act*. The latter Acts are repealed effective March 31, 2004.

Revenue consists of interest on outstanding mortgage principal. Expenses include statutory rebates and other miscellaneous program costs. Receipts represent repayment of outstanding mortgage loan principal. Disbursements represent repurchased mortgage accounts and guarantee claims paid under the mortgage assistance programs.

	Estimates 2004/05	Estimates 2005/06
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR².....	15,000	15,010
OPERATING TRANSACTIONS		
Revenue.....	25	35
Expense.....	(25)	(25)
Net Revenue (Expense).....	—	10
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	50	50
Disbursements - Capital.....	—	—
Disbursements - Other.....	(40)	(40)
Net Cash Source (Requirement).....	10	10
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	15,010	15,030

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. As this account was established in 2004/05, the Spending Authority Available at the beginning of the fiscal year 2004/05 is based on the 2004/05 *Estimates*.

MINISTRY OF PROVINCIAL REVENUE

LOANS, INVESTMENTS AND OTHER REQUIREMENTS BY CORE BUSINESS

\$000

	Estimates 2004/05	Estimates 2005/06
--	----------------------	----------------------

REVENUE PROGRAMS

INTERNATIONAL FUEL TAX AGREEMENT (MOTOR FUEL TAX ACT) — Disbursements are provided by the province to other International Fuel Tax Agreement jurisdictions in respect of the receipts collected on their behalf by the Ministry of Provincial Revenue. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	5,800	6,000
Disbursements.....	4,400	4,600
Net Cash Source (Requirement).....	1,400	1,400

LAND TAX DEFERMENT ACT — Disbursements are made to local governments to reimburse them for property taxes of those property owners over 60 years of age and other qualified property owners that are deferred under this Act. The property owner or the estate is required to repay to the province all deferred taxes together with interest, on the termination of the agreement. Receipts represent repayments of outstanding principal (taxes deferred exclusive of interest). Interest and fee revenue are credited to the Consolidated Revenue Fund and administration costs are funded through the ministry's voted appropriations.

Receipts.....	19,500	21,000
Disbursements.....	20,000	24,000
Net Cash Source (Requirement).....	(500)	(3,000)

REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES BY CORE BUSINESS

\$000

	Estimates 2004/05	Estimates 2005/06
--	----------------------	----------------------

REVENUE PROGRAMS

BRITISH COLUMBIA TRANSIT ACT (MOTOR FUEL TAX) — Disbursements are provided to British Columbia Transit (BCT) in respect of the *British Columbia Transit Act* fuel tax (receipts) collected on BCT's behalf by the Ministry of Provincial Revenue. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	7,900	8,200
Disbursements.....	7,900	8,200
Net Cash Source (Requirement).....	—	—

GREATER VANCOUVER TRANSPORTATION AUTHORITY ACT (MOTOR FUEL AND SOCIAL SERVICE TAXES) — Disbursements are provided to the Greater Vancouver Transportation Authority (GVTA) in respect of the fuel tax (receipts) and the social service tax (receipts) on parking collected or GVTA's behalf under the *Greater Vancouver Transportation Authority Act* by the Ministry of Provincial Revenue. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	260,000	279,100
Disbursements.....	260,000	279,100
Net Cash Source (Requirement).....	—	—

REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES BY CORE BUSINESS

\$000

Estimates
2004/05 Estimates
2005/06

REVENUE PROGRAMS (Continued)

RURAL AREA PROPERTY TAXES — Disbursements are provided to local governments and entities in rural areas in respect of local property taxes and levies (receipts) collected on their behalf by the Ministry of Provincial Revenue. Interest and fee revenue is deposited to the Consolidated Revenue Fund and administration costs are funded through the ministry's voted appropriations.

Receipts.....	195,000	205,000
Disbursements.....	<u>195,000</u>	<u>205,000</u>
Net Cash Source (Requirement).....	<u>—</u>	<u>—</u>

TOBACCO TAX AMENDMENT ACT — Disbursements are provided to the Cowichan Tribes in respect of the Cowichan Tribes Agreement for tobacco tax (receipts) collected on their behalf. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	2,000	2,000
Disbursements.....	<u>2,000</u>	<u>2,000</u>
Net Cash Source (Requirement).....	<u>—</u>	<u>—</u>

TOURISM BRITISH COLUMBIA (HOTEL ROOM TAX ACT) — Disbursements are provided by the province to Tourism British Columbia in respect of the *Tourism British Columbia Act* hotel room tax (receipts) collected on the corporation's behalf by the Ministry of Provincial Revenue. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	24,500	26,300
Disbursements.....	<u>24,500</u>	<u>26,300</u>
Net Cash Source (Requirement).....	<u>—</u>	<u>—</u>

TRANSPORTATION ACT (MOTOR FUEL AND SOCIAL SERVICE TAXES) — Disbursements are provided to the BC Transportation Financing Authority (BCTFA) in respect of the fuel tax (receipts) and the social service tax (receipts) on short-term rentals of passenger vehicles collected on BCTFA's behalf under the *Transportation Act* by the Ministry of Provincial Revenue. Administration costs are funded through the ministry's voted appropriations.

Receipts.....	425,300	(440,200)
Disbursements.....	<u>425,300</u>	<u>(440,200)</u>
Net Cash Source (Requirement).....	<u>—</u>	<u>—</u>