The 2010 provincial budget prioritizes spending commitments for health, education and families. With projected deficits of $1.7 billion in 2010/11, $945 million in 2011/12, and $145 million in 2012/13, the budget re-affirms the government’s commitment to return to balanced budgets by 2013/14.

Tax Measures

Budget 2010 includes several measures of interest to local governments including:

- A reiterated commitment to provide a Northern and Rural Home Owner Benefit for British Columbians outside the Greater Vancouver, Fraser Valley and Capital Regional Districts. Beginning in 2011, homeowners in these areas may receive a benefit of up to $200 over and above the Home Owner Grant.
- Beginning in May 2010, homeowners financially supporting children under age 18, and who have at least 15% equity in their principal residence, will be able to defer their annual property taxes until they sell their home. The Province will fully compensate local governments for this program.
- The Ports Property Tax Act and the Assessment Act are amended to ensure that designations are consistent under both acts.

Additional Hotel Room Tax

- The Province will continue the additional hotel room tax (AHRT) program beyond June 30, 2011 for eligible local governments, regional districts, destination marketing organizations and other eligible entities to raise revenue for tourism marketing.
- Input from consultations with tourism stakeholders is being considered for the future design of the program.

Housing

- The government reiterated a commitment made in the 2010 Throne Speech to work with local governments to reduce housing costs for families with children. Details for these initiatives will be announced in the coming months.

Infrastructure

- Additional provincial operating funding of $58 million has been made available in 2010/11 to finance community infrastructure projects under the Communities Component of the Building Canada Fund and Infrastructure Stimulus Fund.
Since October 2008, $5.3 billion has been committed to accelerated infrastructure investments across British Columbia, an increase of $1.9 billion from $3.4 billion in the September 2009 Budget update.

Environment
- $100 million in new funding over three years was announced for clean energy development, including:
  - support for cleaner transportation choices;
  - the production of bio-fuels; and
  - new forms of electricity generation.
- An additional $35 million for the LiveSmart BC Efficiency Incentive Program for household energy audits and energy efficiency retrofits.

Economic Development
- As announced on February 3, 2010, the Province is introducing the BC Interactive Digital Media tax credit and additional film tax credits.
- The BC Mining Flow-Through Share Tax Credit will be extended until the end of 2013.

Sports and Arts Funding
- $60 million committed over three years to a new Sports and Arts Legacy program. Funding will be split 50/50 between sport and the arts.

Justice and Public Safety
- $30 million will be provided over three years to maintain the court system in addition to the $33 million provided in the 2009 Budget Update to support major prosecutions.
- $39 million will be provided over three years to fund additional RCMP policing costs related to the RCMP national back-up policy along with RCMP and support staff and operating cost increases.

Provincial Ministry Services
- Budget 2010 forecasts reduced spending on full-time equivalent staff over each of the next three years.
- Six ministries will also reduce spending by a combined $320 million over three years including Forests, Agriculture and Land, Integrated Land Management Bureau, Energy, Mines and Petroleum Resources, Transportation and Infrastructure and Community and Rural Development.
- The Ministry of Community and Rural Development’s portion of these reductions is $16 million over three years.