

Ministry of
Small Business and Revenue
and
Minister Responsible for Regulatory Reform

2007/08
Annual Service Plan Report



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Ministry of Small Business and Revenue,
see Ministry Contact Information on Page 35 or contact:

Ministry of Small Business and Revenue

PO BOX 9432
STN PROV GOVT
VICTORIA BC
V8W 9N6

or visit our website at

www.gov.bc.ca/sbr/

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Message from the Minister and Accountability Statement

As Minister, I am pleased to share the Ministry of Small Business and Revenue's third-year results with you.

Our Ministry remains steadfast in its mandate to make British Columbia "Canada's most small business friendly jurisdiction," to strive for continuous improvements in customer service, and to become a centre of excellence for tax administration and revenue management.

Much of our success stems from strong partnerships with small business and industry. The permanent Small Business Roundtable, established in October 2005, has completed 29 consultations, engaging 469 small business owners and industry representatives throughout British Columbia. The Roundtable released its second-year report in October 2007 and government responded, further reforming regulations, promoting entrepreneurship, addressing skills shortages, reducing personal income taxes as well as small business and corporate income taxes, and involving small business in British Columbia's Climate Action Plan.

As Minister Responsible for Regulatory Reform, I lead our government's efforts to foster a more streamlined and simplified regulatory environment. As of March 2008, we have eliminated over 163,000 regulatory requirements, a reduction of over 42.6 per cent since June 2001, and we remain committed to a zero net increase through 2012.

Our government has made significant progress implementing two key strategies in the Small Business Action Plan. In partnership with the federal government and participating municipalities, BizPaL provides business owners and operators with a single online source to identify permits and licences required from all three levels of government. Our government has achieved its goal to have 25 municipalities up and running by March 2008. Moving forward, our goal is to make BizPaL available to all municipalities in British Columbia by 2010. In recognition of its successes, the BizPaL program was awarded a Premier's Innovation and Excellence Award in March 2008.

In partnership with the Ministry of Community Services, the Union of British Columbia Municipalities, the Ministry of Finance (OneStop) and local municipalities, the Ministry developed a model for a mobile business licence which will allow businesses to operate cross-municipally with one licence. In January 2008, a pilot for mobile businesses was launched involving 17 municipalities in the Okanagan-Similkameen. As of March 2008, over 1,500 businesses had acquired the Mobile Business Licence.

The Provincial Sales Tax Review was completed in March 2008. The review resulted in 13 provincial sales tax changes in Budget 2007 and eight changes in Budget 2008, together saving small businesses and British Columbians \$129 million over the next three years.

During Small Business Month 2007, we also launched the fourth edition of the *Taxpayer Fairness and Service Code*, which continues to enhance taxpayers' rights and service standards, and improves the clarity, timeliness and quality of the audit process.

The *2007/08 Ministry of Small Business and Revenue Annual Service Plan Report* compares the actual results to the target results of the 2007/08–2008/09 Service Plan. Under the *Balanced Budget and Ministerial Accountability Act*, in 2007/08, I was accountable for earning \$215.5 million in incremental revenue in respect to revenue payable under enactments administered by the Minister of Small Business and Revenue. For the year ending March 31, 2008, I can confirm \$263.1 million in incremental revenue.

I want to acknowledge and thank all Ministry staff whose dedication to our customers makes our goals and objectives real for British Columbians. I am proud of their hard work.

Our efforts to make British Columbia “Canada’s most small business friendly jurisdiction” are contributing to the economic prosperity of today. British Columbia is leading the nation as small business growth triples the national average and British Columbia ranks first in the number of Canadians in-migrating to our province, up 31 per cent since 2006. Our government has committed to reducing greenhouse gas emissions 33 per cent by 2020 and to making the public service carbon neutral by 2010. With this, British Columbia is positioned still stronger as an international leader in both environmental stewardship and economic innovation.

Our Ministry is committed to excellence in customer service, fair tax administration and a more straightforward regulatory environment — all of which contribute to making British Columbia the best place on earth to live, work and invest.



Honourable Rick Thorpe
Minister of Small Business and Revenue
and Minister Responsible for Regulatory Reform
sbr.minister@gov.bc.ca

June 20, 2008

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Highlights of the Year

Making British Columbia the most small business friendly province in Canada

The Ministry of Small Business and Revenue continued to fulfill government's commitment to make British Columbia the most small business friendly jurisdiction in Canada.

- The [Action Plan for Small Business](#)¹ details strategies and initiatives to support the ongoing success of the small business sector. The Action Plan was released in October of 2007, in response to recommendations of the permanent Small Business Roundtable in their first [annual report](#)² to government. The Roundtable, created in 2005 to advise government on strategies to promote small business success, released its second annual report in October 2007.
- 2007/08 saw significant progress on a number of the key strategies in the Action Plan. For example:

- **Tax savings for British Columbia citizens and businesses**

Continuing government's promise to review taxation policy, in 2007, the Ministry completed the Provincial Sales Tax (PST) Review.³ The Review identified ways to streamline, simplify and enhance the fairness of the PST. British Columbia businesses gained an annual tax savings of three million dollars as a result of eight changes included in Budget 2008. This is in addition to the \$40 million a year in tax savings realized in Budget 2007.

Additionally in Budget 2008, government introduced measures reducing personal taxes for British Columbians, and reduced both the small business and corporate income tax rates — enhancing the competitiveness of British Columbia's business environment.

- **Implement the BizPaL online business information tool across British Columbia**

BizPaL is a free web-based service that simplifies and quickly identifies the federal, provincial and local government permits and licences required to start a business in a specific community. By linking the permits and licences of all three levels of government, BizPaL streamlines the business start-up process, saving entrepreneurs time and thus money. During 2007/08, BizPaL availability grew from two to 25 of the province's 157 municipalities. In 2008/09, the Ministry will work with local governments to make BizPaL available to another 50 municipalities, and by 2010/11 BizPaL will be available in all 157 municipalities. Recognizing the success of this initiative, the BizPaL program was awarded a Premier's Innovation and Excellence Award in March 2008.

¹ View British Columbia's Action Plan for Small Business at www.gov.bc.ca/sbr/attachments/action_plan_for_small_business.pdf.

² View the Small Business Roundtable — 2006 and 2007 Annual Reports at www.smallbusinessroundtable.ca/publications.htm.

³ View the PST Review website at www.sbr.gov.bc.ca/pstreview.

- **Promoting the expansion of the Mobile Business Licence, allowing mobile small businesses to more successfully operate across municipal boundaries**
Working with local governments, the Ministry launched the Okanagan-Similkameen Mobile Business Licence pilot project including 17 area communities. The Ministry continues to work with municipalities across the province to facilitate and champion the adoption of a mobile business licence.
- The Ministry implemented the Training Tax Credit (TTC). The TTC provides income tax credits for employers and apprentices engaged in eligible apprenticeship programs, administered through the Industry Training Authority, to support the development of skilled workers who are vital to the ongoing economic success of our province.
- The Ministry contributed approximately \$2.2 million toward the development of educational tools and products to support small business start up and growth across the province, including \$700,000 for the operation of Small Business BC.⁴
- In partnership with several community organizations, the Ministry contributed \$305,000 to implement the Video Conference Network in 15 locations throughout the province⁵ to support regional delivery of small business training and support services offered by Small Business BC.

Citizen-Centred Regulatory Reform Continues to Save Individuals and Businesses Time and Money

- The Government of Canada singled out British Columbia as an “excellent example”⁶ to other provinces in reducing regulatory burden.
- As of March 31, 2008, government has reduced the number of regulatory requirements by eight per cent from the benchmark set in June 2004 for a total reduction of 42.6 per cent. This represents 19,200 fewer regulatory requirements since June 2004 and a total reduction of over 163,000 regulations since 2001.
- Twenty ministry-specific and three cross-ministry citizen-centred regulatory reform projects⁷ have been completed across government since implementation of this initiative in 2006. These projects save individuals and businesses time and steps when complying with government regulations or accessing government programs and services.

⁴ For more information on Small Business BC, view online at: www.smallbusinessbc.ca.

⁵ Sites are now operational in Vancouver, Victoria, Nanaimo, Surrey, Prince Rupert, Smithers, Prince George, Fort St. John, Dawson Creek, Quesnel, Williams Lake, Kamloops, Vernon, Penticton, and Cranbrook.

⁶ Honourable Jim Flaherty, Minister of Finance, Government of Canada — March 2007 Budget Speech.

⁷ View quarterly progress reports at: www.straightforwardbc.gov.bc.ca/progress/reports.htm.

Commitment to Service Excellence

- In 2007/08 the Ministry continued its commitment to achieving excellence in customer service. Highlights of the Ministry's accomplishments include:
 - Conducting 108 educational events for over 3,100 individuals and over 400 tax practitioners, and providing resource materials at nine industry events.
 - Providing information sessions to organizations serving seniors and persons with disabilities to increase awareness of programs and benefits for these citizens.
 - Improved customer service at the Taxpayer Services Centre. Based in Vancouver, the call centre provides timely public information regarding consumption taxes. The Centre realized significant improvements in three key areas of customer service — reducing the average wait time before calls are answered (from 17 seconds to 11), the percentage of abandoned calls (from an average of 80 per month to 47) and the percentage of calls receiving a busy signal (from an average of 46 calls per month to 15).
- In October 2007, the Ministry published the Fourth edition of the *Taxpayer Fairness and Service Code*.⁸ The new edition of the Code reflects improvements in the small business audit process, including:
 - Improved completion time for small business audits, from five to four weeks;
 - Streamlined audit processes with fewer forms; and
 - Improved customer service through increased awareness of the Taxpayer Services Centre.

Revenue Funds Services for British Columbians

- The Ministry provides a central service to the Province for revenue and debt administration and collection. In 2007/08, the Ministry administered approximately \$23 billion in revenue, or almost 63 per cent of estimated revenue⁹ received by the province. This revenue supports the provision of important government programs, such as health care, education, social services and transportation for British Columbians.

⁸ View the fourth edition of the Code at: www.sbr.gov.bc.ca/msbr/tfsc/tfsc.htm.

⁹ Based on provincial revenue estimate in the *Estimates (Fiscal year ending March 31, 2009)*, page 6, Estimated Revenue by Source, Updated Forecast 2007/08 (line item Taxpayer-Supported Programs and Agencies) — excludes self-supported Crown corporations.

Purpose of Ministry

The Ministry of Small Business and Revenue has a broad mandate, including:

- ***Supporting small business success***¹⁰
Working with other ministries, partners and the small business community to foster a business climate where small business has the opportunity to prosper. This work significantly contributes to achieving government's Great Goal to create more jobs per capita than anywhere else in Canada.
- ***Identifying and collecting revenues to fund important government services***
Delivering fair, efficient and effective tax administration and revenue management processes to provide revenues that fund essential services, such as health care, education, social services and transportation for British Columbians.
- ***Supporting straightforward government regulation***
Working with ministries across government to reduce and simplify government's regulatory environment, making it easier and faster for citizens, business and industry to comply with regulations and access programs and services, and increasing British Columbia's economic and business competitiveness.
- ***Ensuring transparent, flexible, fair and equitable property assessment and review services***
Supporting policy development and the Province's property assessment processes to ensure the system is competitive, affordable and supportive of economic growth for British Columbia property owners.

Additionally, the Minister is accountable for [BC Assessment](#)¹¹ and is charged with administration of the *Assessment Act* and the *Assessment Authority Act*. BC Assessment operates as an independent provincial Crown corporation governed by a board of directors. Its mandate is to establish and maintain uniform real property assessments, on an annual basis, for all property owners in British Columbia.

The Ministry's customers include provincial taxpayers, the small business community, industry, local governments, and other agencies and ministries to whom the Ministry of Small Business and Revenue provides tax administration and revenue management services.

¹⁰ A small business is one with fewer than 50 employees or is operated by a person who is self-employed without paid help. See Appendix A for definitions of terms used in the Annual Service Plan Report and Appendix B for legislation administered by the Ministry.

¹¹ For more information on BC Assessment, visit: www.bcassessment.bc.ca.

The Ministry depends on the contributions and support of a wide range of partners to fulfil its mandate. Ministry programs and services are delivered by Ministry staff, BC Assessment, the Property Assessment Appeal Board, Property Assessment Review Panels, the Canada Revenue Agency, the Canada Border Services Agency, [Small Business BC](#)¹² and a private sector service provider. Key to the Ministry's success is building and maintaining collaborative relationships.

Providing excellence in customer service is a fundamental value of the Ministry of Small Business and Revenue. The Ministry maintains service quality and client-centred service delivery through formal mechanisms such as legislation, performance and service agreements, and year-end reviews. The Ministry conducts its business based on the fairness and customer service principles detailed in the *Taxpayer Fairness and Service Code* (4th Edition)¹³ and adheres to the core values of government — integrity, fiscal responsibility, accountability, respect and choice.¹⁴

More detailed information about the Ministry's core business areas, legislation and service code is available on the Ministry's website; refer to the Hyperlinks to Additional Information on page 36.

¹² The Ministry, on behalf of the Province and in partnership with the federal government, jointly funds Small Business BC, a not-for-profit organization providing support to current and prospective small business operators in British Columbia. For more information on Small Business BC, visit www.smallbusinessbc.ca.

¹³ For more information on the *Taxpayer Fairness and Service Code*, view online at: www.sbr.gov.bc.ca/msbr/tfsc/tfsc.htm.

¹⁴ View the government's strategic plan at: www.bcbudget.gov.bc.ca/2008/stplan/. Government's core values: *integrity* — to make decisions in a manner that is consistent, professional, fair, transparent and balanced; *fiscal responsibility* — to implement affordable public policies; *accountability* — to enhance efficiency, effectiveness and the credibility of government; *respect* — to treat all citizens equitably, compassionately and respectfully; and *choice* — to afford citizens the opportunity to exercise self-determination.

Strategic Context

The following section provides an overview of the key external factors affecting the business of the Ministry of Small Business and Revenue in 2007/08.

Customer expectations. British Columbians expect their government to provide timely, high quality service. Therefore, the Ministry is continually identifying and implementing improvements to the delivery of programs and services it provides to the people and businesses of British Columbia. For example, the Ministry continues to strengthen its relationship with British Columbians based on the customer service principles detailed in the *Taxpayer Fairness and Service Code* (4th Edition), and report publicly on its customer service performance. Additionally, the Ministry has established consultative processes, such as the Small Business Roundtable and the Provincial Sales Tax (PST) Review, to hear directly from customers on issues related to its programs and services.

Voluntary compliance with financial obligations. The willingness of taxpayers to voluntarily meet their financial obligations is the foundation of the tax system in British Columbia. Because voluntary compliance is a critical factor in the Ministry's ability to meet its performance goals, it is important the Ministry encourage and support compliance by providing:

- high quality services resulting in a positive customer experience;
- timely, accurate and accessible information to assist customers in identifying and understanding their financial obligations to government;
- education and outreach services meeting the needs of a wide variety of taxpayers across the province; and
- tools, such as expanded access to electronic payments options, to make it as easy as possible to comply.

Changing demographics. British Columbia is experiencing significant demographics shifts. One key change is the increase in British Columbians for whom English is not their first language. The 2006 census showed 27.5 per cent of British Columbians spoke a language other than English in the home.¹⁵ Therefore, the Ministry's ability to work with ethno-cultural associations to make information available and accessible to all British Columbians is important to the Ministry's continued success.

¹⁵ Ministry of Attorney General and Minister Responsible for Multiculturalism, 2006 Census Fact Sheet: British Columbia: Population and Language www.welcomebc.ca/en/growing-your-community/pdf/britishcolumbia2006.pdf.

Business environment. Provincial tax legislation and policy, and the regulatory environment contribute to the competitiveness of the province's investment climate and its ability to attract and retain small businesses. The Ministry has made significant progress in leading regulatory reform across government and it is critical to maintain the progress to date, while considering other opportunities to streamline regulation. Additionally, the Ministry will continue ongoing collaboration with other ministries and levels of government delivering programs and services impacting the small business community to implement initiatives to support the success of the small business sector.

Economic environment. The provincial economic environment directly affects the Ministry's success in revenue management and debt collection. In 2007, British Columbia's economy continued its strong performance after three straight years of over 3.0 per cent growth. The province's real gross domestic product (GDP) grew an estimated 3.1 per cent in 2007. Employment in British Columbia grew faster than the province's labour force in 2007, pushing the annual unemployment rate down 0.6 percentage points to 4.2 per cent. This was the lowest annual rate of unemployment in more than 30 years. Strong economic growth presents opportunities for revenue generation, both through new revenues and increased voluntary compliance with existing financial obligations to government. A positive economic environment also supports the Ministry mandate to promote a vibrant small business sector in all areas of the province.

Report on Performance

This section details the Ministry's performance during 2007/08 against the performance measures and targets set out in the [2007/08–2009/10 Service Plan](#).¹⁶ The performance measures highlight the most critical aspects of Ministry performance and demonstrate the Ministry's commitment to being accountable to British Columbians for how well it delivers the programs and services within its mandate.

Setting meaningful performance measures and targets, and objectively measuring results allows the Ministry to drive continuous improvement in its program activities. Performance targets are based on past performance trends, government priorities, continuous improvement and the availability of resources. The Ministry continues to work with other jurisdictions to identify opportunities to benchmark its performance.

The performance data presented is tracked through Ministry financial and business information systems or gathered through customer surveys. Comparable information from prior years is provided for the purpose of historical comparison. Ministry revenue is audited by the Office of the Auditor General as part of the Summary Financial Statements and reported in the annual Public Accounts of Government of British Columbia. Ministry incremental revenue and debt collection data are monitored by the managers responsible and are reviewed by the Ministry's Executive Financial Officer. Customer survey data regarding satisfaction with the Ministry's audit processes are collected and analyzed by BC Stats. All other data are approved by the managers responsible for completeness of the records and data integrity.

The following table provides an overview of Ministry performance in 2007/08, compared to established targets, for each of the Ministry's goals and associated objectives.

In 2007/08, the Ministry exceeded, achieved or substantially achieved the performance targets for all nine performance measures.

¹⁶ View the Service Plan online at: www.bcbudget.gov.bc.ca/2007/sp/sbr/. The wording of Goals 2 and 4, and accompanying Objectives, has been revised since the publication of the 2007/08–2009/10 Service Plan to better reflect the desired outcomes of Ministry strategies and do not reflect a change in strategic direction.

Performance Plan Summary Tables

Goal 1: Service that meets the needs of customers and partners For greater detail see page 17.	2007/08 Target	2007/08 Actual
1.1 Fair and efficient administration, and quality service		
Appeals resolution — average elapsed time from receipt of tax appeal to final decision	4.5 months	3.58 months EXCEEDED
Success in meeting service excellence standards	18 of 18 standards will meet targets	17 of 18 standards met targets SUBSTANTIALLY ACHIEVED

Goal 2: The most small business friendly jurisdiction in Canada For greater detail see page 20.	2007/08 Target	2007/08 Actual
2.1 A business climate in which small business prospers		
Implement an Action Plan for Small Business	Action Plan for Small Business implemented	Action Plan for Small Business implemented ACHIEVED

Goal 3: Amounts owed to government are paid For greater detail see page 22.	2007/08 Target	2007/08 Actual
Percentage of amounts owed to government paid	96.51%	96.44% SUBSTANTIALLY ACHIEVED
3.1 Individuals and businesses understand their entitlements and obligations, and pay the correct amount on time		
Percentage of on-time payments	89.5%	88.4% (862,941) SUBSTANTIALLY ACHIEVED
3.2 The Province receives the outstanding amounts owed		
Percentage of incremental revenue target achieved	100% (\$215.5 M)	122% (\$263.1 M) EXCEEDED
Percentage of overdue amounts collected	36.1%	35.53% SUBSTANTIALLY ACHIEVED

Goal 4: A global leader in regulatory reform For greater detail see page 27.	2007/08 Target	2007/08 Actual
4.1 A streamlined and simplified regulatory environment		
Number of government-wide regulatory requirements	0% net increase (over June 2004 actual)	220,214 (-8.02% over June 2004 actual, 42.6% total reduction) EXCEEDED
Percentage of ministries participating in the citizen-centred regulatory reform initiative	100%	100% ACHIEVED

Goals, Objectives, Strategies and Performance Results

Goal 1: Service meets the needs of customers and partners

The Ministry is committed to continuous improvement in service excellence — providing prompt, quality service meeting the needs of its diverse customers and partners. This commitment includes meeting the service excellence standards set out in the *Taxpayer Fairness and Service Code*, and simplifying, streamlining and enhancing the fairness of the Ministry's regulatory environment, tax legislation and administrative processes.

Objective 1.1: Fair and efficient administration, and quality service

Strategies

- Enhance British Columbia's competitiveness by simplifying, streamlining and enhancing the fairness of legislative, regulatory and administrative frameworks.
- Deliver customer service that meets or exceeds established Ministry's service excellence standards.

Performance Measure: Appeals resolution

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Appeals resolution — average elapsed time from receipt of tax appeal to final decision ¹	5.7 months	4.9 months	4.5 months	3.58 months EXCEEDED

Data Source: Ministry of Small Business and Revenue business information systems.

¹ Average elapsed time is measured by elapsed time less time where an appeal file is unworkable due to reasons beyond the control of the Ministry. For example, the days a taxpayer has requested as an extension to submit further information to support their appeal are excluded from the calculation.

Discussion of Results

When taxpayers disagree with an action or decision of the Ministry, they have the opportunity for an impartial and timely review of their file. Access to an appeal process fosters taxpayers' confidence in the fairness of the tax system and encourages them to meet their obligations voluntarily.

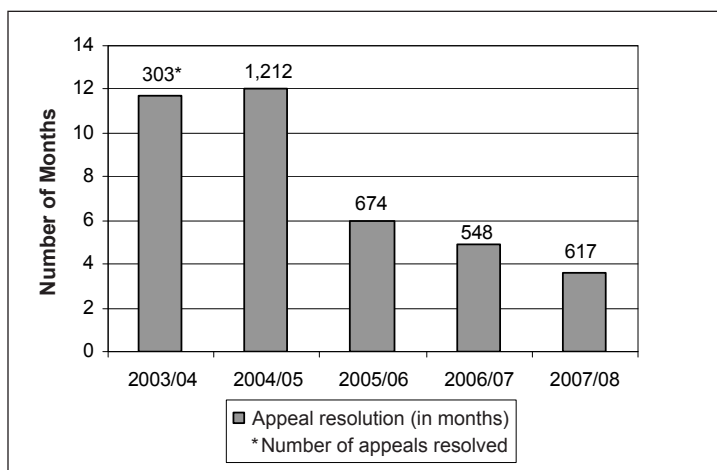


Figure 1: Appeals Resolution, 2003/04–2007/08

This measure tracks the Ministry's success in providing timely resolution to taxpayer appeals. It reports on the average time taken to resolve tax appeals (from receipt to final decision) over the course of the fiscal year.

In 2007/08, the Ministry resolved 617 appeals. On average, appeals were resolved in 3.58 months, exceeding the target of 4.5 months.¹⁷ This is the third year the Ministry has achieved challenging targets to improve the timeliness of appeal resolution. The Ministry's improved result this year was in large part due to the following one-time events: (1) 15 per cent of total appeals addressed the same issue and were resolved within 90 days; and (2) five per cent of total appeals provided an identical policy change response and were resolved within 30 days. These are considered exceptional because, generally an appeal deals with a specific circumstance and a unique set of facts requiring an individualized review and response.

Ministry Response

The Ministry will continue to seek ways to streamline its processes and procedures, while maintaining its high level of service excellence and the quality of its decisions. Though the 2007/08 result was outstanding, this was due to two anomalies which the Ministry does not expect to recur. The Ministry anticipates results for the 2008/09 fiscal year, will be more in line with the existing target of providing a written decision within an average annual response time of 4.5 months.

In future years, this performance measure will be reported as one of the Ministry's service excellence standards (see performance measure following).

¹⁷ The length of time to resolve an appeal varies dependent on such factors as the number and complexity of issues raised, facts of the case, and availability of all relevant information.

Performance Measure: Success in meeting service standards

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Success in meeting service excellence standards	New measure in 2006/07	8 of 9 standards met targets	18 of 18 ¹ standards will meet targets	17 of 18 standards met targets SUBSTANTIALLY ACHIEVED ²

Data Source: Ministry of Small Business and Revenue business information systems.

¹ The 4th edition of the *Taxpayer Fairness and Service Code* contains 21 service standards. Three standards were excluded from this target because baseline data are being collected in 2007/08. Individual performance targets have been established for each service standard (see Appendix C).

² This performance target is considered substantially achieved if no more than one service standard is not met.

Discussion of Results

The Ministry's service standards publicly state the level of performance British Columbians can expect to receive, under normal circumstances, when dealing with the Ministry. The Ministry's service standards address timeliness, accessibility and customer satisfaction for a broad range of Ministry services, and were developed in consultation with British Columbia business organizations. Meeting these service standards reflects the Ministry's success in delivering services that are a priority to customers and partners. Over time, the Ministry will add or improve its service standards based on further consultation with the business community and taxpayer feedback.

This measure reports on the Ministry's success in meeting performance targets established for 18 service excellence standards detailed in the 4th Edition of the *Taxpayer Fairness and Service Code*. A standard is considered "met" if, over the twelve months of the fiscal year, the performance meets or exceeds the established target. Appendix C contains the standards, and their respective targets and performance for 2007/08.

In 2007/08, the Ministry exceeded, met or substantially met 17 of 18 service standards. For example, the Ministry:

- Achieved 98.2 per cent customer satisfaction with PST seminar content, and 84.8 per cent satisfaction with the timeliness of tax audits.
- Responded to over 6,200 general and complex tax inquiries from individuals, tax practitioners and businesses, almost 39,300 consumption tax¹⁸ refund requests and over 700 letters.
- Provided access to Ministry information and services through multiple channels including online, walk-in and phone service.

¹⁸ Consumption taxes include hotel, motor fuel, tobacco, and social service (PST) taxes.

The Ministry will focus on continuous improvement or maintaining already high levels of performance. In 2007/08, the Ministry will report on performance for 21 service excellence standards.

Goal 2: The most small business friendly jurisdiction in Canada

Small business is a significant driver of British Columbia's economic growth and is vital to the province's economic success. The Ministry recognizes the importance of the small business sector and supports a business climate in British Columbia where small business prospers — improving the province's competitiveness as a place to live, invest and create jobs. Within government, the Ministry is a champion for small business and works with other ministries, partners and the small business community to implement strategies and initiatives to support small business start-up and growth. This work makes a significant contribution to government's Great Goal to create more jobs per capita than anywhere else in Canada.

Saving Time and Steps for Citizens, Business and Industry

- Reduced the Child Care Subsidy application from 16 to two pages making it significantly easier for parents and child care providers to access the program.
- Streamlined the *Small Business Venture Capital Act* reducing the application process by 46 steps (67 per cent), saving customers approximately 44 hours.
- Implemented a new internet-based tool to facilitate petroleum and natural gas tenure related transactions, reducing steps and time by 50 per cent for industry.

*Source: Ministry of Small Business and Revenue,
Regulatory Reform Office.*

Objective 2.1: A business climate in which small business prospers

The Ministry is committed to implementing initiatives to support small business and making British Columbia the most small business friendly provincial jurisdiction in Canada.

Strategies

- Provide an effective forum to hear directly from the small business community through the Small Business Roundtable.
- Implement solutions to address small business concerns and support small business start-up and growth.
- Raise the profile of small business opportunities, and highlight and celebrate the contribution of small business to the economy and communities.

- Maintain and build partnerships with federal and municipal governments and key organizations to leverage resources to offer services, products and tools to entrepreneurs.

Performance Measure: Action Plan for Small Business

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Implement an Action Plan for Small Business	Small Business Roundtable implemented	Action Plan for Small Business developed	Action Plan for Small Business implemented	Action Plan for Small Business implemented ACHIEVED

Discussion of Results

The Ministry is committed to supporting small business development by establishing, in a timely manner, mechanisms to listen to and work with the small business sector. This is accomplished, in large part, by supporting the permanent Small Business Roundtable in its ongoing dialogue with the small business community to identify ways the government and small business can work together to support the success of the small business sector in British Columbia.

A key initiative of the Ministry is to work with other ministries, levels of government and partners to support small business start-up and growth. A major component of this initiative is to respond to recommendations received from the Small Business Roundtable and to issues and opportunities raised by small business owners during small business consultations and small business tours held throughout the province. The Action Plan for Small Business publicly released in October 2007, sets out a comprehensive strategy to support small business success in British Columbia. It reflects five priorities for action over a three year period:

- Support and grow small business;
- Break down barriers to doing business;
- Build workforce capacity;
- Leverage public and private partnerships; and
- Support a competitive tax structure.

Supporting Small Business in B.C.

In 2007, the Ministry published Starting a Small Business in British Columbia — a guide to help small business start-ups.

In response to the changing demographics and increasing multi-ethnicity of British Columbia, the guide is available in eight languages.

8,000 paper copies of the guide have been distributed and the guide is also available online at:
www.smallbusinessbc.ca/pdf/startingsmallbusinessGuide.pdf

Work is underway on all actions identified in the Action Plan, with completion dates ranging from 2008 through 2010 (see examples provided in the Highlights section).

This performance measure has been replaced in the 2008/09–2010/11 Service Plan with a measure monitoring the Ministry’s progress with respect to a specific strategy within the Action Plan — implementing the BizPaL online business information and licensing tool in all British Columbia municipalities by 2009/10.

Goal 3: Amounts owed to government are paid

The Ministry identifies and collects amounts owed to government through fair, efficient and effective tax administration and revenue management processes. The Ministry manages revenue in relation to statutes it directly administers and, increasingly, statutes administered by other ministries. These revenues support the provision of important government programs and services — such as health care, education, social services and transportation — for British Columbians. Achievement of this goal depends on the voluntary payment of financial obligations, and is augmented by education, assistance, compliance, audit, enforcement and collection activities.

Performance Measure: Percentage of amounts owed to government paid

Performance Measure	2005/06 Actual	2006/07 Baseline	2007/08 Target	2007/08 Actual
Percentage of amounts owed to government paid ¹	New measure in 2006/07	96.50%	96.51%	96.44% SUBSTANTIALLY ACHIEVED ²

Data Source: Ministry of Small Business and Revenue business information systems.

¹ This measure includes all amounts owed to government and administered by the Ministry of Small Business and Revenue where the Ministry is responsible for both revenue and debt collection functions. This measure includes revenue identified during the fiscal year and payments on overdue accounts from the current and previous fiscal years. This measure excludes some revenues, for example, personal and corporate income tax amounts collected by the Canada Revenue Agency on behalf of the Province. As such, this measure reports on approximately 63 per cent of the total revenue and debt administered by the Ministry.

² This performance target is considered substantially achieved if performance is at least 95 per cent of the target.

Discussion of Results

Through a variety of programs and initiatives, the Ministry of Small Business and Revenue encourages British Columbians to fulfill their financial obligations to government. The majority of British Columbians voluntarily pay the amounts they owe.

This measure reports on the Ministry’s overall success in collecting amounts owed to government and where both revenue and debt collection functions are under the administration of the Ministry.

In 2007/08, the Ministry collected \$14.1 billion in revenue and overdue accounts — 96.44 per cent of the amount owed — substantially achieving the target. This result reflects the continued strength of the economy, as well as the Ministry’s ongoing efforts to provide information, tools and quality customer service — making it easier for British Columbians to understand and fulfill their obligations.

Objective 3.1: Individuals and businesses understand their entitlements and obligations, and pay the correct amount on time

The Ministry relies on self-assessment and voluntary compliance for the collection of many sources of revenue. Of these, tax revenue represents the greatest proportion. Thus, the Ministry’s success in meeting this objective is largely dependent on the willingness and ability of taxpayers to pay the correct amount on time. It is expected voluntary compliance will increase during periods of strong economic growth, and if individuals and businesses can easily identify and understand their financial obligations to government.

Strategies

- Assist British Columbians to better understand their financial obligations to government; improving service, tools and information for the public.
- Provide a centre of excellence for revenue management in government and work with ministries to transition their revenue management functions to the Ministry’s centralized revenue management system.

Performance Measure: Percentage of on-time tax payments

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Percentage of on-time tax payments. ¹	88.9% ² (874,000)	89.3% (874,315)	89.5%	88.4% (862,941) SUBSTANTIALLY ACHIEVED ³

Data Source: Ministry of Small Business and Revenue business information systems.

¹ 2005/06 payments included hotel room and provincial sales taxes, rural property and mineral tax, and oil and gas royalties. In 2006/07, this measure was expanded to include on-time payments for motor fuel and tobacco taxes.

² The 2005/06 Actual reflects a new baseline. The performance measure was revised to include only on-time payments of those obligated to make a payment and exclude those required to submit a remittance when no tax is owed.

³ This performance target is considered substantially met if performance is at least 95 per cent of the target.

Discussion of Results

A key Ministry focus is to have taxpayers meet their tax obligations without Ministry intervention. Voluntary compliance¹⁹ is the most cost-effective way to administer taxes, while increased voluntary compliance results in additional funds available to support government programs and services. The Ministry invests considerable effort in providing the information necessary to support taxpayer compliance. For example in 2007/08 the Ministry:

Maximizing the Availability of Information and Support

The Ministry provides British Columbian taxpayers with multiple channels for accessing information and support:

- print publications;
- telephone call centre;
- in-person service; and
- website.

- Created and distributed 34 new plain language publications.
- Reviewed and updated 178 existing publications with plain language.
- Created 40,000 industry-specific documents and distributed them to customers in 24 different industries.
- Conducted 69 in-person PST seminars in communities throughout British Columbia. An additional 39 joint PST/GST seminars were delivered in partnership with the Canada Revenue Agency. Over 3,000 registered vendors and individuals attended the various seminars.

This measure provides an indication of taxpayers' understanding of their financial obligations and their willingness to comply. It tracks the remittance of payments, calculating the percentage paid on or before their legislated due date.

In 2007/08, the payments comprising this measure represented \$9 billion in revenue or 65 per cent of Ministry revenue, excluding revenue collected by the Canada Revenue Agency on behalf of the Ministry.

Of the over 976,000 tax payments received by the Ministry in 2007/08, almost 863,000 (88.4 per cent) were received by their legislated due date, substantially achieving the target of 89.5 per cent.

Beginning in 2008/09, performance for this measure will be reported internally.

¹⁹ Compliance means taxpayers register as required under the law in specific circumstances, file returns on time, report complete and accurate information to determine tax liability, and pay all amounts when due.

Objective 3.2: The Province receives the outstanding amounts owed

To promote fairness, the Ministry seeks to identify and collect all outstanding amounts owed to the Province and under the administration of the Ministry. This levels the playing field for the majority of British Columbians who meet their financial obligations to government voluntarily.

When an individual or business fails to meet their financial obligations, either wilfully or due to an error, the Ministry undertakes audit, compliance or collection activities. These activities ensure amounts owed are paid, educate taxpayers and debtors on their obligations, deter customers who might otherwise avoid paying, and contribute to increasing voluntary compliance.

Strategies

- Focus audits on areas of highest risk of non-compliance.
- Conduct compliance and audit activities to ensure British Columbia businesses are not at a tax disadvantage compared to out-of-province counterparts operating in British Columbia.
- Improve collaboration and accountability across jurisdictions to pursue joint tax enforcement activities to help ensure revenue due to the Province is identified and received in a timely manner.
- Improve practices used to collect outstanding amounts owed to government.

Performance Measure: Percentage of incremental revenue target achieved

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Percentage of incremental revenue target achieved	138% \$310.5 M ¹ (\$279.8 M) ³	158% (\$338.9 M) ¹ (\$245.5 M) ³	100% (\$215.5 M) ²	122% \$263.1 M (\$234.5 M) ³ EXCEEDED

Data Source: Ministry of Small Business and Revenue business information systems.

¹ Incremental revenue collected.

² Incremental revenue target approved by Treasury Board.

³ Incremental revenue normalized to remove extraordinary recoveries. Extraordinary recoveries include unanticipated and one-time incremental revenue. For example, in 2007/08, \$263.1 M incremental revenue was identified of which \$28.6 M was extraordinary recoveries resulting in \$234.5 M incremental revenue normalized to remove extraordinary recoveries.

Discussion of Results

The Ministry undertakes audit and compliance activities to detect and address non-compliance. The Ministry focuses its efforts in areas where the risk and potential revenue consequences of non-compliance are highest, while maintaining a presence across all industry sectors and all

types of taxpayers to ensure all taxpayers are treated fairly and equally. This approach encourages voluntary compliance by increasing the credibility and visibility of the Ministry's audit and compliance programs.

This measure is an indication of the Ministry's success in identifying outstanding amounts owed to government through audit and compliance activities. The amounts identified are incremental revenue. Incremental revenue targets are approved annually by Treasury Board as required under the *Balanced Budget and Ministerial Accountability Act*. Achievement of the annual target is a key accountability of the Minister of Small Business and Revenue.

In 2007/08, the Minister was accountable for \$215.5 million in incremental revenue in respect of revenue payable under the enactments he administers. The Ministry exceeded this target, identifying \$263.1 million. The Ministry's strong performance is the result of multiple factors, not the least of which is the presence of an effective compliance program — conducting over 176,000 reviews and audits in 2007/08. Additionally, the continued strength of the economy and certain extraordinary revenues have all contributed to the high level of performance on this measure.

Ministry Response

The Ministry will continue its current level of compliance and audit activities, focusing efforts on files at risk of non-compliance. The Ministry will develop incremental revenue targets based on past experience and the best information available, recognizing the challenge associated with forecasting future assessments across a wide variety of industry sectors and types of taxpayers.

Performance Measure: Percentage of overdue accounts collected

Performance Measure	2005/06 Actual	2006/07 Baseline	2007/08 Target	2007/08 Actual
Percentage of overdue amounts collected ¹	New measure in 2006/07	36.06%	36.10%	35.53 % SUBSTANTIALLY ACHIEVED

Data Source: Ministry of Small Business and Revenue business information systems.

¹ This measure includes all debt portfolios managed by the Ministry with the exception of loan portfolios. The point in time when accounts are considered overdue varies by portfolio. Targets may be revised to reflect adjustments for debt deemed uncollectible according to government accounting practices, and for the addition of new debt portfolios or changes to existing portfolios.

Discussion of Results

Many debts are paid upon notification of the amount owing. However, in cases where financial obligations are not met, the Ministry implements debt collection activities to remind and encourage debtors to pay their overdue accounts. To reduce the risk of a debt becoming uncollectible, the Ministry focuses on collecting outstanding balances in a timely manner.

This measure reports the percentage of overdue amounts owed to government recovered through the Ministry's debt collection activities. It provides an indication of the effectiveness of these activities in collecting on a portfolio of overdue accounts. Debt collection contributes to the recovery of amounts owed to government.

In 2007/08, the Ministry substantially achieved the target of collecting 36.1 per cent of overdue amounts with performance of 35.53 per cent. The Ministry's performance remains strong, with the collection of \$281.2 million in overdue amounts owed to government.

Goal 4: A global leader in regulatory reform

The Ministry's goal is for British Columbia to be a global leader in regulatory reform, balancing responsibility with innovation. The Ministry leads this government initiative, working with ministries across government to build a modern regulatory environment. This means making sure government requirements are easy to understand while protecting public health, safety and the environment.

British Columbia a Leader in Regulatory Reform

In the March 2007 Federal Budget Speech, Minister Flaherty said,

"We will reduce the business paper burden by 20 per cent by November 2008, following the excellent example set by the Government of British Columbia."

Objective 4.1: A streamlined and simplified regulatory environment

Regulatory reform is a key component of government's overall strategy to increase British Columbia's business and economic competitiveness. The Ministry continues to reduce the number of requirements, while also working to ensure existing regulations are easier to understand. Straightforward requirements make it easier for small businesses to succeed.

A streamlined and simplified regulatory environment saves British Columbians time and money, and reduces administrative costs for government. Continued improvement in the regulatory environment is also key to attracting new investment and building a competitive economy.

Strategies

- Build capacity within the public service for regulatory reform.
- Monitor regulatory reform progress across government and [report](#)²⁰ publicly. Reporting includes progress on reducing the total number of requirements as well as reducing the time and steps required by citizens and businesses to interact with government.
- Identify innovative regulatory initiatives and establish partnerships to advance regulatory reform to reduce costly duplication and encourage small business growth.

Performance Measure: Number of government-wide regulatory requirements

Performance Measure	June 2001	June 2004 Actual	2006/07 Actual (as of March 2007)	2007/08 Target (as of March 2008)	2007/08 Actual (as of March 2008)
Number of government-wide regulatory requirements	383,600	239,414 (-37.6% over June 2001)	225,643 (-5.75% over June 2004 actual)	0% net increase (over June 2004 actual)	220,214 (-8.02% over June 2004 actual, 42.6% total reduction over June 2001 baseline) EXCEEDED

Data Source: Ministry of Small Business and Revenue business information systems.

Discussion of Results

The Ministry tracks the number of regulatory requirements across government, including ministries and agencies. The number of government-wide regulatory requirements provides an indication of the overall regulatory burden on British Columbians. Reducing regulatory burden makes it easier, faster and more efficient for individuals and businesses to deal with government.

The target of a zero net increase over the results to June 2004 was exceeded. In the past fiscal year, a reduction of over 2,300 requirements was achieved across government with a total reduction of 19,200 regulatory requirements since June 2004. As of March 31, 2008, there has been a 42.6 per cent reduction in regulatory requirements or 163,446 fewer regulations since the June 2001 implementation of the Regulatory Reform Initiative.

These results have been achieved by creating a culture of regulatory reform across government and ensuring adherence to regulatory reform policy.²¹

²⁰ Regulatory Reform Initiative Quarterly Reports are available at: www.straightforwardbc.gov.bc.ca/progress/reports.htm.

²¹ For more information on the Regulatory Criteria and the Small Business Lens, view online: www.straightforwardbc.gov.bc.ca/resources/policy-forms.htm.

As of March 31, 2008 the Ministry's own regulatory count decreased by 5.06 per cent (711 fewer regulations) over the June 2004 baseline. This decrease was achieved by streamlining reporting requirements, resulting in improved customer service, reduced cost of doing business with government and enhanced Ministry efficiency.

Ministry Response

Government has been highly successful in minimizing unnecessary involvement in the lives of British Columbians. The Ministry will continue to work collaboratively across government to identify and reduce regulatory requirements, and to ensure any new regulations are as straightforward as possible.

Performance Measure: Percentage of ministries participating in the citizen-centred regulatory reform initiative

Performance Measure	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual
Percentage of ministries participating in the citizen-centred regulatory reform initiative ¹	New measure in 2006/07	100%	100%	100% ACHIEVED

Data Source: Ministry of Small Business and Revenue business information systems.

¹ Participating means a ministry undertook at least one citizen-centred regulatory reform project during the fiscal year.

Discussion of Results

This measure reports on cross-government involvement in the new citizen-centred regulatory reform initiative. Ministry projects focus on reducing the time and steps required by citizens, business and industry while interacting with government.

During 2007/08, all ministries participated in a citizen-centred regulatory reform project. Over the past two years, a total of 44 ministry-specific and six cross-government projects have been identified. Recognizing the time to complete a project will vary based on its complexity; to date 20 ministry-specific and three cross-government projects have been completed.

Saving Time and Steps for Citizens, Business and Industry

- Reduced the Child Care Subsidy application from 16 to two pages making it significantly easier for parents and child care providers to access the program.
- Streamlined the *Small Business Venture Capital Act* reducing the application process by 46 steps (67 per cent), saving customers approximately 44 hours.
- Implemented a new Internet-based tool to facilitate petroleum and natural gas tenure related transactions, reducing steps and time by 50 per cent for industry.

Source: Ministry of Small Business and Revenue, Regulatory Reform Office.

Beginning in 2008/09, this performance measure will be monitored internally due to consistently strong performance.

Report on Resources

The Report on Resources provides an overview of Ministry funding, expenditures and revenue administered during 2007/08. This section also provides a Resource Summary for 2007/08 by business area.

Ministry Funding

Funding available for ministry operations in 2007/08 was \$178.9 million, including:

- An appropriation of \$60 million.
- Recoveries of \$118.9 million.²²

The Ministry also received access \$439 million for the Climate Action Dividend program from the 2007/08 Contingencies (All Ministries) and New Programs Vote.

Ministry Expenditures

Ministry operating expenditures during 2007/08 totaled \$178.5 million of which \$119.2 million was recovered from revenues administered by the Ministry.

The Ministry made financing transactions and disbursements totaling \$1.1 billion. These disbursements, directed by legislation, return a percentage of specific revenue to identified entities. The Ministry also spent \$439 million for the Climate Action Dividend program.

Ministry Revenue

The revenues managed by the Ministry amounted to approximately \$23 billion in 2007/08 or 61 per cent of estimated revenue²³ received by the Province. Ministry revenues included:

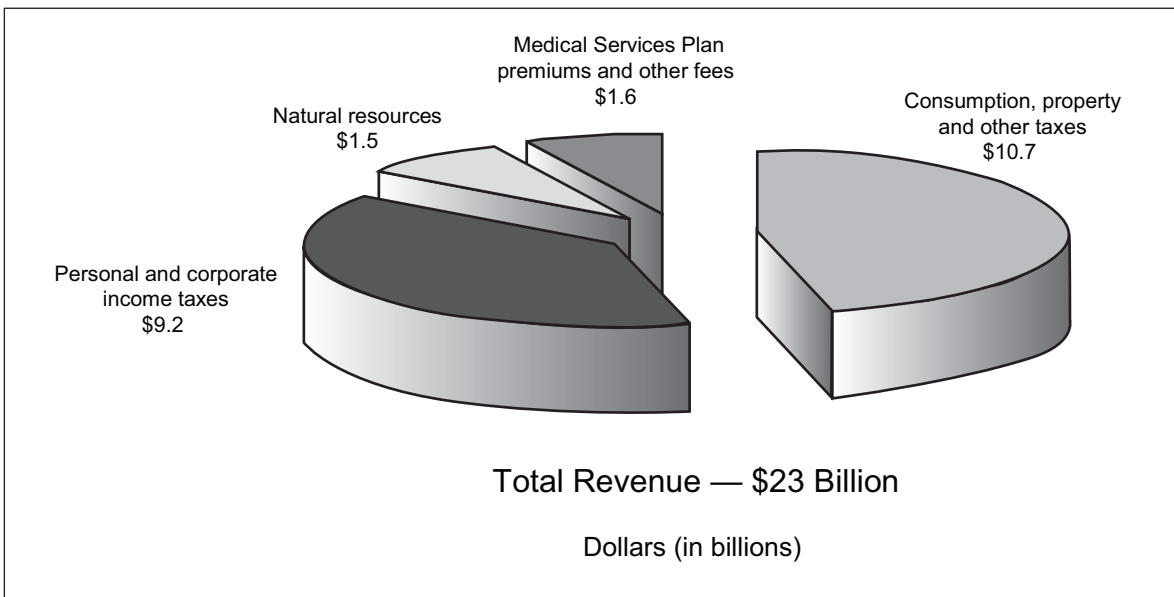
- consumption taxes (provincial sales, hotel room, motor fuel and tobacco taxes);
- property taxes (rural property, provincial school and property transfer taxes);
- other taxes (corporation capital and logging taxes, and insurance premiums);

²² Ministry costs are partially recovered from the revenues within the Consolidated Revenue Fund or deducted from collected proceeds and recovered from revenue administered under statute by the Ministry. Property Assessment Services costs are fully recovered from BC Assessment, appellants to the board and other organizations.

²³ Based on provincial revenue estimate in the *Estimates (Fiscal year ending March 31, 2009)*, page 6, Estimated Revenue by Source, Updated Forecast 2007/08 (line item Taxpayer supported programs and agencies) — excludes self-supported Crown corporations.

- personal and corporate incomes taxes collected by the Canada Revenue Agency on behalf of the Province;
- natural resource revenues (natural gas and petroleum royalties, permits and fees, and mineral taxes and royalties); and
- Medical Service Plan premiums and other fees (e.g., ruling fees, clearance certificates).

Revenue has increased over the past five years: \$17 billion (2003/04), \$18.4 billion (2004/05), \$20.6 billion (2005/06), \$21.7 billion (2006/07) and \$23 billion (2007/08).



Resource Summary Table 2007/08

The following Resource Summary table provides the Ministry's estimated gross and net expenditures and full-time equivalents (FTEs) by five core business areas:²⁴

Core Business Areas	Estimated ¹	Other Authorizations ²	Total Estimated	Actual	Variance ³
Operating Expenses (\$000)					
Small Business and Regulatory Reform					
Gross	3,695		3,695	4,146	451
Recoveries ⁴					
Net	3,695		3,695	4,146	451
Revenue Programs					
Gross	47,621		47,621	47,253	(368)
Recoveries ⁴	(26,609)		(26,609)	(26,609)	
Net	21,012		21,012	20,644	(368)
Revenue Solutions					
Gross	72,643		72,643	72,946	303
Recoveries ⁴	(63,441)		(63,441)	(63,465)	(24)
Net	9,202		9,202	9,481	279
Property Assessment Services					
Gross	2,897		2,897	3,096	199
Recoveries ⁴	(2,896)		(2,896)	(3,096)	(200)
Net	1		1		(1)
Executive and Support Services					
Gross	52,054		52,054	51,072	(982)
Recoveries ⁴	(26,000)		(26,000)	(26,000)	
Net	26,054		26,054	25,072	(982)
Contingencies (All Ministries) and New Programs Ex-gratia payment					
Gross		7	7	7	
Recoveries					
Net		7	7	7	
Adjustment of Prior Year Accrual	0	0	0	(85)	(85)

²⁴ See Appendix D for a description of the Ministry's core business areas.

Ministry of Small Business and Revenue

Core Business Areas	Estimated ¹	Other Authorizations ²	Total Estimated	Actual	Variance ³
Total before Climate Action Dividend Expense					
Gross	178,910		178,917	178,520	(397)
Recoveries	118,946		118,946	119,255	(309)
Net	59,964	7	59,971	59,265	(706)
Climate Action Dividend Expense	0	439,000	439,000	439,000	0
Total	59,964	439,007	498,971	498,265	(706)
Full-time Equivalents (FTEs)⁵					
Small Business and Regulatory Reform	21		21	27	6
Revenue Programs	525		525	499	(26)
Revenue Solutions	133		133	127	(6)
Property Assessment Services	13		13	14	1
Executive and Support Services	199		199	203	4
Total	891	0	891	870	(21)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Small Business and Regulatory Reform				2	2
Revenue Programs				1	1
Revenue Solutions				163	163
Property Assessment Services	96		96	5	(91)
Executive and Support Services	10,792		10,792	5,529	(5,263)
Total	10,888	0	10,888	5,700	(5,188)
Other Financing Transactions (\$000)⁶					
Revenue Programs					
Receipts	1,076,300		1,076,300	1,081,324	5,024
Disbursements	1,114,900	12,927	1,127,827	1,101,758	(26,069)
Net Cash Source (Requirements)	(38,600)	(12,927)	(51,527)	(20,434)	31,093
Special Accounts — Provincial Home Acquisition Wind Up⁷					
Receipts	30		30		(30)
Disbursements	30		30	2	(28)
Net Cash Source (Requirements)				(2)	(2)
Total Receipts	1,076,330	0	1,076,330	1,081,324	4,994

Core Business Areas	Estimated ¹	Other Authorizations ²	Total Estimated	Actual	Variance ³
Total Disbursements	1,114,930	12,927	1,127,857	1,101,760	(26,097)
Total Net Cash Source (Requirements)	(38,600)	(12,927)	(51,527)	(20,436)	31,091

¹ The "Estimated" amount corresponds to the 2007/08 Estimates as presented to the Legislative Assembly.

² "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies.

³ Variance display convention is consistent with the display convention used in public accounts. Variance is in all cases "Actual" minus "Total Estimated". If the Actual is greater, then the Variance will be displayed as a positive number.

⁴ Costs are partially recovered from revenues within the Consolidated Revenue Fund or deducted from collected proceeds and recovered from revenue administered under statute by the Ministry. Refer to Appendix B for Legislation Administered by the Ministry. Property Assessment Services costs are fully recovered from BC Assessment, appellants to the board and other organizations.

⁵ FTEs – full-time equivalent employment is the estimate of a ministry's annual staff complement. The term full-time equivalent is defined as the employment of one person for one full year or the equivalent (i.e., the employment of two people for six months each).

⁶ Other Financing Transactions include disbursements by the Province under legislation to government entities. These include disbursements under the Internal Fuel Tax Agreement (*Motor Fuel Tax Act*), *Land Tax Deferment Act*, *British Columbia Transit Act*, *Transportation Act*, *Greater Vancouver Transportation Authority Act*, Rural Area Property Taxes, *Tobacco Tax Amendment Act*, Tourism British Columbia (*Hotel Room Tax Act*).

⁷ 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*, *Home Mortgage Assistance Act*, *Home Purchase Assistance Act*, *Homeowner Interest Assistance Act* and Provincial Home accounts and guarantee claims paid under the mortgage assistance programs.

Explanation of Variance

Small Business and Regulatory Reform — over-expenditure mainly due to additional FTE resource costs.

Revenue Programs — net under-expenditure reflects under-utilization of FTE resources due to staff vacancies.

Revenue Solutions — net over-expenditure primarily due to the benefits paid to the Ministry's private sector service provider. These benefits were larger than budgeted for the fiscal year because performance was in excess of baseline.

Executive and Support Services — under-expenditure primarily due to savings in amortization expenses.

Ministry Contact Information

Contact the Minister at:

Office of the Minister
Ministry of Small Business and Revenue
PO Box 9065 Stn Prov Govt
Victoria BC V8W 9E2

Phone: 250 356-6611

Fax: 250 356-8294

E-mail: sbr.minister@gov.bc.ca

Contact the Deputy Minister at:

Office of the Deputy Minister
Ministry of Small Business and Revenue
PO Box 9432 Stn Prov Govt
Victoria BC V8W 9N6

Phone: 250 387-6206

Fax: 250 952-0712

E-mail: sbr.deputyminister@gov.bc.ca

Visit the Ministry of Small Business and Revenue website at: www.gov.bc.ca/sbr/

For provincial sales tax enquiries:

Toll-Free Phone: 1 877 388-4440

E-mail: CTBTaxQuestions@gov.bc.ca

If you have concerns about the services provided by Revenue Services of British Columbia, please contact the Ministry of Small Business and Revenue's Customer Care Centre:

Toll-Free within Canada: 1 877 356-3456

Fax: 250 387-8021

E-mail: SBROCBCustomerCare@gov.bc.ca

Mail: Ministry of Small Business and Revenue
Customer Care Centre
PO Box 9459 Stn Prov Govt
Victoria BC V8W 9V7

Hyperlinks to Additional Information²⁵

Appendix A — Glossary of Terms

Appendix B — Legislation Administered by the Ministry

Appendix C — Taxpayer Fairness and Service Code: Service Standards Performance Report

Appendix D — Core Business Areas

²⁵ Appendices can be accessed from the hyperlinks provided, or from your Internet browser at the following address:
www.sbr.gov.bc.ca/documents_library/shared_documents/SBR_SPAR_0708_AppA-D.pdf.