



With Belinda, your family is always first.

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First-Time Homebuyers Land Transfer Tax Refunds

Land transfer tax applies to all conveyances of land in Ontario. First-time homebuyers may be eligible for a refund of all or part of the tax payable.

- Before December 14, 2007, the refund only applies on the purchase of a newly constructed home.
- After December 13, 2007, the refund applies to all homes; new construction and resale

Amount of Refund

The amount of the refund claimed will, if granted, offset the land transfer tax payable.
Maximum refund \$2000.

Examples:

Cost of Home	Tax Payable	Tax Refund	Net Tax Payable
\$100,000	\$725	\$725	\$0
\$200,000	\$1,725	\$1,725	\$0
\$300,000	\$2,975	\$2,000	\$975

There is no interest paid on this refund.

Limitation

The refund will be reduced if one or more of the purchasers are not a first-time home purchaser. The refund will be proportionate to the interest acquired by the individuals who qualify for the refund.

For example, where a parent who is not a first-time purchaser and a child who is a first-time purchaser, purchase a home with equal 50/50 interests, the child may claim a refund of 50% of the land transfer tax payable. The child's claim cannot exceed 50% of the maximum allowable refund (i.e. 50% of \$2,000).

A qualifying purchaser may also claim a refund in proportion to his or her spouse's interest if that purchaser's spouse has owned a home before becoming the purchaser's spouse, but not while that purchaser's spouse.

Requirements to Qualify for a Refund

Eligibility Requirements

- The purchaser must occupy the home as his or her principal residence no later than nine months after the date of the conveyance or disposition.
- The purchaser cannot have previously owned a home, or had any ownership interest in a home, anywhere in the world, at any time.
- If the purchaser has a spouse, the spouse cannot have owned a home, or had any ownership interest in a home, anywhere in the world, while he or she was the purchaser's spouse. If this is the case, **no** refund is available to **either** spouse.
- The purchaser cannot have previously received an Ontario Home Ownership Savings Plan (OHOSP)-based refund of land transfer tax.

Time Limit to Apply for Refund

A qualifying purchaser must apply for the refund no later than 18 months after the date of registration of the conveyance or the date the unregistered disposition occurs.

Procedures to Apply for the Refund

(PLEASE SPEAK TO YOUR LAWYER ABOUT THESE OPTIONS IF YOU FEEL YOU ARE ELIGIBLE FOR A REFUND)

Electronic Registration

In the electronic land registration system, the refund may be claimed by selecting the appropriate electronic statements located under the Explanation tab of the land transfer tax section.

Refunds Claimed at Land Registry Office

For paper registrations, qualifying taxpayers or their solicitors may claim an immediate refund at the time of registration by filing the following documents at the Land Registry Office.

- Ontario Land Transfer Tax Refund Affidavit For First-Time Purchasers of Eligible Homes
- Transfer/Deed (electronic or photocopy of original showing tax paid)
- Land Transfer Tax Affidavit

Refunds Claimed at the Ministry of Finance

Where a qualifying taxpayer is unable to claim the refund at registration, the tax will be payable at that time and a refund claim may be made directly to the Ministry of Finance. The following documentation must be submitted in order for a refund claim to be processed:

- Ontario Land Transfer Tax Refund Affidavit For First-Time Purchasers of Eligible Homes
- Transfer/Deed (electronic or photocopy of original showing tax paid)
- A copy of the docket summary will also be required if the conveyance was registered electronically;
- A copy of the agreement of purchase and sale, together with all schedules, amendments and assignments along with a copy of the statement of adjustments relating to the conveyance;
- Proof of occupancy, with the new address listed (Ex. copies of utility bills, credit card statements, driver's license, etc....)

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