

LAND TRANSFER TAX REBATES

PROGRAM

First-time buyers of new and re-sale homes are eligible to receive rebates of the provincial land transfer taxes. The maximum provincial land transfer tax (LTT) rebate for first-time buyers is \$2,000.

PROVINCIAL LTT

- Provincial LTT is payable anywhere in Ontario
- Maximum provincial LTT first-time buyer regard is \$2,000 (equivalent to the provincial LTT payable on a \$227,500 property).
- For RESALE homes, the provincial rebate applies only to first-time buyers who entered into Agreements of Purchase and Sale AFTER December 13, 2007.
- First-time buyers of NEWLY CONSTRUCTED HOMES are eligible for the provincial rebate even if they entered into Agreements of Purchase and Sale prior to December 13, 2007.
- The provincial LTT for residential properties is calculated as follows:
 - 0.5% of the amount of the purchase price up to and including \$55,000, plus
 - 1% of the amount of the purchase price between \$55,000 and \$250,000 plus
 - 1.5% of the amount of the purchase price between \$250,000 and \$400,000, plus
 - 2% of the amount of the purchase price above \$400,000

FIRST-TIME BUYER ELIGIBILITY

To be eligible as a first-time buyer for the provincial LTT rebate

- The purchaser must be at least 18 years of age.
- 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 purchase 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. NOTE: If a purchaser's spouse owned an interest in a home BEFORE becoming the purchaser's spouse, but not while the purchaser's spouse, the purchaser may be eligible for some rebate.

More information - Ontario Ministry of Finance – 1-800-263-7965

