

PROPOSED EXPANSION OF ONTARIO LAND TRANSFER TAX REFUND FOR FIRST-TIME HOME BUYERS TO INCLUDE RESALE HOMES

The information in this newsletter has been supplied and prepared by the Ministry of Revenue

On December 13, 2007, proposed amendments to the Ontario *Land Transfer Tax Act* were announced which would expand the Ontario Land Transfer Tax Refund for First-Time Home Buyers to include purchases of resale homes.

The proposed amendments would apply to resale homes purchased pursuant to agreements of purchase and sale entered into after December 13, 2007. **However, the proposed amendments must be passed by the Legislature and receive Royal Assent to become law. Until that time, refunds cannot be issued and eligible first-time homebuyers of resale homes are required to pay all applicable land transfer tax upon registration.**

Upon the proposed amendments becoming law, **it is anticipated that** taxpayers will be able to apply for the refund electronically upon the registration of a transfer of a resale home.

Until the proposed amendments become law, eligible first time homebuyers may apply directly to the Ministry of Revenue at the address below for a refund. Such refund requests will be processed to determine eligibility, but refunds on eligible claims will not be issued until the proposed amendments become law. All such applications must be accompanied by the following documentation:

1. A properly completed form - **Ontario Land Transfer Tax Refund Affidavit for First-Time Purchasers of Eligible Homes (Resale)**
<http://www.rev.gov.on.ca/english/forms/ltt/pdf/0300.pdf>
2. A copy of the registered instrument on which land transfer tax was paid (if not registered electronically, this should be a photocopy of the Land Registry Office's original which shows the tax paid).
3. If registration was effected electronically, a copy of the docket summary which relates to the transaction.
4. A copy of the agreement of purchase and sale (only those agreements of purchase and sale entered into after December 13, 2007 may qualify) along with a copy of the statement of adjustments.

Please note that eligible homebuyers of **newly constructed homes** should continue to claim the refund under current procedures at the time of registration.

For more information, please contact the Ministry of Revenue:

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