

NOTICE OF CHANGE TO FAMILY FARM EXEMPTION  
R.R.O 1990, REGULATION 697 NOW INCLUDE CONVEYANCES BY FAMILY  
FARM CORPORATIONS TO INDIVIDUALS

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

R.R.O. 1990, Regulation 697 [ Exemption(s) — For Certain Conveyances of Family Farms or Family Businesses ] has now been amended by expanding the land transfer tax exemption applicable to conveyances of family farms to include conveyances from family farm corporations to individuals who are all members of the same family as the shareholders of the corporation. The amendment applies to all conveyances that are registered after March 25, 2008.

The applicable statements have been amended to allow for eligible taxpayers to claim the exemption upon electronic registration.

The statements required to claim the land transfer exemption with respect to the electronic registration of a conveyance involving a family farm now read as follows:

- 9123** I/we have read and considered Regulation 697, R.R.O. 1990, including the definitions of "family farm corporation", "farming", "farming assets" and "members of the family" as defined by the Regulation. Each transferor or (if applicable) each shareholder of the transferor corporation, and each transferee or (if applicable) each shareholder of the transferee corporation are members of the same family, and where the transferor(s) is/are the personal representative(s) of the estate of a deceased individual, the deceased individual was also one of the members of the family immediately prior to his/her death. Prior to the conveyance, the lands were used predominantly in farming carried on by NAMES during the period(s) TEXT.
- 9078** The land is being conveyed for the principal purpose of enabling one or more individuals, each of whom is a member of the family of each transferor or (if the transferor is a family farm corporation) of each shareholder of the transferor, to continue farming the land.
- 9079** The conveyance is from the personal representative(s) of the estate of a deceased individual to one or more individuals for the principal purpose of enabling that individual or individuals (each of whom was a member of the family of the deceased individual immediately prior to the deceased individual's death) to continue farming on the land, and the conveyance qualifies for the exemption under section 2.1(1) of Regulation 697, R.R.O. 1990 or clause 3(1)(c) of Ontario Regulation 70/91.
- 9080** The land is being conveyed for the principal purpose of enabling the transferee corporation to continue farming on the land being conveyed under the direction of NAME(S), each of whom is a member of the family of each transferor.

If the exemption claim is with respect to a conveyance from an individual to an individual, the following statements must be selected:

**9123** *and*  
**9078**

If the exemption claim is with respect to a conveyance from a personal estate to an individual, the following statements must be selected:

**9123** *and*  
**9079**

If the exemption claim is with respect to a conveyance from an individual to a family farm corporation, the following statements must be selected:

**9123** *and*  
**9080**

If the exemption claim is with respect to a conveyance from a family farm corporation to an individual, the following statements must be selected:

**9123** *and*  
**9078**

**Notes re statements:**

**Statement 9123** — The text of this statement has been updated to take into account that the land transfer tax exemption can be claimed with respect to a conveyance from a family farm corporation to an individual who is a member of the same family as the shareholders of the corporation.

This statement **MUST ALWAYS** be selected when claiming the family farm exemption.

**Statement 9078** — The text of this statement has been updated to take into account that the land transfer tax exemption can be claimed with respect to a conveyance from a family farm corporation to an individual who is a member of the same family as the shareholders of the corporation.

This statement must be selected if the transfer is to an individual or individuals.

**Statement 9079** — This statement must be selected if the transfer is from an estate of deceased individual to an individual or individuals. *NOTE: If this statement is selected, then the user must also select Statement 9123. The user may also select Statement 9078, but this is not mandatory. Statement 9079 CANNOT be selected with Statement 9080.*

**Statement 9080** — This statement must be selected if the transfer is to a family farm corporation. *NOTE: When selecting this statement, the user must identify the individual(s) who will be directing the operations of the corporation. The user must also select Statement 9123. It CANNOT be selected with Statement 9078 or Statement 9079.*

For further information, please contact the Ministry of Revenue:

Ministry of Revenue  
Land and Resources Taxes  
33 King Street West  
PO Box 625  
Oshawa ON L1H 8H9

Tel: 1 866 ONT-TAXS  
Fax: 905 433-5770

**[ontario.ca/revenue](http://ontario.ca/revenue)**