

SUBSTANTIAL RENOVATIONS

REBATE PROGRAMS FOR SUBSTANTIALLY RENOVATING PRIMARY RESIDENCES

Receive up to **\$25,130** in tax free rebates when you substantially renovating your home

Before



After



Ask Access Rebates for assistance with your previous HST Rebate denial

This is the most difficult type of HST Rebate claim to apply for. Many qualifying Homeowners have received misinformation from their Accountants and other companies stating they do not qualify for the HST Rebate program for their Substantial Renovation. If you have been previously told you do not qualify or had your HST Rebate claim denied by the Government, contact Access Rebates to ensure that your HST Rebate claim was correctly filed. Access Rebates has a team of Accountants on staff, who specialize in Government Funding programs. We have a 100% success rate on filing Substantial Renovation claims.

Background

In July 2010 the Harmonized Sales Tax (HST) came into effect replacing the existing Goods and Service Tax (GST). Immediately taxes on newly built homes and condominiums increased from 5% to 13%. To reduce this increased tax burden on Homeowners the Federal Government introduced a rebate program that allows Homeowners to receive a rebate of up to \$16,080 on HST paid on their newly built homes.

The HST Rebate program also includes properties that are substantially renovated by 90% or more. A Substantially Renovated Home as per the Government is basically a new home and is therefore entitled to an HST Rebate as it is also now considered to be a new home.

Who can Apply for the Rebates?

In order to qualify for the HST Rebate the Substantially Renovated Home must be owned by a person or group of people. If the Substantially Renovated Home is owned by a company it will not qualify for the HST Rebate. If a Substantially Renovated Home is owned by more than one person, only one person from the group can apply for the HST Rebate.

How much is rebate?

The HST Rebate is based on a series of calculations that are directly related to the HST paid on building material, labour and subcontractor invoices to a maximum of \$16,080.

Do Cottages Qualify?

In order to qualify for the HST Rebate the Substantially Renovated Home must be your primary residence. If the cottage is a secondary property it will not qualify for the HST rebate program. If you substantially renovated your cottage with the intention of moving to it and making it your new primary residence, then it will qualify for the HST rebate.

What if I built the home and a family member lives in it?

In order to apply for the HST Rebate the Homeowner does not need to live in the Substantially Renovated Home. A close family member must however live in the Substantially Renovated Home. A homeowner can apply for an HST Rebate if any of the following family members use the Substantially Renovated Home as their primary residence including:

- -Children
- -Parents
- -Siblings

How long do I have to apply for the rebate?

A Homeowner has 2 years to substantially renovate their home, and 2 years from the date the substantial renovations were completed to apply for the HST rebate. Therefore a Homeowner can apply for an HST Rebate up to 4 years from the first day they starting to work on the home, retroactive from today. After this the HST Rebate is no longer claimable.

Do I need to live in Canada in order to apply?

A Homeowner does not have to reside in Canada in order to apply for the HST Rebate. If you have Substantially Renovated a home that you own and your relative lives in as their primary residence, you are entitled to receive an HST Rebate no matter where you live in the world.

What happens if I built the Substantially Renovated Home to flip it?

If you have built the Substantially Renovated Home with the intention of flipping the property you are not entitled to the HST Rebate. Homeowners are cautioned not to apply for the HST Rebate in this situation. If the Homeowner applies for the HST Rebate, and receives it, then sells the property within 2 years of building it, more than likely CRA will send them a tax bill for the HST rebate they received plus interest.

When should I apply for the HST Rebate?

You can apply for the HST Rebate when the home is 90% complete, however you may want to wait until you have all of your invoices if you are below the maximum payout amount. (Occurs when you have approximately \$310,000.00 in receipts/invoices including HST)

How long does it take to receive the rebate?

Once the HST Rebate application is filed you will receive your tax free rebate cheque in 4-5 weeks.

What additional funding programs are available to Substantially Renovated Home Builders?

In addition to the HST Rebate program there are several additional funding programs a home owner may be entitled to including:

- - Vacant property rebates up to 35% of Property Taxes
- - Flooding Prevention Subsidies up to \$3,400
- - Air Conditioning and Furnace rebates up to \$650

All of these programs have different filing deadlines.

To Calculate the approximate HST refund enter your total expenditures including HST below:

\$

calculate