

# CUSTOM HOMES



## REBATE PROGRAMS FOR CUSTOM BUILD HOMES

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

### ***Ask Access Rebates what you need to claim an HST Rebate on your Custom Home***

If you are planning or in the process of building your Custom Home contact Access Rebates to make sure you are taking all of the necessary steps to claim the HST Rebate once your Custom Home is complete. Also learn what other types of Housing Funding you are entitled to receive.

### ***Background***

In July 2010 Harmonized Sales Tax (HST) came into effect replacing the existing Goods and Service Tax (GST). Immediately taxes on custom built homes increased from 5% to 13%. To reduce this increased tax burden on Homeowners the Federal Government introduced an HST Rebate program that allows Homeowners to receive a rebate of up to \$16,080 on HST paid on their newly built custom homes. Very few homeowners are aware of the HST Rebate program, and as a result do not apply for it.

### ***Who can apply for the HST Rebate?***

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

### ***How much is HST Rebate?***

The HST Rebate is a maximum of \$16,080.

### ***Do Cottages Qualify?***

In order to qualify for the HST Rebate the Custom Built Home must be your primary residence. If the cottage is a secondary property it will not qualify for the HST Rebate program.

### ***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 Custom Home. A close family

*Access Rebates Inc. - 100-151 Coutneypark Dr. W. Mississauga. L5W 0A5 - Tel: 905-678-6368*

member may however live in Custom Home. A homeowner can apply for an HST Rebate if any of the following family members use the Custom Home as their primary residence including:

- Children
- Parents
- Siblings

***How long do I have to apply for the rebate?***

A Custom Homeowner has 2 years to build a home, and 2 years from the date they moved into the Custom Home to apply for the HST Rebate. Therefore a Homeowner can apply for a custom built home up to 4 years retroactive from today. After this deadline 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 rebate. If you own a home that you custom built and a close relative is using it 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 Custom Home to flip it?***

If you have built the Custom Home with the intention of flipping the property you are not entitled to the HST Rebate. Homeowners are cautioned not to apply for the 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.

***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 Custom 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.