



REFUNDS & REBATES

LAND TRANSFER TAX REFUND FOR FIRST-TIME HOME BUYERS

As announced in the 2007 Ontario Economic Outlook and Fiscal Review, the government proposes to expand the Land Transfer Tax Refund Program to include first-time homebuyers of resale homes. This measure would be effective for agreements of purchase and sale entered into after December 13, 2007. As a result of this change, first-time homebuyers of resale homes would be able to receive a refund from the provincial government of up to \$2,000 of the land transfer tax paid. [More](#)

Land Transfer Tax applies to all conveyances of land in Ontario. First time purchasers of newly constructed homes may be eligible for a refund of all or part of the tax payable.

The Benefit

The refund for first time purchasers may offset the land transfer tax ordinarily payable at the time of registration. The maximum amount refundable is dependent upon the date of the agreement of purchase and sale:

- For agreements entered into after March 31, 1999, the refund will not exceed \$2,000.
- For agreements entered into on or before March 31, 1999, the refund will not exceed \$1,725.

No interest is paid on this refund.

Eligibility


Requirements to qualify for a refund

- The purchaser must be at least 18 years of age.
- Applications for a refund must be made within 18 months after the date of conveyance or disposition.
- The purchaser must occupy the home as his or her principal residence within 9 months of the date of the conveyance or disposition.
- The purchaser cannot have previously owned a home or had any ownership interest in a home, anywhere in the world.


A spouse of the purchaser 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.

How to Apply

Qualifying taxpayers may claim an immediate refund at time of registration in one of two ways:

- If registering electronically, by completing the required statements under the "explanation" tab of the electronic affidavit.
- If registering on paper, by filing a **Land Transfer Tax Refund Affidavit for First Time Purchasers of Newly Constructed Homes**  at the Land Registry Office.

Alternatively, if land transfer tax has previously been paid at the time of registration, qualified purchasers may apply

for a refund by completing a **Land Transfer Tax Refund Affidavit for First Time Purchasers of Newly Constructed Homes**  and forwarding it directly to the ministry.



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