

Home Renovation Tax Credit

What is it?

A 15% credit on eligible expenditures made in respect of eligible dwellings, creditable against 2009 personal federal income taxes. The credit is calculated by multiplying the total of eligible expenditures, less \$1,000, by 15%. The maximum credit is \$1,350 per family.

Eligible dwelling

Includes your personal residence and other personal use realty, such as a cottage. Income producing (e.g. rental) properties are not eligible. However, where a property has both an income generating purpose and a personal element, expenditures on the personal use portion or the proportionate share of common expenditures qualify.

Eligible expenditure

Work must be performed or goods acquired between January 28, 2009 and January 31, 2010, however the expenditures **cannot** relate to a contract entered into prior to January 28, 2009.

A renovation or alteration of an eligible dwelling qualifies for the tax credit provided that it is of an enduring nature and is integral to the dwelling, including the cost of labour and professional services, building materials, fixtures, equipment rentals and permits.

Examples of **qualifying** expenditures

- New roof
- Painting
- Landscaping
- New door

What doesn't qualify?

The cost of routine repairs and maintenance normally performed on an annual or more frequent basis do not qualify. Furniture and appliances, draperies and items that retain their value independent of the renovation do not qualify.

Examples of **non-qualifying** expenditures

- Lawn service
- Appliances
- Tools used to carry out the renovation
- Financing costs
- Draperies