

The Canadian Home Renovation Tax Credit

Period of Time Available:

The Home Renovation Tax Credit (HRTC) will apply to eligible home renovation expenditures for work performed, or goods acquired, after January 27, 2009 and before February 1, 2010, pursuant to agreements entered into after January 27, 2009.

The HRTC can be claimed for renovations and enduring alterations to a dwelling, or the land on which it sits.

How the HRTC Will Work:

The 15-per-cent credit may be claimed on the portion of eligible expenditures (product and installation) exceeding \$1,000, but not more than \$10,000, meaning that the maximum tax credit that can be received is \$1,350.00.

The credit can be claimed on eligible expenditures incurred on one or more of an individual's eligible dwellings. Properties eligible for the HRTC include houses, cottages, and condominium units that are owned for personal use.

Who Can Claim the HRTC?

Taxpayers can claim the HRTC when filing their 2009 tax return.

Eligibility for the HRTC will be family-based. For the purpose of the credit, a family is generally considered to consist of an individual, and where applicable, the individual's spouse or common-law partner.

Family members will be able to share the credit.

Example:

Sally and Ed are a couple who have recently purchased a house. In response to the temporary HRTC, they decide to replace their old windows and improve the insulation in their home in 2009, instead of waiting, incurring \$10,000 in expenditures. After taking into account the \$1,000 minimum threshold, a 15-per-cent credit will be available on \$9,000 in eligible expenditures, providing tax relief of \$1,350.

See Chart on Next Page:

Canadian Home Renovation Tax Credit Calculator

Price of SIS Product(s) and/or Installation \$	Value of Tax Credit \$
1,000	-
1,500	75
2,000	150
2,500	225
3,000	300
3,500	375
4,000	450
4,500	525
5,000	600
5,500	675
6,000	750
6,500	825
7,000	900
7,500	975
8,000	1,050
8,500	1,125
9,000	1,200
9,500	1,275
10,000	1,350