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## Home Renovation Tax Credit (HRTC)

### What is the HRTC?

The proposed HRTC is a non-refundable tax credit for work performed or goods acquired in respect to renovations of a home or eligible dwelling (cottage, home, or owned condo). The dwelling must be owned by the individual. Renovations to rented homes, apartments, condos, rental properties, etc, do not apply.

**Important:** All receipts must be kept.

### What time period applies?

Only expenditures made between January 27<sup>th</sup> 2009 and February 1<sup>st</sup> 2010 qualify. This credit will only be available in the 2009 tax year.

### Who is eligible for this credit?

This credit is family based. A family will be allowed a single credit that may be shared within the family.

If two or more families share the ownership of an eligible dwelling, each family will be eligible for their own separate credit (i.e. each up to \$1,350) that will be calculated on their respective eligible expenditures.

### How is the credit calculated?

The credit will only be available for the 2009 tax year and applies to eligible expenditures of more than \$1,000, but not more than \$10,000, resulting in a maximum credit of \$1,350 (\$9,000 x 15%).

**Example:** If you spend \$6000 on renovating a kitchen, you will receive a credit of \$750 (\$6000 - \$1000 = \$5000. \$5000 x 15% = \$750).

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> <li>• Renovating a kitchen, bathroom or basement</li> <li>• New carpet or hardwood floors</li> <li>• Building an addition, garage, deck, garden/storage shed, fence</li> <li>• Re-shingling a roof</li> <li>• A new furnace, woodstove, boiler, fireplace, water softener or water heater</li> <li>• A new driveway or resurfacing a driveway</li> <li>• Painting of interior or exterior of a house</li> <li>• Window coverings directly attached to the window frame and whose removal would alter the nature of the dwelling</li> <li>• Laying new sod</li> <li>• Swimming Pools (Permanent - in ground and above ground)</li> <li>• Fixtures – lights, fans, etc.</li> <li>• Associated costs such as permits, professional services, equipment rentals and incidental expenses.</li> </ul>	<ul style="list-style-type: none"> <li>• Furniture, appliances, and audio and visual electronics</li> <li>• Purchasing of tools</li> <li>• Cleaning carpets</li> <li>• House cleaning</li> <li>• Maintenance contracts (e.g. furnace cleaning, snow removal, lawn care, and pool cleaning)</li> <li>• Financing</li> <li>• Expenditures that are not integral to the dwelling, and other indirect expenditures that retain a value independent of the renovation</li> </ul>

# 2009 Home Renovation Tax Credit Worksheet

Complete this chart to calculate your home renovation expenses for 2009. You can claim this non-refundable tax credit if you had eligible expenses incurred in relation to a renovation or alteration to an eligible dwelling. Your eligible expenses cannot be more than the maximum amount of \$10,000, from which you must subtract the base amount of \$1,000.

Under proposed changes, you can claim eligible expenses incurred for work performed or goods acquired after January 27, 2009 and before February 1, 2010.

**Do not attach this chart or your receipts when filing your 2009 tax return. All expenses must be supported by receipts, so keep them in case we ask to see them later.**

## Home Renovation Expenses

Date on sales slip or contract	Name of supplier or contractor	GST/HST No.	Description (indicate if labour is included)	Amount paid		
				+		
				+		
				+		
				+		
				+		
				+		
				+		
				+		
				+		
				+		
				<b>Total eligible expenses</b>	<b>=</b>	<b>1</b>
Enter the amount from line 1 or \$10,000, whichever is less. <b>(Maximum \$10,000)</b>						<b>2</b>
Base amount				- 1,000.00		<b>3</b>
Line 2 minus line 3 (if negative, enter "0") Maximum allowable home renovations expenses.				<b>=</b>		<b>4</b>

Source: <http://www.cra-arc.gc.ca/tx/ndvdl/sgmnts/hmwnr/hrtc/wrksht-eng.html>