

Claiming The HST Rebate On A Newly Built Home

Categories : [First-time homebuyer](#), [Houses](#), [HST housing rebate](#)

The Government of Canada, through Canada Revenue Agency, has established a New Housing HST Rebate Program. It allows homeowners to recover thousands of dollars of HST that was paid out on a newly built home. With a retroactive claims period that is limited to just two years, homeowners need to assertive when claiming the HST rebate on a newly built home.

There are certain criteria to be eligible for a rebate, but when done right the total amount of HST refund can be quite substantial. To begin with, the newly built home must be the so-called Principal Residence. As well, construction must have been completed during the past two years. Finally, the home must be newly built, totally gutted, or has undergone a massive addition.



With Rebate4U, claiming the HST rebate on a newly built home is made easy, particularly when working with the CRA. All it takes is the necessary paperwork - construction invoices; [home insurance policy](#); floor plans; and associated ownership documents. Rebate4U does not charge any upfront fee, and payment is due only when money is received from the government.

Some guidelines on rebates

The New Home Rebate applies to property buyers who reside in the home or condominium. According to CRA, “residing” means inhabiting as a principal resident for at least a year after construction or purchase. In some cases, a “pre-construction” deal may work differently.

Property owners who don’t comply with rebate guidelines may be faced with a legal obligation to pay back a rebate that was received. Here, even changing address documents (driver license or health card) is critical to the application process, and failure to do so could be problematic.

There are cases where a property buyer is eligible for an HST rebate when a family member will be

the property resident. This only applies to immediate relatives, like a parent, spouse, or grandparent. Legal co-signers must also reside in the home as defined principal residents.

Applications with Rebate4U

When claiming the HST rebate on a newly built home, it's imperative to submit all of the required paperwork, and to do it within the given deadlines. Because of the volume of paperwork and the inherent bureaucracy, it's advisable to work with a rebate specialist like Rebate4U.

In Ontario, homeowners live with a Harmonized Sales Tax of 13% - it's a combination of Ontario PST (8%) and Federal GST (5%). With real estate transactions, the HST home rebate can be quite substantial, and the total amount can make a big difference for most homeowners.

Substantial renovations

The New Home Rebate also applies to "substantial" renovations and "major" additions. CRA has very specific definitions here, and only the property owner can make a rebate claim. For example, "substantial" renovation means all, or most, of the interior space of a home.

There are several methods for determining "substantial" renovations. This is where Rebate4U can be very helpful in ascertaining eligibility. In fact, this is true with any HST rebate, because a bad application effort can actually jeopardize the outcome of a refund claim.

For more information about HST home rebates, contact the [specialists at Rebate4U](#) by calling 1-800-610-4510 or visit the website at www.rebate4u.ca .