

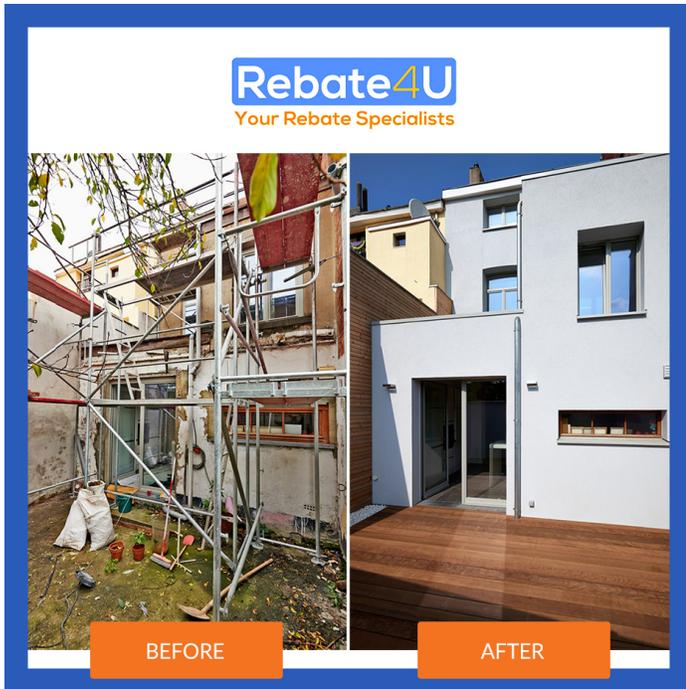
Condo Flippers Must be Vigilant With Their Real Estate Transactions

Categories : [Condos](#), [Real estate investment](#)

Condo flippers should understand what defines a real estate flip

Be aware "condo flippers" if you're planning to sell a condo that you've recently bought as an investment, be aware that CRA is watching carefully – especially if you've never moved in. Indeed, CRA has become ever more watchful when it comes to reporting capital gains. As a real estate investor, you should be avoiding any appearance of a "condo flipper".

CRA is on the hunt for condo flippers, and today, they have the necessary tools to identify real estate transactions where investors fail to pay taxes. The focus for CRA is on the capital gains derived from real estate transactions that don't qualify for tax exemption as "principal residences". Their focus is on condo "flips" that are 100% taxable.



Many rules and regulations are ultimately decided through court action, and real estate flips are no exception. Issues like down payments, [household expenses](#), mortgage payments, and owner occupancy all comprise a scenario for determining the nature of a purchase and sale.

While underlying circumstances and unique situations may impact a court decision, one important factor in assessing a flip is “taxpayer intention”. As well, the use of the property as a [primary residence](#) is a defining factor (with no intent to resell right after purchase).

Condo flippers should fully understand the rules of the game prior to investing. Dealing with CRA on any reassessments or outstanding issues can be a long and arduous process, even with a “winning hand”. The key is to be knowledgeable and prepared in advance.

Condo flippers can benefit from the experts at Rebate4U

Whether you're an experienced real estate investor, or new to the game, the experts at Rebate4U can help you to better understand tax implications and rebate eligibilities when purchasing a property property. Rebate4U has in-house professionals who can guide you through the complexities of flipping, and how different properties are assessed by CRA.

Novice condo flippers can benefit from the experts, and avoid making mistakes that could be costly. The fact is, mistakes or oversights during a real estate transaction may create unforeseen issues with CRA, with uncertain outcomes. Working with tax professionals like Rebate4U sets the stage for a problem free real estate purchase, without future issues.

Better understanding the ins and outs of condo investing

Before buying a [condo \(as an investment\)](#), the professionals at Rebate4U can help you to make astute decisions, while establishing a viable tax strategy. Understanding the ins and outs BEFORE purchasing can make a big difference in outcomes. In addition, the team at Rebate4U can recommend real estate rebates that are currently available to investors.

The last thing you want after a [well-planned condo purchase](#) and "condo flip" is to have Canada Revenue Agency question your real estate intentions, for whatever reasons. With Rebate4U, there are no outstanding issues – you're assured of a streamlined process from start to finish. To find out more call 1-800-610-4510 or visit our company website at www.rebate4u.ca .