

## News Release

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### **No HST on Resale Homes**

Ontarians hoping to purchase a home this year may be pleasantly surprised to learn that the new Harmonized Sales Tax (HST) will, generally speaking, not be applicable to the purchase price of resale homes.

The HST is replacing the current Goods and Services Tax (GST) and Provincial Sales Tax (PST) in Ontario, but will apply only to items which are currently subject to GST. Newly built homes and substantially renovated homes currently have GST added to the purchase price, but “used residential properties” (otherwise known as resale homes), are exempt from GST and will be exempt from HST once it comes into effect on July 1, 2010.

HST will be payable on certain services associated with the purchase of a home, such as legal fees, real estate commissions, moving fees and appraisals.

For more detailed information about what will and will not be taxable under the new HST legislation, we encourage you to visit <http://www.rev.gov.on.ca/en/taxchange/taxable.html> or contact your accountant or tax preparer.

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