

5 tax-filing tips – HOMEOWNERS

2018 tax year (Individual filing due Tue Apr 30, 2019)

Putting a roof over your family's head is a fundamental need. For most of us, it is our largest lifetime purchase and among our largest year-to-year costs, particularly when you include maintenance. There are a number of tax breaks accorded to homeowners, mostly focusing on the year of acquisition or sale.

1. Principal residence exemption

Beginning at the end in a sense, when you sell your principal residence there is no tax on its gain in value. Since 2016, you must report those dispositions on [Schedule 3, Capital Gains \(or Losses\)](#) your tax return in the year of sale, and also file [Form T2091\(IND\), Designation of a Property as a Principal Residence](#). There is still no tax on the gain, but penalties apply if you are late to report.

2. Home buyers' credit

As a first-time homebuyer, you may qualify for a tax credit worth \$750. You are "first-time" if you didn't live in a home owned by you or your spouse in any of the four preceding years. If you claim the disability tax credit, you do not have to be first-time.

3. RRSP home buyers' plan (HBP)

The HBP allows you to withdraw up to \$25,000 from your RRSP to buy or build a home for yourself or a related person with a disability. You have 15 years to pay it back into your RRSP. As with the home buyers' credit, you must be a first-time purchaser, but not if you claim the disability tax credit.

4. GST/HST new home rebate

If you bought a new home from a builder, you may be able claim a portion of the GST/HST charged to you. Alternatively, if you built or made substantial renovations to your primary residence, you may also be entitled to a rebate on GST/HST paid.

5. Home accessibility credit

For someone 65 years of age or over who is eligible for the disability tax credit, this tax credit is worth as much as \$1,500 based on spending up to \$10,000 of annual expenses required to make a dwelling more accessible. It may be claimed by that person or possibly by an eligible caregiver.

For more, [click here](#) or search "[Homeowners](#)" on [canada.ca](#).



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For more tax tips, speak to a Meridian Wealth professional or search at [meridiancu.ca-good-sense](#):

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| <input type="checkbox"/> First-time filers | <input type="checkbox"/> Parents | <input type="checkbox"/> Spouses | <input type="checkbox"/> Students | <input checked="" type="checkbox"/> Homeowners |
| <input type="checkbox"/> Seniors/retirees | <input type="checkbox"/> Disability needs | <input type="checkbox"/> Self-employed | <input type="checkbox"/> Investors | <input type="checkbox"/> Estates |