

## FIRST TIME HOME BUYER'S TAX CREDIT (HBTC):

If you are a first-time homebuyer, a person with a disability, or an individual buying a home on behalf of a related person with a disability, you may be able to claim a non-refundable tax credit of up to \$750 for the acquisition of a qualifying home acquired after January 27, 2009 (closing after this date).

### *Who is eligible for the HBTC?*

You will qualify for the HBTC if:

- you or your spouse or common-law partner acquired a **qualifying home**; and
- neither you or your spouse or common-law partner have owned a principle residence in the calendar year of acquisition or in any of the four preceding years.

If you are a person with a disability or are buying a home for a related person with a disability, you do not have to be a first-time home buyer to get the HBTC. However, the home must be acquired to enable the person with a disability to live in a more accessible dwelling or in an environment better suited to the personal needs and care of that person.

### *How is the HBTC calculated?*

The HBTC is calculated by multiplying the lowest personal income tax rate for the year (15% in 2010) by \$5,000. For 2010, the credit will be \$750. However, if the total of your non-refundable tax credits is more than your federal income tax, you will not receive a refund for the HBTC.

### First Time Home Buyer Defined:

You are not considered a first-time home buyer if, at any time during the period beginning January 1 of the fourth year before the year of the withdrawal and ending 31 days before the withdrawal, you or your spouse or common-law partner owned a home that you occupied as your principal place of residence.

### What is a qualifying home?

A qualifying home is a housing unit located in Canada. This included existing homes and those being constructed:

- Single-family homes,
- Semi-detached homes,
- Townhouses,
- Mobile homes,
- Condominium units,
- Apartments in duplexes, triplexes, fourplexes,
- Apartment buildings.

A share in a co-operative housing corporation that entitles you to possess, and gives you an equity interest in, a housing unit located in Canada also qualifies. However, a share that only provides you with a right to tenancy in the housing unit does not qualify.

Also, you must intend to occupy the home or you must intend that the related person with a disability occupy the home as a principal place of residence no later than one year after it is acquired.

### *If I buy a house, can my spouse or common-law partner claim the HBTC?*

Either of you can claim the credit or you can share the credit. However, the total of both your claims cannot exceed \$750.

### *How will I claim the HBTC?*

Beginning with the 2009 personal tax return, a new line will be incorporated to allow you to claim the credit.

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