

## First-time home buyers' tax credit

### What is the first-time home buyers' tax credit (HBTC)?

The HBTC is a **non-refundable** tax credit for certain homebuyers who acquire a qualifying home after January 27, 2009, that is—closing after this date.

### How is the HBTC calculated?

The HBTC is calculated by multiplying the lowest personal income tax rate for the year (15% in 2009) by \$5,000. For 2009, 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.

### Who is eligible for the HBTC?

You will qualify for the HBTC if:

- you or your spouse or common-law partner acquire a qualifying home; and
- you did not live in another home owned by you or your spouse or common-law partner in the 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.

For the purposes of the HBTC, a person with a disability is an individual who is eligible to claim the disability tax credit (DTC) or would be eligible to claim the DTC if costs for attendant care or care in a nursing home were not claimed for the medical expense tax credit.

### What is a qualifying home?

A qualifying home is a housing unit located in Canada. This includes existing homes and those being constructed. Single-family homes, semi-detached homes, townhouses, mobile homes, condominium units, as well as apartments in duplexes, triplexes, fourplexes, and apartment buildings all qualify. 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.

As well, 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 buying it.

### Important things to remember

The home must be registered in your or your spouse's or common-law partner's name in accordance with the applicable land registration system.

You do not have to submit documents supporting your purchase transaction with your income tax and benefit return. However, you have to make sure that this information is available if the Canada Revenue Agency asks for it.

### Where can I get more information?

For more information, go to [www.cra.gc.ca/hbtc](http://www.cra.gc.ca/hbtc) or call us at **1-800-959-8281**.

