

## **Buying a Home? Get the Facts on HST** *HST does not apply to resale homes*

**TORONTO – March 21, 2011** - Revenue Minister Sophia Aggelonitis and Toronto Real Estate Board President, Bill Johnston, today released a video explaining to prospective buyers the facts about the HST and the housing market.

The video highlights the fact that there is no HST on the purchase price of resale homes. Sales tax did not apply to the purchase price of resale homes under the previous PST, and it does not apply under the HST.

For new housing, additional tax only applies to the portion of the price above \$400,000.

The Ontario Enhanced New Housing Rebate means that buyers of new homes receive a rebate of up to \$24,000 regardless of the price of the new home. Buyers of new homes priced up to \$400,000 (about three-quarters of new homes built in Ontario) on average pay no more – and possibly even less – tax than under the previous PST, where sales tax was hidden in the price.

“Buying a home is one of the most important investments a person will make in their lifetime. That's why I'm pleased to be working with TREB to provide information about purchasing a home in Ontario.”

— Minister of Revenue Sophia Aggelonitis

“REALTORS® are happy to help inform the public about the HST. It is important that the public understands that HST does not apply to the purchase price of a resale home.”

— Bill Johnston, President, Toronto Real Estate Board

### **QUICK FACTS**

- The HST ***does not*** apply to the purchase price of resale homes.
- Sales tax did not apply to the purchase price of resale homes under the previous PST.
- In addition to not having HST on resale homes, a refund of Land Transfer Tax of up to \$2,000 is available to first-time home buyers of resale homes.

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## **LEARN MORE**

Watch the video at <http://www.youtube.com/trebchannel> or <http://www.rev.gov.on.ca/en/taxchange/homebuyers.html>

Get the full list of what's taxable under the HST and what's not at <http://www.rev.gov.on.ca/en/taxchange/taxable.html>

Learn more about the HST and Ontario's Tax Plan for Jobs and Growth at [www.ontario.ca/taxchange](http://www.ontario.ca/taxchange)

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