



## Harmonized Sales Tax and Real Estate – Inter-Provincial Comparison

### Summary Points:

- Five Canadian Provinces currently have a harmonized sales tax system in place: BC, Ontario, Nova Scotia, New Brunswick and Newfoundland/Labrador.
- The newly implemented HST rules as applied to real estate transactions are virtually identical in BC and Ontario, with the only material difference being that BC started with a lower sales tax, 7% compared to 8% in Ontario, and so has a lower combined HST rate.
- BC, Ontario, and to a more limited extent, Nova Scotia offer HST rebates on the purchase of new housing. New Brunswick and Newfoundland/Labrador do not offer a rebate.
- BC and Ontario HST rebates for real-estate transactions apply to both purchase, construction or substantial renovation of new housing as a primary residence or for the purpose of providing rental housing.
- The Nova Scotia housing rebate applies only to first-time home buyers and does not apply to new rental housing or substantially renovated housing.

	British Columbia	Ontario	Nova Scotia	New Brunswick	Nfld.
What is the Harmonized Sales Tax Rate?	<b>12%</b>	<b>13%</b>	<b>15%</b>	<b>13%</b>	<b>13%</b>
Provincial Portion of HST	<b>7%</b>	<b>8%</b>	<b>10%</b>	<b>8%</b>	<b>8%</b>
Date Implemented	July 10, 2010	July 10, 2010	1997 - Rate Increased 2% after July 10, 2010	1997	1997
Is a Provincial rebate provided for new housing?	Yes	Yes	Only for First-Time Home Buyers (defined as individual or partner having not been an "owner-occupant" within the last five years)	No	No
How much is the Provincial rebate for new housing	<b>71.43%</b> of the provincial portion of the HST up to a maximum of <b>\$26,250</b> .  This rebate ensures that purchasers of new homes up to a threshold of <b>\$525,000</b> pay no more provincial HST on average than under the PST.	<b>75%</b> of the provincial portion of the HST up to a maximum of <b>\$24,000</b> .  This rebate ensures that purchasers of new homes up to a threshold of <b>\$400,000</b> pay no more provincial HST on average than under the PST.	<b>18.75%</b> of the provincial portion of HST to a maximum of <b>\$1,500</b> per home	N/A	N/A
What types of housing are eligible for the Provincial rebate?	The B.C. new housing rebate would be available for the same types of residential properties for which a GST new housing rebate is	The Ontario new housing rebate would be available for the same types of residential properties for which a GST new housing	The Nova Scotia rebate only applies to newly constructed homes that will be used as a primary	N/A	N/A

	British Columbia	Ontario	Nova Scotia	New Brunswick	Nfld.
	<p>currently available.</p> <p>Qualifying housing would include newly constructed and substantially renovated housing, co-operative housing, owner-built housing, mobile homes, floating homes and housing on leased land.</p>	<p>rebate is currently available.</p> <p>Qualifying housing would include newly constructed and substantially renovated housing, co-operative housing, owner-built housing, mobile homes, floating homes and housing on leased land.</p>	<p>residence. It does not apply to renovations.</p> <p>Qualifying housing includes homes built on land owned before construction started, homes built on land owned by the builder, condominium units, manufactured homes installed on leased land and the purchase of shares in a Cooperative Housing Corporation</p>		
Is there a Provincial rebate for new rental housing?	Yes - A new rental housing rebate of <b>71.43%</b> of the provincial portion of the HST, up to a maximum of <b>\$26,250</b> per unit.	Yes - A new rental housing rebate of <b>75%</b> of the provincial portion of the HST, up to a maximum of <b>\$24,000</b> per unit.	No	N/A	N/A
Who is eligible for the Provincial new rental housing rebate?	The new rental housing rebate will be provided to landlords who construct or substantially renovate their own rental housing and landlords who purchase newly constructed or substantially renovated rental housing in BC.	The new rental housing rebate will be provided to landlords who construct or substantially renovate their own rental housing and landlords who purchase newly constructed or substantially renovated rental housing in Ontario.	N/A	N/A	N/A
Transitional New Housing Rebate	<p>If an individual paid HST to <b>buy</b> a new or substantially renovated house – a transitional new housing rebate can be claimed if 10% of the construction or substantial renovation was completed before July 10, 2010.</p> <p>The transitional rebate is not available for an owner-built home, a mobile home, floating home, or a house on leased land and not available for the purchaser of a condominium unit.</p>	<p>If an individual paid HST to <b>buy</b> a new or substantially renovated house – a transitional new housing rebate can be claimed if 10% of the construction or substantial renovation was completed before July 10, 2010.</p> <p>The transitional rebate is not available for an owner-built home, a mobile home, floating home, or a house on leased land and not available for the purchaser of a condominium unit.</p>	N/A	N/A	N/A

Sources: Canada Revenue Agency, BC Ministry of Finance, Ontario Ministry of Finance