

# Homeowner Programs and Grants

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Buying your first home is a major financial decision. For most first time homeowners, it will be the most expensive undertaking in their life so far. People save money for years to afford a reasonable down payment. Luckily, the Government of Canada and the Government of British Columbia offer a variety of programs and grant opportunities to help ease the financial strain and to encourage Canadians to consider homeownership. There are also tax deferments and home owner grants for current homeowners to help ease property taxes or complete accessible home renovations based on your household needs.

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## National Programs

Administered by the Government of Canada, citizens across the country can apply to these programs, given they meet the specific program requirements. Canada Mortgage and Housing Corporation (CMHC) [provides updates on any Federal programs](#) so that residents may easily explore their options.

### First-Time Home Buyer Incentive

As part of the Government of Canada's National Housing Strategy, the First-Time Home Buyer Incentive is aimed at making it easier for young people to buy their first home by lowering new buyers' monthly mortgage payments. The program began in September 2019 and is expected to run for 3 years.

Eligible first-time homebuyers who have the minimum down payment for an insured mortgage can apply to finance a portion of their home purchase through a shared equity mortgage (5% or 10%) with the Government of Canada on an interest-free loan. This means the borrower may not have to save as much of a down payment to be able to afford the payments associated with the mortgage. You still must have default insurance as part of this program.

#### Eligibility:

- You must not have owned a house in the last 4 years
- You need to have the minimum down payment to be eligible
- Your maximum qualifying household income is no more than \$120,000
- Your total borrowing is limited to 4 times the qualifying income

**How to Apply:** Complete the application documents in the resource section (near the bottom of the page, last accordion) on the First Time Home Buyer Incentive webpage and take the documents to your lender, who will submit them on your behalf.

Visit the [First-Time Home Buyer Incentive webpage](#) for more details.

## First-Time Home Buyers' Tax Credit (FTHB)

One of the biggest challenges for first-time home buyers is saving up a down payment. The purpose of the First-Time Home Buyers' Tax Credit is to allow you to get a small portion of it back. This tax credit offers you a \$5,000 non-refundable amount when you file your tax return the following year, which translates to about an extra \$750 in your pocket to help cover those new-home expenses.

### Eligibility:

- You're a first-time home buyer.
- The property is located in Canada.
- It's either an existing home or a newly built home purchased after January 27, 2009.
- It's a condo, townhouse, single-family home, semi-detached home or a duplex.
- The property is occupied by the owner, or occupied by a person with a disability\* within one year after it's purchased (\*see *things to note* section below).
- You did not live in another home owned by you, your spouse or common-law partner in the year you acquired the property or any of the last four years.

### Things to note

- If you're purchasing a home jointly with another individual, you can share the tax credit, but you cannot claim two FTHB tax credits for one property.
- Your eligibility for the FTHB tax credit is not affected by your participation in the Home Buyers' Plan (HBP).
- If you're a person with a disability, or the home is being purchased for someone with a disability, you don't have to be a first-time homebuyer. However, the property must be purchased with the intent of providing greater accessibility.
- If you're living in co-operative housing, the property qualifies if you have equity interest.
- If you only have a right of tenancy, the property won't meet the requirements for this tax credit.

**How to apply:** When you complete your tax return for the previous year (the year in which you purchased the home), you can apply for the credit on line 369 of Schedule 1.

Visit the [Line 369 - Home Buyers Amount webpage](#) for more details.

## Home Buyers' Plan (HBP)

The Home Buyers' Plan (HBP) is another program specifically designed to assist first-time home buyers in saving up the funds needed to purchase or build their first home.

The Home Buyers' Plan (HBP) is a program that allows you to withdraw up to \$25,000 (or up to \$50,000 combined, if buying with a partner) tax-free in a calendar year from your registered retirement savings plans (RRSPs) to put towards a down payment on a home. Budget 2019 proposes to increase this to \$35,000. Your actual tax savings depends on your marginal tax rate.

### Eligibility:

- You must be a first-time home buyer, meaning that you or your spouse/common-law partner must not have lived in a qualifying property owned by either of you in the last four years. Note that for people with disabilities, the four year rule doesn't apply.
- You must have a written agreement to build or purchase a qualifying home.
- You must intend to live in the home as your principal residence. This condition does apply to people with disabilities.

### Things to note

- You have to pay back what you withdrew from your RRSP, and you have to do it within 15 years of buying your home.
- Your funds must be in the RRSP for at least 90 days prior to withdrawal in order for you to receive the full tax benefit of the HBP.
- You cannot make the RRSP withdrawal more than 30 days after taking ownership of the home.
- If you previously participated in the Home Buyers' Plan, you may be able to re-qualify, provided you've fully repaid the amount you initially borrowed and you're eligible based on all the other HBP eligibility criteria.
- If you do not go through with the home purchase after withdrawing funds from your RRSP, you can cancel the HBP, or attribute the plan to a different home, as long as it's purchased or built before October 1st of the following year.

**How to apply:** To withdraw funds from your RRSPs under the Home Buyers Plan, fill out Form [T1036, Home Buyers Plan \(HBP\) Request to Withdraw funds from the RRSP](#). After filling out Area 1 of Form T1036, give it to your RRSP issuer, who must fill out Area 2.

Visit the [What is the Home Buyers' Plan \(HBP\)? webpage](#) for more information.

## GST/HST New Housing Rebate

If you're buying a home that is a new build, as opposed to a resale, you generally have to pay HST or GST. Some builders will include this cost in the price of the home, and others won't, so it's important to clarify this. In either case, you may be eligible for a tax rebate on a portion of the GST or HST you paid as part of the purchase or construction of a new home. There are multiple housing rebates you can claim, and the value of this rebate will vary based on which ones your home purchase qualifies for.

### Eligibility:

- This rebate can be claimed on a newly constructed home only if the fair market value is under \$450,000 upon completion.
- These rebates can also apply to those who are substantially renovating a property, building an add-on to an existing home, or converting a commercial property into a personal residence.
- All other property qualifications must be met.

### Things to note:

- Mobile, modular and floating homes may also qualify.
- Generally, you have two years from the date ownership of the house is transferred to you to claim the rebate.
- In certain circumstances, other provincial new housing rebates and transitional new housing rebates may be available whether or not the federal portion of the HST/GST rebate is available.

**How to apply:** Various rebates are available, depending on the type of property. For details regarding which rebates you're eligible for and which forms are required for the application, please click the link below. To apply, fill out the applicable [RC4028 GST/HST New Housing Rebate Form](#).

Visit the Government's [GST/HST New Housing Rebate webpage](#) for more information.

## British Columbia Programs

Administered by the Government of British Columbia, citizens or permanent residents of British Columbia may be eligible for a variety of programs to support homeownership. Visit the Province's [Housing & Tenancy webpage](#) for more information about topics such as seniors housing, strata housing, the BC Building Code, residential tenancies, and other housing related inquiries. To learn more about property taxes, visit the [Government of British Columbia's Property Taxes webpage](#).

## First Time Home Buyers' Program

The First Time Home Buyers' Program is intended to exempt first-time buyers from one of the major costs associated with the purchase of your first home: the property transfer tax. The program reduces or eliminates the amount owing for tax, depending on certain qualifications.

### Eligibility:

- You're a citizen or permanent resident living in British Columbia for at least 12 consecutive months immediately before the date the property is registered, or you have filed a minimum of two income tax returns as a resident of B.C. in the previous six years.
- The property is located in British Columbia.
- You'll use the property as your primary residence.
- You must have never owned an interest in a principal residence anywhere in the world and have never received a tax exemption or refund as a first-time home buyer.
- For full exemption, the property must have a fair market value of \$475,000 or less (if registered on or before February 21st, 2017) or have a fair market value of \$500,000 or less (if registered on or after February 22nd, 2017). A partial exemption may apply if these maximums are exceeded.
- The total property size is 1.24 acres or less. A partial exemption may apply if this size is exceeded.
- Foreign entities and taxable trustees are not eligible.

### Things to note:

- If you're buying a property with a partner who doesn't meet the conditions, only your ownership share will be eligible under this program. For example, if you're buying a home with a partner who doesn't qualify, then only 50% of the land transfer tax (your share) would be eligible for the exemption.
- You must meet additional requirements during the first year of ownership in order to retain the exemption.
- A partial exemption may apply if the property has a second building besides the principal residence.

**How to apply:** You can apply for this program by entering the exemption code FTH on your Property Transfer Tax Return. Refer to the [Province's File Your Property Transfer Tax webpage](#) for more information and resource guides.

Visit the [Province's First Time Home Buyers' Program webpage](#) for more information.

## Newly Built Home Exemption

Similar to B.C.'s First Time Home Buyers' Program, the Newly Built Home Exemption helps to lower or eliminate the property transfer tax you're required to pay on a new house. The difference is that this exemption applies to newly built homes, whether or not you're a first-time buyer.

### Eligibility:

- You're a Canadian citizen or permanent resident.
- The property is located in B.C. and is used as your principal residence.
- The property has a fair market value of \$750,000 or less. If the value is between \$750,000 and \$800,000, you may be eligible for a partial exemption.
- The total property size is 1.24 acres or less. A partial exemption may apply if this size is exceeded or if the property has a second building.
- The property transfer (including land and improvements) was registered with the Land Title Office after February 16, 2016.

### Things to note:

- Newly built homes are defined as those built on a parcel of vacant land or are new apartments in a newly constructed condo building.
- Manufactured homes that are placed on a parcel of vacant land are also eligible, as are pre-constructed homes that are moved from one parcel of land onto another parcel of vacant land, as long as the home has not been occupied since being moved.
- A home found on a parcel of land that is subdivided may also be considered newly built, provided it hasn't been occupied since the parcel's subdivision.
- A house that's been converted from previously non-residential property to residential property (such as a warehouse that is converted into apartments), could also be considered as newly built.
- After you register the property, you must meet occupancy requirements during the first year of ownership.
- If you paid the transfer tax on the purchase of a vacant lot, on which you've since built a home, you may qualify for a refund under certain conditions.

**How to apply:** You can apply for the Newly Built Home Exemption by entering exemption code 49 on your Property Transfer Tax Return. Refer to the [Province's File Your Property Transfer Tax webpage](#) for more information and resource guides.

Visit the [Province's Newly Built Home Exemption webpage](#) for more information.



## Home Owner Grant

The home owner grant reduces the amount of property tax you pay for your principal residence. The grant is available to homeowners that pay property taxes to a municipality or to the province if they live in a rural area. If you pay your property taxes to a First Nations, contact the First Nations directly. The Grant amount is different for the following groups:

- People under 65 years of age
- A senior
- A veteran
- A person with disabilities
- Living with a spouse or relative with disabilities
- A spouse or relative of a deceased owner

For specific information, such as grant maximums for each group, refer to the [Province of British Columbia's Home Owner Grant website](#) and use the left toolbar to navigate between grants. Currently, the regular grant amount is \$770.

### Eligibility for the Regular Grant:

- You must
  - Be the registered owner of the residence
  - Be a Canadian citizen or permanent resident of Canada
  - Live in B.C.
  - Occupy the residence as your principal residence
- The assessed or partitioned value of your property must not exceed the grant threshold
  - The threshold is the maximum value of an assessed or partitioned property where home owners are eligible to claim the home owner grant. The threshold is \$1,650,000 for your assessed or partitioned property value.
- Ensure you meet additional requirements if you are buying or selling your property

### Things to note:

- Only one homeowner grant can be claimed by you or your spouse each year.
- If you did not claim the home owner grant for the previous year, you may apply using the Application for Retroactive Home Owner Grant FIN 92.
- If you miss the due date, you may apply for the home owner grant until December 31, however, penalties may apply.
- You must pay at least \$350 in property taxes before claiming the home owner grant to help fund municipal services such as road maintenance and police protection.
- Laneway homes and multi-family dwellings (duplex, triplex, fourplex) qualify as separate residence. A suite in your principal residence does not count as a separate residence.

**How to apply:** Fill out the Home Owner Grant Application FIN 78 Form for the current tax year, downloaded from the [Home Owner Grant webpage](#) along the toolbar on the right. Send the completed application and supported documents to the address on your property tax notice.

Visit the [Province's Home Owner Grant webpage](#) for more information.

## Home Renovation Tax Credit for Seniors and Persons with Disabilities

The Home Renovation Tax Credit for Seniors and Persons with Disabilities assists eligible individuals 65 and over and persons with disabilities with the cost of certain permanent home renovations to improve accessibility or be more functional or mobile at home.

### Eligibility:

- You're a resident of B.C. and,
- You're a senior or a family member living with a senior, or,
- You're a person with a disability or a family member living with a person with a disability (for 2016 and later tax years)

### Things to note:

- The renovation or alteration must help a senior or a person with a disability by:
  - improving access to the home or land,
  - improving mobility and functions within the home or land, or
  - reducing the risk of harm within the home or land.
- The main purpose of the renovation can't be to increase the value of the home or land.
- Modular or removable versions of items that can be installed as permanent fixtures to the home or land qualify (e.g. modular ramps and non-fixed bath lifts).

**How to apply:** You can claim the credit when you file your T1 income tax return. Complete the [British Columbia Home Renovation Tax Credit for Seniors and Persons with Disabilities form \(Schedule BC\(S12\)\)](#) and enter the amount you spent on eligible renovations beside **box 6048** on the [British Columbia Credits form \(BC479\)](#).

To learn more on how to file your income tax, refer to the [Federal Government All about your tax return webpage](#).

Visit the Province's [Home Renovation Tax Credit for Seniors and Persons with Disabilities webpage](#) for more information on the program.

## Home Adaptations for Independence (HAFI)

The Home Adaptations for Independence (HAFI) Program provides financial assistance in the form of a grant to eligible low-income homeowner households to complete home adaptations which will allow people to continue living independently in their home. If you are a tenant, your landlord must fill the application out with your consent. The program is facilitated through BC Housing.

If you are eligible, you could receive a grant for up to \$17,500 for adaptations, calculated as follows:

- 100% grant for adaptations up to and including \$15,000
- 50% cost share on an additional \$5,000 of adaptations (\$2,500 grant, \$2,500 your portion)

### Eligibility:

- You're a homeowner,
- You are a Canadian citizen, permanent resident, or refugee sponsored by the Government of Canada
- You or a member of your household has a permanent disability or loss of ability,
- The requested adaptations are eligible and reasonable related to the disability or loss of ability,
- Gross household income does not exceed the Housing Income Limits for your area
- Household assets are less than \$100,000
- The home for adaptation is owner-occupied and is the principal residence of the owner and the person requiring adaptations,
- The home's BC Assessment value is below the Home Value Limits (average assessed value of homes for your assessment area),
- Your home for adaptation is an eligible residence.
  - Visit [BC Housing's What properties are eligible or ineligible under the HAFI program? webpage](#) for more details.

### Things to note:

- You will have 90 days to complete the work from the date of approval.
- BC Housing's webpage includes Tips for selecting a contractor to help you. View the Featured Download on the [Homeowner Eligibility and Application Process webpage](#).
- Common reasons for denial are eligibility, the time limit for providing missing information lapsed, or funding is no longer available.

**How to apply:** Complete the HAFI Application Form, available on [BC Housing's Homeowner Eligibility and Application Process webpage](#), located at the bottom of the page. Gather supporting documents as required by the application (review the BC Housing webpage for more information) and submit it in person to a BC Housing Office, by mail to Home Adaptations for Independence, BC Housing, 101-4555 Kingsway, Burnaby, BC V5H 4V8, or by fax to 604-439-8550.

Visit BC Housing's [Home Adaptations for Independence \(HAFI\) webpage](#) for more information.

## Defer your Property Taxes

Tax deferment is a low interest loan program that helps qualified B.C. homeowners pay their annual property taxes.

### Eligibility:

- Your property tax account must be up to date with no outstanding debts.
- Regular Program (general requirements)
  - You may qualify for the Regular Program if you're:
    - 55 or older during the current year or
    - a surviving spouse of any age or
    - a person with disabilities
- Families with Children Program
  - You may qualify for the Families with Children Program if you're a parent, stepparent or financially supporting a child.

The Province of B.C. has created eligibility calculators to find out the details if you are eligible for one of the tax deferment programs. To help you answer the questions on the calculator, the Province recommends you have the following information available:

- Annual property tax notice
- Current assessment notice from BC Assessment (issued in January)
- Current mortgage statement
- Line of credit statement indicating the credit limit
- House insurance documents

**How to apply:** Fill out the eligibility calculators, and if you are eligible for one of the programs the Next Steps on how to apply will be shown to you.

Calculator link: [Property Tax Regular Deferment Program Eligibility](#).

Calculator link: [Property Tax Families with Children Deferment Program Eligibility](#).

Visit the [Province's Defer Your Property Taxes webpage](#) for more information.