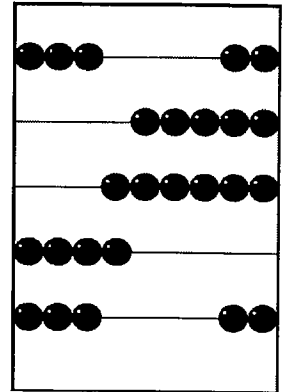


McCAY, DUFF & COMPANY LLP
CHARTERED ACCOUNTANTS

TAX TIME

2009 HOME RENOVATION TAX CREDIT

August, 2009



If there was ever a tax driven program that seems in sync with the current economic climate, then look no further! The Conservative Government's proposed Home Renovation Tax Credit (or HRTC) provides immediate income tax relief to those individuals who are planning home renovations. Here are some of the more pertinent details:



What is it?

- The HRTC is a one-time non refundable tax credit claimable for the 2009 tax year
- The credit is equal to 15% of qualifying expenditures in excess of \$1,000 with a maximum credit available of \$1,350
- Qualifying expenditures must be incurred during the period commencing January 28, 2009 and ending before February 1, 2010
- To obtain the maximum credit, you must incur \$10,000 of qualifying expenditures

What are qualifying expenditures?

- The expenditure must result in a renovation or alteration to a qualifying home that is enduring or permanent in nature
- Qualifying expenditures could include:
 1. renovations to existing bathrooms, kitchens, basement areas, or build an addition
 2. painting (interior or exterior), carpet, hardwood or other flooring installs
 3. replacement of air conditioners, furnaces, fireplaces, water softeners, septic systems, wells, or installing solar panels
 4. installing new windows, doors or upgrading existing insulation
 5. install a swimming pool/hot tub, build a fence or deck
 6. install a home security system or upgrade primary electrical wiring
 7. resurface your driveway, re-shingle the roof, or install exterior siding
 8. various landscaping costs including new sod and retaining walls
- Non qualifying expenditures include routine maintenance costs, financing costs, temporary fixes as well as furniture, tools and appliance acquisitions

What's considered a qualifying home?

- Any property that is used for personal purposes will qualify whether it is your primary residence or a seasonal home
- If you use your home for both business and personal purposes, then only expenditures made towards the personal use component will qualify

