



FIRST TIME HOMEBUYER INCENTIVES

RRSP Withdrawal To Purchase A Home: \$25,000 Maximum Per Buyer

The Home Buyers Plan allows first-time home buyers to withdraw up to \$25,000 PER BUYER, from an RRSP to purchase a home without having to pay tax on the withdrawal. The federal government recently increased the maximum amount to give additional access to their registered retirement savings plans (RRSP's) for home purchases.

Remember, the \$25,000 per buyer does not HAVE to be used solely for down payment – it can be used for:

- ✓ Closing costs
- ✓ Paying off some debt
- ✓ Moving expenses
- ✓ Furniture....
- ✓ or even a vacation to celebrate!

You qualify if:

1. You or your spouse have not owned and occupied a home as your principal residence in the preceding 4 years, **or**
2. You are buying or building a home for a disabled person who is related to you

For more information, <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/rrsp-reer/hbp-rap/menu-eng.html>

First Time Homebuyers' Tax Credit: \$750.00

Through Canada's Economic Action Plan, the federal government has introduced a First-Time Home Buyers' Tax Credit (HBTC) to help with the purchase of a first home. This will assist first-time homebuyers with the costs associated with the purchase of a home, such as legal fees, disbursements and land transfer taxes. An individual will be considered a first-time home buyer if neither the individual nor the individual's spouse or common-law partner owned and lived in another home in the calendar year of the home purchase or in any of the four preceding calendar years. A qualifying home is one that is currently eligible for the Home Buyers' Plan that the individual or individual's spouse or common-law partner intends to occupy as the principal place of residence not later than one year after its acquisition.

The HBTC amount will apply to qualifying homes purchased after January 27, 2009, and will provide up to \$750 in a Tax Credit. The credit for a taxation year will be calculated by reference to the lowest personal income tax rate for the year and is claimable for the taxation year in which the home is acquired.

For more information, <http://www.cra-arc.gc.ca/gncy/bdgt/2009/fqhbtcc-eng.html>