

**ONTARIO RETAIL SALES TAX (RST)
TRANSITIONAL NEW HOUSING REBATE – APARTMENT BUILDINGS**

Use this form if:

- you are a builder of an apartment building or of an addition to an apartment building in Ontario and the construction or substantial renovation of the apartment building or the construction of the addition began before July 2010;
- immediately before July 2010, you owned or had possession of the building and had not transferred ownership or possession of the building under a written agreement of purchase and sale to a person who is not a builder of the building or addition; and
- the construction of the complex, or addition, is at least 10% complete as of July 1, 2010.

This rebate is **not** available to purchasers of newly constructed or substantially renovated apartment buildings or to builders who are not required to account for the HST on a self-supply under the exception for personal use, student residences, communal organizations, or remote work sites. This form cannot be used to claim a rebate for condominiums or single unit housing.

For more information and instructions, see page 3, or go to www.cra.gc.ca/gsthst, or call 1-800-959-8287.

Section A – Claimant information			
Claimant's legal name - one name only (last name, first name and initial(s) for individuals) If more than one person owns the building, list all of the other owners in section D. All other owners must sign section D.		Business Number (if applicable) RT	
Claimant's mailing address (Apt No – Street No Street name, PO Box, RR)		City	Province or territory
Contact name		Telephone number - -	Postal code
Language preference		<input type="checkbox"/> English <input type="checkbox"/> French	
Section B – Property information			
Address of property for which a rebate is being claimed (Street No Street name, RR)			
City		Province or territory O N	Postal code
Legal description of property (as it appears on the deed issued by your provincial land registry office or another land transfer document)			
Lot number	Plan number	Other (concession, range, parcel, section)	
If you leased a unit in the apartment building or addition to a person for occupancy by an individual as a place of residence, enter the date the HST was deemed paid on the self-supply (see the instructions on page 3).			Year Month Day
If you sold the apartment building, enter the date that is the earlier of the date ownership was transferred or the date possession was transferred under the written agreement of purchase and sale.			Year Month Day
Enter the date the construction or substantial renovation of the apartment building or the construction of the addition began.			Year Month Day
Percentage of completion: Complete (i) or (ii), but not both.			
(i) If the percentage of completion is based on progress billings, complete the following:			
Last progress billing number before July 1, 2010.		Billing #: _____	
Total consideration billed for the residential part of the building before July 1, 2010, not including the cost of the land and certain other costs.		\$ _____	1
Subtract any consideration billed that relates to work performed and materials delivered on or after July 1, 2010.		\$ _____	2
Total consideration for work performed and materials delivered before July 1, 2010, (line 1 – line 2).		\$ _____	3
Total consideration payable for the construction or substantial renovation of the residential part of the building or addition.		\$ _____	4
Percentage of completion as of July 1, 2010: (line 3 ÷ line 4) x 100		_____ %	
(ii) Otherwise enter the percentage of completion of the residential part of the building or addition as of July 1, 2010.			_____ %
See page 3 for information on what is included in the residential part of a building, and how to determine the percentage of completion.			

If you are including the amount of this rebate on your GST/HST return, you must file your GST/HST return using GST/HST NETFILE. If you have other transitional information to report on Schedule A of the GST/HST NETFILE return, enter the amount of this rebate on **line 1301** of your GST/HST NETFILE return. Otherwise, enter the amount of this rebate on **line 111** of your GST/HST NETFILE return.

Enter the reporting period of the GST/HST NETFILE return in which you included the amount of this rebate:

From	Year	Month	Day	to	Year	Month	Day

You have to attach a *Letter of Good Standing* from the Ontario Ministry of Revenue showing that you have no applicable outstanding provincial debts if this is your first RST transitional new housing rebate application that you are submitting to us, or if a previously submitted letter has expired or been revoked. If there is more than one builder, each builder must submit a *Letter of Good Standing*.

We will not process your rebate application if we do not have a valid *Letter(s) of Good Standing*.

Section C – Rebate calculation

To calculate your RST transitional new housing rebate, complete Part I if you are using Method A (based on consideration or fair market value) or Part II if you are using Method B (based on floor space). You must use Method B if you are applying for the rebate before the date the tax becomes payable which is the date you entered in Section B on page 1 if you leased or sold the building.

Part I – Method A rebate calculation

If you sold the apartment building, enter on line A the amount of the consideration for the sale of the residential part of the building (do **not** include the HST). If the consideration is less than the fair market value of the residential part of the apartment building, including the land, at the time the written agreement of purchase and sale was entered into, enter the fair market value on line A.

\$ _____ **A**

In the case of a self-supply, enter the fair market value (FMV) of the residential part of the building or addition (including the land) at the time of the self-supply (do **not** include the HST deemed paid on the FMV).

Estimated RST (multiply the amount on line A by 2%).

\$ _____ **B**

Enter the rebate percentage (see "Rebate percentage" on page 3).

_____ % **C**

RST transitional new housing rebate amount (multiply the amount on line B by the percentage on line C).

\$ _____ **D**

Part II – Method B rebate calculation

Total number of square metres of floor space for the entire apartment building or addition.

_____ m² **E**

Total number of square metres of floor space that is not included as "interior floor space" (including commercial space).

_____ m² **F**

For information on interior floor space, see page 3.

Interior floor space (line E minus line F).

_____ m² **G**

Estimated RST (multiply the amount on line G by \$60).

\$ _____ **H**

Enter the rebate percentage (see "Rebate percentage" on page 3).

_____ % **I**

RST transitional new housing rebate amount (multiply the amount on line H by the percentage on line I).

\$ _____ **J**

Section D – Multiple owners (to be completed by all owner(s) other than the claimant)

If more than one person owns the building, list all of the other owners below. Attach a separate sheet if you need more space. All of the other owners must sign this section acknowledging that you are the claimant for this rebate. Where more than one person owns the building, only one owner may claim the rebate.

The undersigned hereby acknowledge that we are the owners of the building identified in Section B of this form; that the claimant identified in Section A is one of the owners of this building; that we have not previously claimed a RST transitional new housing rebate for the building (or addition) identified in Section B of this form; and that the full amount of the RST transitional new housing rebate payable in respect of the building, or addition, identified in Section B of this form will be paid to the claimant and may be offset against tax liabilities of the claimant.

First co-owner

Legal name (last name, first name and initial(s) for individuals)

Signature

Second co-owner

Legal name (last name, first name and initial(s) for individuals)

Signature

Third co-owner

Legal name (last name, first name and initial(s) for individuals)

Signature

Fourth co-owner

Legal name (last name, first name and initial(s) for individuals)

Signature

Fifth co-owner

Legal name (last name, first name and initial(s) for individuals)

Signature

Section E – Certification

I certify that:

- (i) the construction or substantial renovation of this apartment building, or the construction of this addition began on _____;
- (ii) the information given on this application is, to the best of my knowledge, true, correct, and complete in every respect;
- (iii) I have not previously claimed a rebate of the estimated RST for any units included in this claim; and
- (iv) any relevant books and/or records are available for inspection.

Name of builder or authorized person

Title of authorized person

Signature of claimant or authorized person

Date

It is a serious offence to make a false statement.

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Privacy Act, Personal Information Bank number ARC PPU 091

General information

What is the purpose of this rebate?

Where the construction or substantial renovation of an apartment building or the construction of an addition to an apartment building began before July 1, 2010, the Ontario retail sales tax (RST) would have applied to some of the construction costs the builder incurred before that date.

This rebate is intended to remove the estimated RST that is embedded in the cost of such an apartment building or addition where the builder had to account for the HST on a self-supply of the apartment building or addition, or sold the building and the sale was subject to the HST.

Who should complete this form?

Complete this form if:

- you are a builder who began the construction or substantial renovation of an apartment building in Ontario, or the construction of an addition to an apartment building in Ontario before July 2010;
- immediately before July 2010, you owned or had possession of the building, and had not transferred ownership or possession of the building under a written agreement of purchase and sale to a person who is not a builder of the building or addition; and
- the construction of the building or addition is at least 10% complete as of July 1, 2010, or in the case of a substantial renovation of the building, the last substantial renovation is at least 10% complete as of July 1, 2010.

This rebate is **not** available to purchasers of newly constructed or substantially renovated apartment buildings, or to builders who are not required to account for the HST on a self-supply under the exception for personal use, student residences, communal organizations, or remote work sites.

To claim a RST transitional new housing rebate for condominiums, use Form RC7001-ON, *Ontario Retail Sales Tax (RST) Transitional New Housing Rebate – Condominiums*. To claim a RST transitional new housing rebate for a detached house, semi-detached house, rowhouse unit or duplex, provided that such housing is not a condominium, use Form RC7000-ON, *Ontario Retail Sales Tax (RST) Transitional New Housing Rebate*.

What is a self-supply?

Generally, a builder is considered to have made a self-supply of the residential complex (to have sold and repurchased the apartment building or addition) when possession or use of a unit in the building or addition is first given for occupancy by an individual as a place of residence under a lease, licence or similar arrangement. The builder has to account for the GST/HST calculated on the fair market value of the apartment building or addition (including the land) as of the date of the self-supply.

Date HST is deemed paid on a self-supply

Generally, the GST/HST is considered to be paid and collected by the builder on the later of the day construction or substantial renovation is substantially completed, and the day possession or use of a unit in the building or addition is first given under a lease, licence or similar arrangement for occupancy by an individual as a place of residence. The builder has to account for the GST/HST deemed paid and collected on the self-supply in its GST/HST return for the reporting period that includes that day.

Completion instructions

All applicants have to complete sections A, B, C, and E. If there are multiple owners of the building identified in section B of this form, all of the other owners must complete section D.

Determining percentage of completion

The method used to determine the percentage of completion must be fair and reasonable. For example, it may be based on progress billings made before July 1, 2010, for work performed and materials delivered before July 1, 2010, as a percentage of the total consideration for the construction or substantial renovation of the residential part of the apartment building or the construction of the residential part of the addition.

Note

The cost of the land and costs associated with the purchase and maintenance of the land prior to the construction of the building or addition, including related legal, accounting, and financing charges, and real estate taxes are not included in determining the percentage of completion of the construction or substantial renovation of the apartment building or addition.

For more information on this method and other methods that the CRA considers to be fair and reasonable, see GST/HST Info Sheet GI-105, *How to Determine the Percentage of Completion for Purposes of the Provincial Transitional New Housing Rebate and the Transitional Tax Adjustment for British Columbia and Ontario*.

Interior floor space – means the main floor(s), living areas within the interior of the apartment building or addition, including common areas such as lobbies, corridors, staircases, elevator shafts, laundry rooms, recreation rooms, indoor swimming pools and similar spaces.

The interior floor space includes the width of the building's enclosing walls unless those walls are adjacent to another complex. For adjacent walls, the interior floor space includes half the width of the enclosing walls.

Interior floor space does **not** include commercial areas, garages, parking areas, crawl spaces, furnace and electrical rooms, unfinished storage rooms, open porch/balcony, or any areas set aside for the placement of equipment for the heating or cooling of, or the supply of water, gas or electricity to, the building or addition.

The supporting documentation related to the interior floor space of the building or addition completed as of July 1, 2010, might include:

- a) a building contract;
- b) drawings or plans for the construction or substantial renovation;
- c) engineering or architectural reports; and
- d) bank inspection reports to support mortgage draws.

Which calculation should I complete?

Calculate your RST transitional new housing rebate by completing Part I or Part II in Section C. You cannot use Method A if you are applying for this rebate before the date the tax becomes payable, which is the date you entered in Section B on page 1 if you leased a unit in the building or addition or you sold the building.

Part I – Method A

If you sold the apartment building, use the part of the consideration paid or payable for the residential part of the building to calculate your rebate amount. If the consideration is less than the fair market value of the complex at the time the written agreement of purchase and sale was entered into, enter the fair market value on line A. In the case of a self-supply of the apartment building or addition, use the fair market value of the residential part of the building or addition (including the land) at the time of the self-supply to calculate your rebate amount.

Part II – Method B

You can calculate your rebate based on the total floor space and interior floor space by completing Part II of Section C.

Rebate percentage

The amount of the rebate is based on the percentage of completion of the construction or substantial renovation of the apartment building or addition as of July 1, 2010. If the percentage of completion is:

- less than 10%, **enter 0**;
- 10% or more, but less than 25%, **enter 25%**;
- 25% or more, but less than 50%, **enter 50%**;
- 50% or more, but less than 75%, **enter 75%**;
- 75% or more, but less than 90%, **enter 90%**; or
- 90% or more, **enter 100%**.

If you are using Method A, enter the rebate percentage on **line C** in Part I of Section C.

If you are using Method B, enter the rebate percentage on **line I** in Part II of Section C.

When do I file my rebate application?

You have to file your rebate application by July 1, 2014.

How do I file my rebate application?

If you are claiming a RST transitional new housing rebate by including it on your GST/HST return for a reporting period, you have to file your GST/HST return for that period using GST/HST NETFILE. In this case:

- if you have other transnational housing information to report on Schedule A of your GST/HST NETFILE return, enter the rebate amount on line 1301 of Schedule A. Otherwise, enter the rebate amount on line 111 of your GST/HST NETFILE return; and
- enter in Section B of this rebate application the reporting period of the GST/HST return in which you reported the amount of the rebate(s).

You have to send this rebate application to the address below no later than the day you file your return.

If you are not including the amount of this rebate on your GST/HST return, send this rebate application to:

**Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2**

The processing of your claim may be delayed or your rebate denied if this rebate application is not completed in full, the rebate calculation is incorrect, or the documentation requested is not submitted with this rebate application.

Note

You have to attach a valid provincial *Letter of Good Standing* to your first RST transitional new housing rebate application and file that application with us. The Ontario Ministry of Revenue will issue a Letter of Good Standing to a builder that has no applicable outstanding provincial debts.

For more information

For more information, go to www.cra.gc.ca/gsthst or call **1-800-959-8287**.