



MAY 13 2009

2009FIN273716

Mr. Monty Ritchings
Administration Manager
South West Roof Restorations Inc.
montycritchings@gmail.com

Dear Mr. Ritchings:

On behalf of the Minister of Finance, the Honourable James M. Flaherty, thank you for your correspondence of February 2, 2009 regarding the Home Renovation Tax Credit (HRTC). Please excuse the delay in replying.

Canadian homeowners will have the opportunity to claim the temporary HRTC on their tax returns for 2009.

The 15-percent credit may be claimed on the portion of eligible expenditures exceeding \$1,000, but not more than \$10,000, meaning that the maximum tax credit that can be received is \$1,350 by a family – i.e. 15 percent of \$9,000. For the purpose of the credit, a family will generally be considered to consist of an individual, and where applicable, the individual's spouse or common-law partner, and their children under 18. Family members will be able to share the credit.

For expenditures to be claimed, they must be for work performed, or goods acquired, after January 27, 2009 and before February 1, 2010, pursuant to agreements entered into after January 27, 2009. Eligible expenditures include renovations and alterations to a dwelling (or the land on which it sits) that are enduring in nature, such as finishing a basement, renovating a kitchen, installing a septic system, or building an addition (including permits, professional services, equipment rentals and incidental expenses). Routine repairs and maintenance (e.g. cleaning, lawn fertilization, and snow removal) do not qualify for the credit. Costs to purchase furniture, appliances, audio-visual electronics or construction equipment are also not eligible for the credit.

The HRTC may be claimed for expenditures incurred for all eligible dwellings. A dwelling is generally considered eligible if it is used for personal purposes. Examples of eligible dwellings include a house, a cottage, or a condominium unit.

More detailed information on eligible expenditures and on how to claim the HRTC is available on the Canada Revenue Agency (CRA) website at www.cra-arc.gc.ca/tx/ndvdl/sgmnts/hmwnr/hrtc/menu-eng.html. For enquiries, you may contact the CRA toll-free at 1-800-959-8281.

Thank you for writing.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Parker'.

Bryan Parker
Head
Departmental Correspondence Unit