

First-time home buyers' GST/HST rebate

**Information session for housing professionals
and associations that support first-time home
buyers**

May 2026

Disclaimer - Information is current as of today; please visit:
Canada.ca/first-home-GST-HST-rebate for the latest updates.

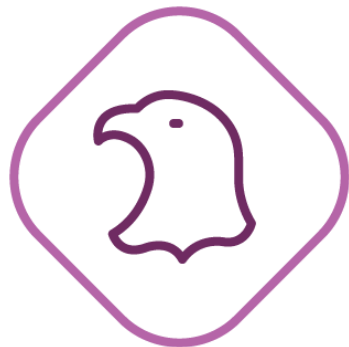


Canada Revenue
Agency

Agence du revenu
du Canada

Canada

Land acknowledgment



Housekeeping



Cameras off



Mics muted



**Questions considered
in advance**



Use Q&A for questions



Additional resources

Agenda

- 1 Overview of GST/HST rebates for new housing
- 2 First-time home buyer definition
- 3 Eligibility criteria and rebate calculations
- 4 Rules and restrictions
- 5 How to apply
- 6 Frequently asked questions

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Overview of GST/HST rebates for new housing



Overview of GST/HST rebates for new housing – Federal

GST/HST new housing rebate	≤ \$350,000	\$350,001 to \$449,999	≥ \$450,000
	full 36% rebate	partial rebate	no rebate
	up to \$6,300	between \$0 and \$6,300	\$0

**Applies to agreements entered into with a builder
from March 20, 2025 to December 31, 2030, inclusively.**

FTHB GST/HST rebate	≤ \$1,000,000	\$1,000,001 to \$1,499,999	≥ \$1,500,000
	full 100% rebate	partial rebate	no rebate
	up to \$50,000	between \$0 and \$50,000	\$0

Note: Revenu Québec administers the GST/HST rebate programs for the CRA in Quebec.

Overview of GST/HST rebates for new housing – Provincial*

Nova Scotia first-time home buyers' rebate
 Provincially administered rebate of up to \$3,000 of the provincial part of the HST paid on a newly-built home.

Housing rebates in Ontario			
Ontario new housing rebate (ON NHR)	75% of provincial part of HST paid up to \$24,000		
Proposed ON FTHB rebate	Applies to agreements entered into with a builder from March 20, 2025 to December 31, 2030, inclusively.		
	<div style="background-color: #006633; color: white; padding: 5px;">≤ \$1,000,000</div> <div style="background-color: #e0f0e0; padding: 5px;">full 100% rebate</div>	<div style="background-color: #cc6600; color: white; padding: 5px;">\$1,000,001 to \$1,499,999</div> <div style="background-color: #fff0cc; padding: 5px;">partial rebate</div>	<div style="background-color: #cc0000; color: white; padding: 5px;">≥ \$1,500,000</div> <div style="background-color: #ffe0e0; padding: 5px;">no ON FTHB rebate</div>
Proposed enhanced ON NHR	Applies to agreements entered into with a builder from April 1, 2026 to March 31, 2027, inclusively.		
	<div style="background-color: #006633; color: white; padding: 5px;">≤ \$1,000,000</div> <div style="background-color: #e0f0e0; padding: 5px;">full 100% rebate</div>	<div style="background-color: #cc6600; color: white; padding: 5px;">\$1,000,001 to \$1,849,999</div> <div style="background-color: #fff0cc; padding: 5px;">partial rebate</div>	<div style="background-color: #cc0000; color: white; padding: 5px;">≥ \$1,850,000</div> <div style="background-color: #ffe0e0; padding: 5px;">no enhanced rebate</div>
Total combined rebates	up to \$80,000	between \$24,000 and \$80,000	\$24,000

*Proposed rebates are not yet law and may be subject to change.

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Definition of a first-time home buyer



First-time home buyer definition

A **first-time home buyer** is an individual who must meet the following conditions at a **particular time**:

Age

Must be 18 years of age or older.

Citizenship

Must be a Canadian citizen OR a permanent resident of Canada.

Prior home ownership and occupancy

Must not have lived in a home that they solely or jointly owned as a primary place of residence in the calendar year that includes the **particular time** or in the four preceding calendar years.

If individual has spouse/ common-law partner at the "particular time"

Must not have lived in a home that their spouse or common-law partner solely or jointly owned as a primary place of residence in the calendar year that includes the **particular time** or in the four preceding calendar years.

When is the particular time?

An individual must be a first-time home buyer at a **particular time**.

Purchase of home from a builder (building and land)

When **ownership** of the home is transferred to the individual

Purchase of a share of capital stock in a co-op

When **ownership** of the share in the co-op is transferred to the individual

Purchase of home from a builder (leased land)

When **possession** of the home is transferred to the individual

Owner-built home

Earlier of the following:

- When the individual first occupies the home as their place of residence after construction or substantial renovation has started
- When construction or substantial renovation is substantially completed

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Eligibility criteria and rebate calculations

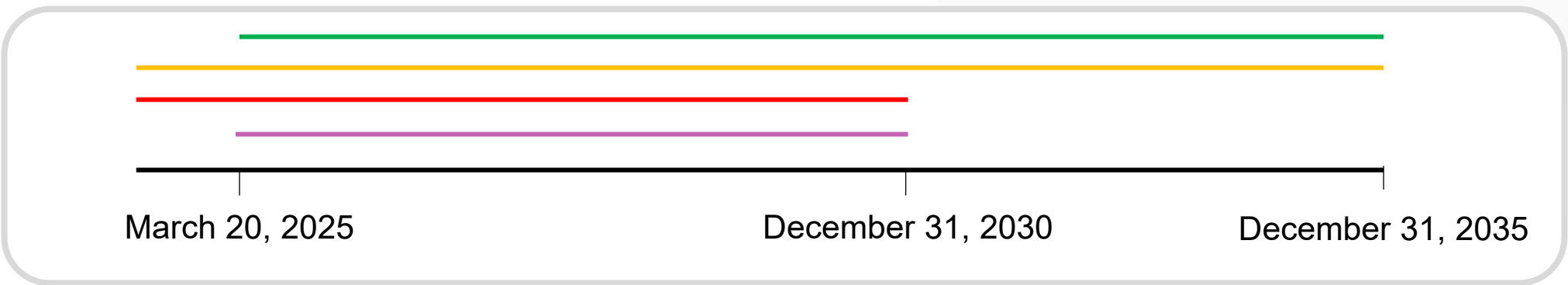
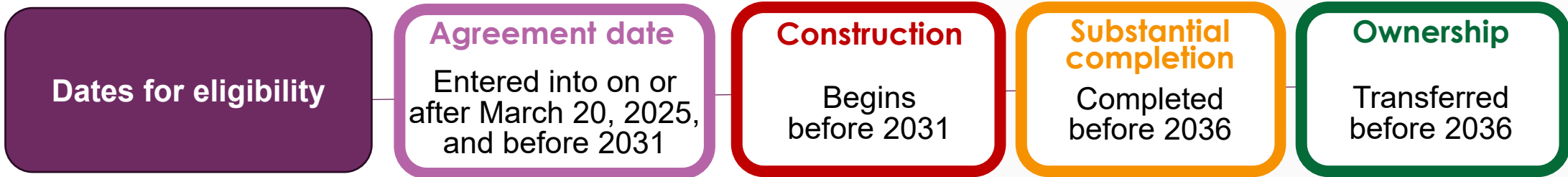
- Homes purchased from a builder (building and land)
- Owner-built homes



Eligibility criteria

Home purchased from a builder (building and land)

- ✓ The individual must be a **first-time home buyer** when **ownership** of the home is transferred to the individual.
- ✓ The individual must meet the eligibility criteria for the GST/HST new housing rebate.
- ✓ The individual must intend on using the home as their primary place of residence when they enter into the agreement.
- ✓ The individual must be the first to occupy the home as a place of residence after substantial completion.



Rebate calculation

Homes purchased from a builder (building and land)

≤ \$1,000,000

Total tax paid (up to \$50,000)
less GST/HST new housing
rebate*

*for homes under \$450,000.

\$1,000,001 to \$1,499,999

$$A \times \frac{(\$1,500,000 - B)}{\$500,000}$$

where

A is total tax paid (up to
\$50,000)

B is the **total consideration**

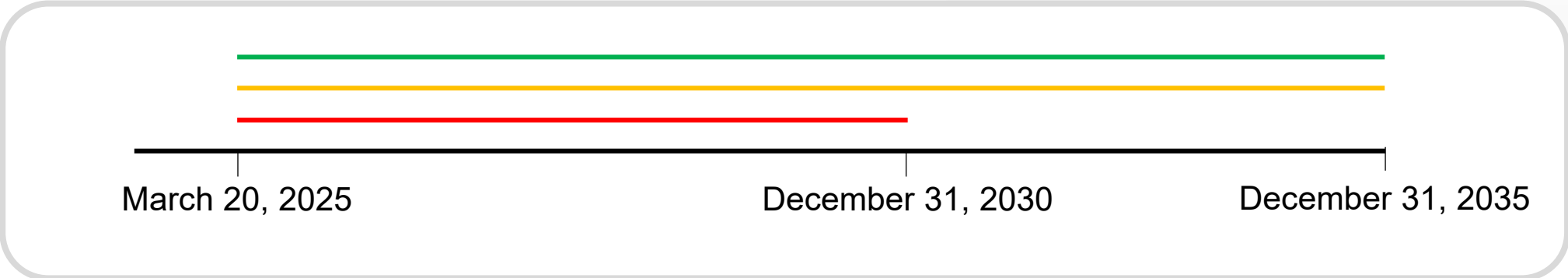
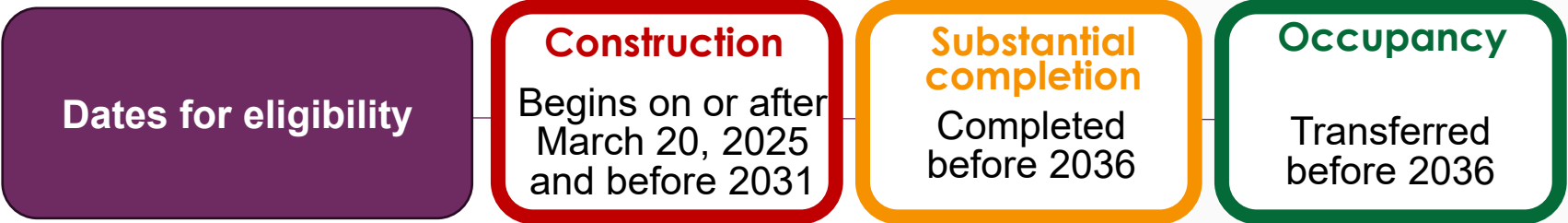
≥ \$1,500,000

No FT HB GST/HST rebate is
available.

Total consideration	GST paid (5%)	GST/HST NHR	FT HB GST/HST rebate	Total rebates available
\$350,000	\$17,500	\$6,300	\$11,200	\$17,500
\$450,000	\$22,500	\$0	\$22,500	\$22,500
\$1,000,000	\$50,000	\$0	\$50,000	\$50,000
\$1,250,000	\$62,500	\$0	\$25,000	\$25,000
\$1,500,000	\$75,000	\$0	\$0	\$0

Eligibility criteria – Owner-built homes

- ✓ The individual must be a **first-time home buyer** at the earlier of:
 - when the individual first occupies the home as their place of residence after construction/substantial renovation has begun
 - when construction or substantial renovation is substantially completed
- ✓ The individual must meet the eligibility criteria for the GST/HST new housing rebate.
- ✓ The individual must intend on using the home as their place of residence when construction/substantial renovation begins.
- ✓ The individual must be the first to occupy the home after substantial completion.



Rebate calculation – Owner-built homes

≤ \$1,000,000

Total tax paid (up to \$50,000)
less GST/HST new housing
rebate*

*For homes under \$450,000.

\$1,000,001 - \$1,499,999

$$A \times \frac{(\$1,500,000 - B)}{\$500,000}$$

where

A is total tax paid (up to \$50,000)

B is the **fair market value**

≥ \$1,500,000

No FTTHB GST/HST rebate
available

When construction or substantial renovation begins

When **construction** begins

Construction is generally considered to begin at the time when excavation work related to the home begins.

If construction ceases, then later resumes

Where a builder begins and then ceases the construction of a home, and the builder, or another builder, resumes construction of the home, construction is generally considered to have begun when the initial excavation began.

When **substantial renovation** begins

Substantial renovation is generally considered to begin at the time when alterations to the home have begun. This would include any work to demolish, replace, or remove any existing parts of the home.

Construction versus substantial renovation

Distinguishing construction from substantial renovation depends on whether the home's primary structural elements remain or are demolished.

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Rules and Restrictions



Group of purchasers/owners



- Only available for an individual or group of individuals
- Not available for a corporation or other entities



- If two or more individuals purchase, construct, or substantially renovate a home:
- at least **one** of the individuals must be a first-time home buyer
 - the individual who claims the rebate must be a first-time home buyer

Applying for the rebate with a spouse or common-law partner

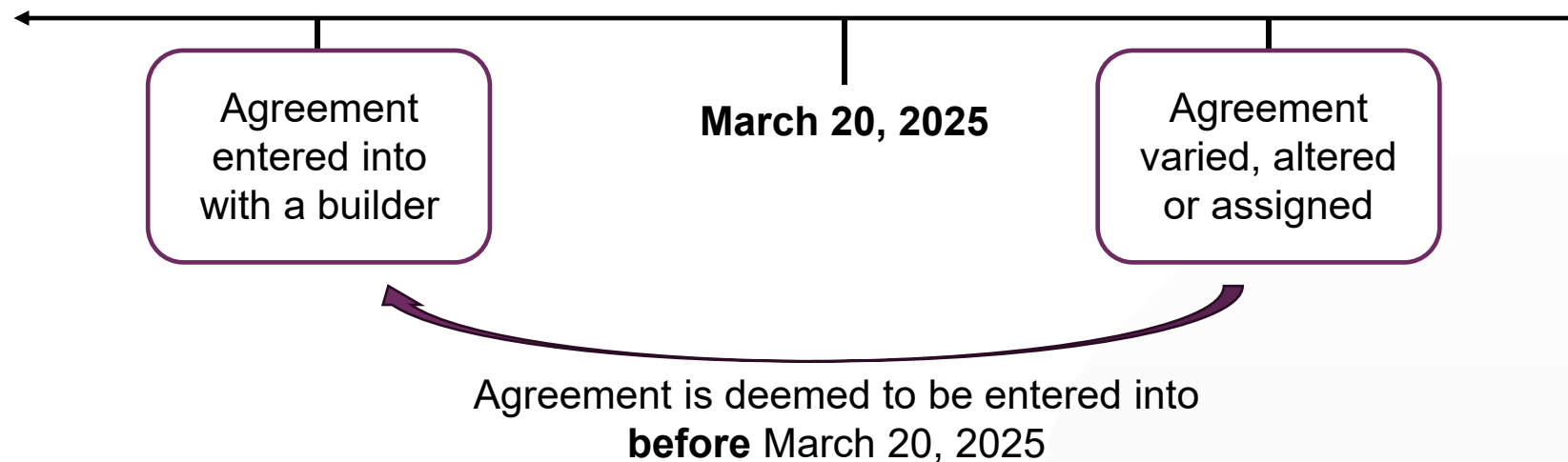


An individual cannot receive the FTHB GST/HST rebate if that individual or their spouse or common-law partner previously applied for an FTHB GST/HST rebate and was entitled to that rebate.



An individual's spouse or common-law partner is deemed to have applied for an FTHB GST/HST rebate in the scenario where there are two or more purchasers, which includes the spouse or common-law partner, and the individual applies for and is entitled to the rebate.

Variation, alteration, or assignment of an agreement of sale

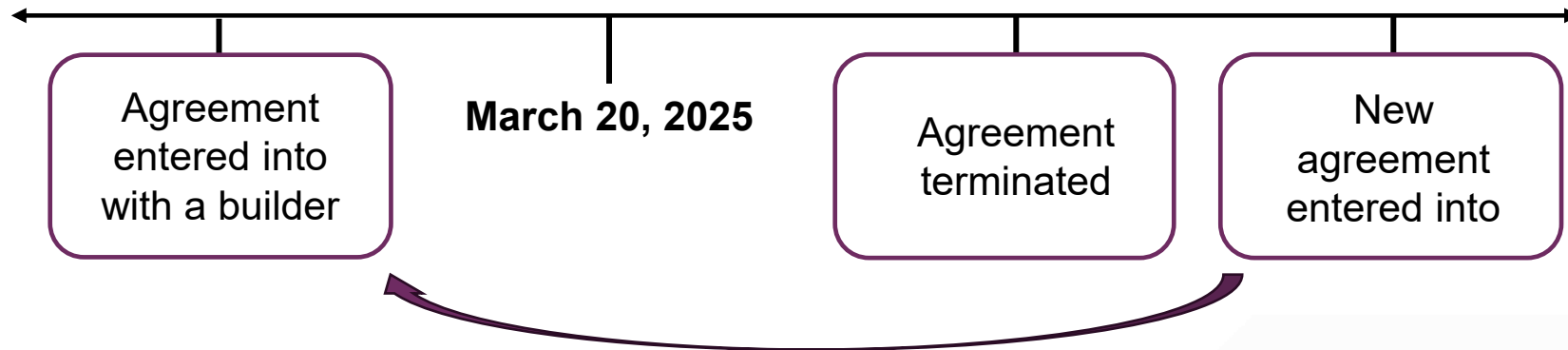


Example

For assignment sales, to be eligible for the FTHB GST/HST rebate, **both** of the following agreements must be entered into on or after March 20, 2025, and before 2031:

- Agreement of purchase and sale between the assignor and the builder
- Assignment agreement between the assignor and the assignee

New agreement



The agreement is deemed to be entered into before March 20, 2025
if it was not entered into primarily for bona fide purposes other than obtaining a FTTHB GST/HST rebate

Examples

- | | |
|--|---|
| 1 An individual, who is not a FTTHB, terminates an agreement that was entered into before March 20, 2025, so that their spouse, who is a FTTHB, can enter new agreement after March 20, 2025 to qualify for the rebate. | New agreement is deemed to be entered into before March 20, 2025. The spouse is not eligible for rebate. |
| 2 An individual's agreement that was entered into before March 20, 2025, is terminated due to insolvency of Builder A. Builder B purchases the property and gives first right of purchase to the individual, who is a FTTHB. The individual enters into a new agreement with Builder B after March 20, 2025. | New agreement date after March 20, 2025 is relevant as it was entered into for bona fide reasons other than to obtain a FTTHB GST/HST rebate. The individual may be eligible for rebate. |

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How to apply



How to apply

Home purchased from a builder

Application form

Use Form GST190, GST/HST New Housing Rebate Application for Houses Purchased from a Builder, which is available on **Canada.ca**. Both the purchaser and the builder must sign the form.

Options for filing

Option 1: The builder pays or credits the rebate to the individual, reports it on their GST/HST return and submits the form to the CRA using **My Business Account** or **GST/HST NETFILE**.

Option 2: The individual applies for the rebate directly with the CRA using My Account or by mail.

Deadline for filing

Generally, individuals have **two years** from the day ownership is transferred to claim the rebate. The builder can pay or credit the rebate within this two-year period.

Owner-built home

Application form

Use Form GST191, GST/HST New Housing Rebate Application for Owner-built Homes, available on **Canada.ca**

Options for filing

Individual applies directly with the CRA using My Account or by mail

Deadline for filing

Generally, the individual has **two years** from the date construction or substantial renovation is substantially (90%) completed to claim the rebate.

How to apply – Transitional considerations

Ownership/possession transferred before Royal Assent

The builder could not credit the FTHB rebate before Royal Assent but may have credited the new housing rebate. Individuals can apply for the FTHB rebate directly through the CRA.

Effective date changed from March 20, 2025 to May 26, 2025

During the legislative approval process, the effective date was changed from May 27, 2025, to March 20, 2025. Due to this, there are delays in processing rebates applications, if:

- The agreement of purchase and sale was entered into with a builder between these dates;
- Construction began between these dates for an owner-built home.

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Frequently asked questions

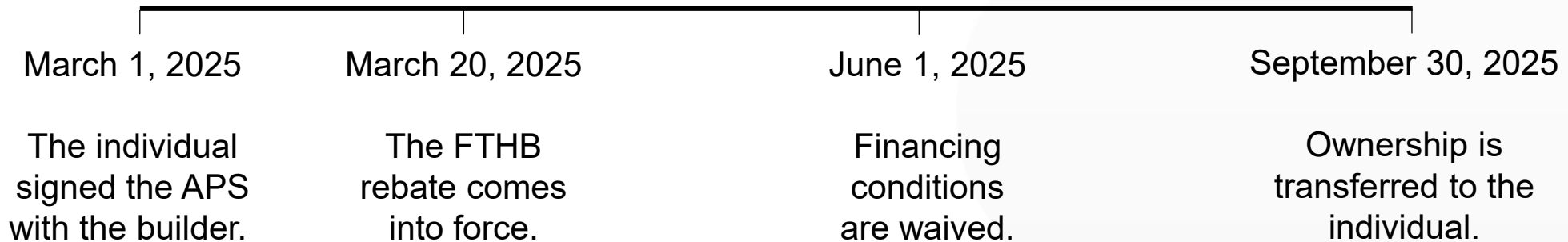


Date of agreement if there are conditions

The relevant date for determining eligibility is **the date that the agreement of purchase and sale (APS) is entered into** and is not a later date when conditions may be waived.

Note: In Quebec, the relevant date is the date of the initial APS and not the date of the agreement that is signed at closing with the notary.

Example



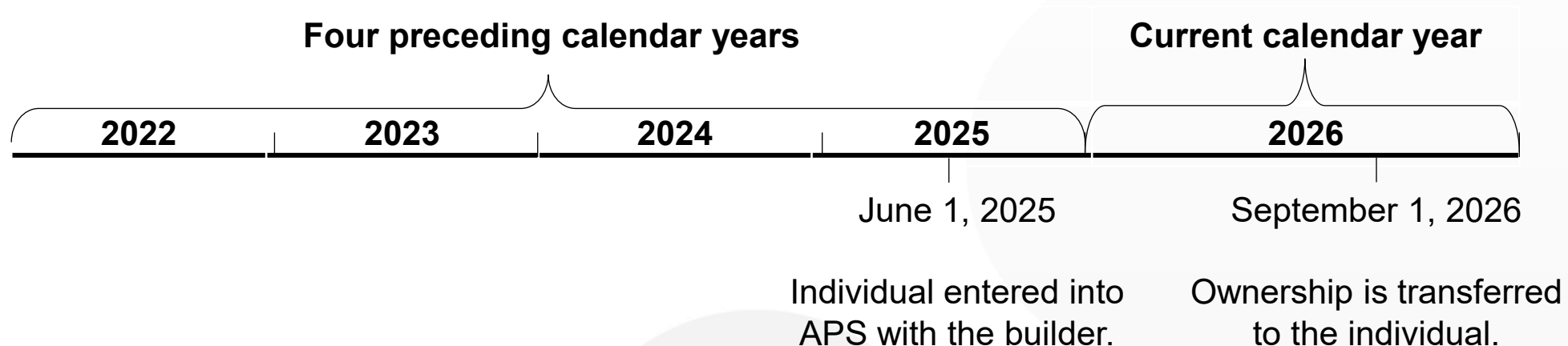
The individual entered into the APS on March 1, 2025, when they signed it with the builder. Therefore, the individual is not eligible for the FTHB rebate.

Determining the four preceding calendar years for the FTHB definition

To be a first-time home buyer, the individual must not have lived in a home that they or their spouse or common-law partner owned as their primary place of residence in **the calendar year** or in the **four preceding calendar years**.

The initial date is based on the **particular time** when the individual must be a first-time home buyer.

Example



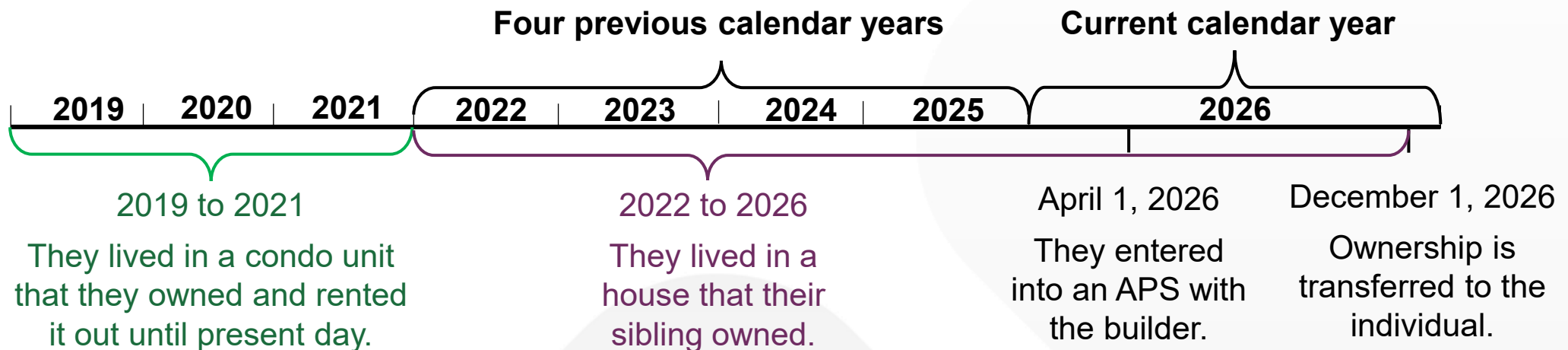
For a home purchased from a builder, the **particular time** is when **ownership is transferred** to the individual. In this example, to be a first-time home buyer, the individual must not have lived in a home that they or their spouse or common-law partner owned in that calendar year (**2026**) or in the four previous calendar years (**2025, 2024, 2023, and 2022**).

FTHB eligibility if an individual owns another home

An individual may be eligible for the FTHB GST/HST rebate, if they individual currently own a rental property or other residential property that they:

- have never lived in, or
- did not live in during the calendar year that includes the particular time or in the four preceding calendar years.

Example



This individual meets the timing conditions for the FTHB definition.

Substantial renovation

The FTHB GST/HST rebate applies to both newly constructed and substantially renovated homes. Generally, 90% or more of the existing home must be removed or replaced to qualify as a substantial renovation. An individual who was living in their home before the substantial renovation began would generally not meet the definition of first-time home buyer.

Examples

January 20, 2026

The individual purchased a pre-owned home

February 1, 2026

Substantial renovation begins

July 15, 2026

Renovations are substantially completed

July 20, 2026

Individual moves into home

The individual must be a first-time home buyer on July 15, 2026, and may be eligible for the FTHB GST/HST rebate where all other conditions for the rebate have been met.

Stated price net of rebate

Where an individual purchases a home from a builder at a stated price, net of tax and rebates, the agreement should identify which rebate(s) are included.

The purchase price, and whether the builder will credit the FTHB GST/HST rebate against the purchase price, are matters to be negotiated and agreed upon by the purchaser and the builder.

Stated price net of rebate – Example

A builder in Alberta offers for sale a newly built home that is move-in ready for \$350,000, **inclusive of 5% GST and net of the GST/HST new housing rebate**. A first-time home buyer makes an offer at the asking price. The buyer and builder agree that the builder will credit the FTHB GST/HST rebate to the buyer and will reduce the purchase price.

1. Calculate the purchase price using the rebate rates included in the stated price net of the rebate from publications available on **Canada.ca**.

$$\begin{array}{ccccccc} \boxed{\text{Stated price}} & = & \boxed{\text{Purchase price}} & + & \boxed{\text{5\% GST}} & - & \boxed{\text{GST/HST NHR}} \\ \boxed{\$350,000} & & \boxed{\$339,147} & & \boxed{\$16,958} & & \boxed{\$6,105} \end{array}$$

2. Use the purchase price from step 1 to calculate the FTHB GST/HST rebate to be deducted to find the new net price of taxes and both rebates.

$$\begin{array}{ccccccc} \boxed{\text{Purchase price}} & + & \boxed{\text{5\% GST}} & - & \boxed{\text{GST/HST NHR}} & - & \boxed{\text{FTHB rebate}} = \boxed{\text{New price}} \\ \boxed{\$339,147} & & \boxed{\$16,958} & & \boxed{\$6,105} & & \boxed{\$10,853} & & \boxed{\$339,147} \end{array}$$

Note: The rebate rates for determining the purchase price vary based on the applicable GST/HST rate and the rebates included in the stated price. We are developing a new GST/HST memorandum to compile information from various publications into one publication.

Resources – Canada.ca

Webpage	First-time home buyers' GST/HST rebate
Guide	RC4028, <i>GST/HST New Housing Rebate</i>
Forms	Homes purchased from a builder: GST190, GST/HST New Housing Rebate Application for Houses Purchased from a Builder (supplementary form) RC7190-WS, GST190 Calculation Worksheet Owner-built homes: GST191, GST/HST New Housing Rebate Application for Owner-Built Homes (supplementary form) GST191-WS, Construction Summary Worksheet
How to apply	CRA My Account (using NETFILE) Online GST/HST NETFILE form
Technical publication	Coming soon: GST/HST Memorandum 19-3-10, First-time Home Buyers' GST/HST Rebate



Questions



Thank you for attending

Still have questions?

General enquiries:

Business Enquiries Line
1-800-959-5525

Technical enquiries:

GST/HST Rulings
1-800-959-8287