

# Land transfer tax changes need to go farther

TORONTO REAL ESTATE BOARD

FIRST POSTED: WEDNESDAY, FEBRUARY 15, 2017 05:15 PM EST | UPDATED: WEDNESDAY, FEBRUARY 15, 2017 05:24 PM EST



Earlier this year, in response to the City of Toronto's Budget Committee announcement that they were considering possible hikes to the Land Transfer Tax, TREB launched a campaign to stop another obstacle to home ownership in Toronto. You responded and that, combined with TREB efforts, resulted in protection for first time home buyers. I'm happy to report that there has been some success in the campaign, with the Mayor's Executive Committee opting to take proposals to hike the Land Transfer Tax for first-time buyers off the table by increasing the first time buyer LTT rebate from \$3,725 to \$4,475. We believe that Mayor Tory understands the importance of keeping Toronto affordable for everyone, especially first-time buyers, and we applaud his leadership in this regard. While taking the proposal to hike Toronto's LTT on first-time buyers off the table was a great first step, we at TREB believe that City Council still needs to go further. Currently, first-time buyers are allowed a rebate of the Land Transfer Tax that is payable on a purchase price of up to \$400,000, which was the average price when the tax was implemented in 2008. The average price in 2016 was over \$700,000, which means that first-time buyers have lost substantial ground on the rebate. The provincial government recently recognized this concern by doubling the provincial Land Transfer Tax rebate. TREB is calling for City Council to make similar adjustments to the City Land Transfer Tax rebate to account for increases in housing prices. In its recent budget, City Council decided to hike the Land Transfer Tax by \$750, or seven per cent, for all repeat buyers. Given that City Hall's take from this tax on the average priced home has increased by 200 per cent since 2008, from \$3,725 to over \$11,000, you'd think they'd be satisfied with how much they've already taken from buyers. The fact that they're still looking for more is a cash grab. To learn more about the recent changes to the LTT, please visit the City of Toronto website <http://bit.ly/1bl10BV>. -- Do you have questions about the GTA real estate market? Talk to a Toronto Real Estate Board Professional Member REALTOR®. For updates on the real estate market, visit [TREBhome.com](http://TREBhome.com). If commercial property is what interests you, contact a TREB Commercial Professional Member REALTOR® by visiting [trebcommercial.com](http://trebcommercial.com).

