

Notice of Change – February 20, 2002

GST/HST Memorandum 19.3.1.1, *Rebate Forms Part of the Value of Consideration*

Bill C-13, which became law on June 14, 2001, introduced an amendment to the definition of “single unit residential complex” as it appeared in sections 254, 254.1 and 256 of the Act. A single unit residential complex may qualify for a new housing rebate under one of these sections, provided the other requirements of the section are satisfied. As a result of the amendment, a bed and breakfast establishment is now treated under these sections as a single unit residential complex if it meets certain conditions.

Consequently, the following change has been made to paragraph 3 of this Memorandum:

Payment towards the purchase	3. The builder and purchaser may agree to treat the amount of the rebate as payment towards the purchase of the unit. (Note that throughout this Memorandum, “unit” is used as a common term for a “residential condominium unit” and a “single unit residential complex” which, for new housing rebate purposes, includes a detached house, a semi-detached house, a duplex, a townhouse, a residential condominium unit, a floating home, a mobile home, or a bed and breakfast establishment.)
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