

Notice of Change – February 20, 2002

GST/HST Memorandum 19.3.2, *Rebate for Builder-Built Unit (Land Leased)*

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 paragraph has been inserted into this Memorandum.

Transitional rules –
bed and breakfast
establishments

2.1 Effective June 1, 1997, the definition of a single unit residential complex in section 254.1 is extended to include a bed and breakfast establishment that meets certain conditions. (See the discussion of “bed and breakfast establishment” in GST/HST Memorandum 19.3, *Real Property Rebates*.) A special transitional rule is provided to address circumstances in which all or part of the normal two-year limitation period for claiming the new housing rebate under section 254.1 has expired. A special rule is also provided in cases where a person had previously filed a rebate claim that was assessed based on the pre-amended definition, since the Act generally does not permit more than one rebate application to be filed with respect to the same matter. The transitional rules provide that a person has until March 31, 2003, to file an original or second application for a rebate in respect of a residential complex newly covered by the extended definition of “single unit residential complex”.