

Toronto Real Estate Group Lawyers

Stikeman Elliott
5300 Commerce Court West
199 Bay Street, Toronto,
Ontario M5L 1B9

Tel: 416-869-5500

James W. Harbell
Real Estate Department Head
jharbell@stikeman.com

Eric M. Carmona
ecarmona@stikeman.com

John R. Dow
jdow@stikeman.com

David Ehrlich
dehrlich@stikeman.com

Andrew Elliott
aelliott@stikeman.com

Cory Estrela
cestrela@stikeman.com

Angelo Giannetta
agiannetta@stikeman.com

Brenda Hebert
bhebert@stikeman.com

Alisha Henrich
ahenrich@stikeman.com

Milton Hess
mhess@stikeman.com

Ruth A.C. Horn
rhorn@stikeman.com

Kirsten Iler
kiler@stikeman.com

Zoe Kalmanson
zkalmanson@stikeman.com

Douglas J. Klaassen
dklaassen@stikeman.com

James Klein
jklein@stikeman.com

Savvas Kotsopoulos
skotsopoulos@stikeman.com

C. Mario Paura
mpaura@stikeman.com

Jessica Penley
jpenley@stikeman.com

Dana S. Porter
dporter@stikeman.com

Corrinne Pruzanski
cpruzanski@stikeman.com

Melissa Schyven
mschyven@stikeman.com

City of Toronto Municipal Land Transfer Tax

The City of Toronto passed By-law 1423-2007 on December 13, 2007, establishing a Municipal Land Transfer Tax (MLTT) on all conveyances of land in the City of Toronto after February 1, 2008, whether registered or not. The MLTT is in addition to the Provincial Land Transfer Tax and must be paid on or before registration or within 30 days following completion of an unregistered conveyance.

The By-law is based on the Provincial *Land Transfer Tax Act* but does include some significant differences. Below is a brief summary of rates and other key provisions.

Rates

RESIDENTIAL

(land containing at least one and not more than two single family residences)

VALUE OF CONSIDERATION:	RATE
\$0 – \$55,000	0.5%
\$55,000.01 – \$400,000	1%
Over \$400,000	2%

ALL OTHER LAND

VALUE OF CONSIDERATION:	RATE
\$0 – \$55,000	0.5%
\$55,000.01 – \$400,000	1%
\$400,000.01 – \$40,000,000	1.5%
Over \$40,000,000	1%

Exemptions

The MLTT will not apply to certain conveyances including conveyances to the City, its divisions and local boards, or to the Crown or a Crown agency, as well as authorities, boards, commissions, organizations, etc. where a majority of the directors, officers or members are Ontario Government appointees. Also exempt are conveyances to school boards, universities and colleges, hospitals and nursing homes.

Rebates And Refunds

PRE 2008 Agreements of Purchase and Sale

Where an Agreement of Purchase and Sale was executed on or before December 31, 2007 any MLTT payable will be rebated.

First Time Purchasers' Rebate

First time purchasers of qualifying new or existing homes are eligible for a rebate of up to \$3,725.

Deferrals

Deferrals of MLTT are available on certain corporate transactions on the same basis as is Provincial Land Transfer Tax.

Additional Information

Further information on the MLTT may be found at the City of Toronto's website: <http://www.toronto.ca/taxes/mltt.htm>