BiLD

As previously shared, the Ontario Enhanced New Housing Rebate (ENHR), together with the existing Ontario New Housing Rebate, provides relief on the eight per cent provincial portion of HST as follows:

- Homes valued up to $1 million: 100 per cent of the provincial HST, up to $80,000.
- Homes valued above $1 million and up to $1.5 million: a flat rebate of $80,000.
- Homes valued above $1.5 million and below $1.85 million: a reduced rebate that declines as the value approaches $1.85 million.
- Homes valued at $1.85 million or more: the enhanced rebate is unavailable, but the existing Ontario New Housing Rebate of up to $24,000 remains available.

The Ontario New Homeowner Assistance Program (ONHAP) provides additional relief for the federal five per cent GST portion after applicable federal rebates are taken into account:

- Up to $50,000 for homes valued up to $1 million.
- A maximum of $50,000 for homes valued above $1 million and up to $1.5 million.
- A declining payment for homes valued above $1.5 million and below $1.85 million.
- No ONHAP is available for homes valued at $1.85 million or more.

Ontario will reduce ONHAP by any regular or first-time home buyer federal GST rebate for which the purchaser qualifies to avoid reimbursing the same tax twice.

Eligibility for Homes Purchased from a Builder

For purchases of a home and land from a builder, purchasers must generally meet the following requirements:

- The home is newly built or substantially renovated and is a single-unit residential complex or residential condominium unit.
- The purchaser or a relative will use the home as a primary residence (not as a rental property).
- The purchaser or a relation is the first individual to occupy the home after construction or substantial renovation is substantially completed.
- The agreement of purchase and sale is entered into between April 1, 2026, and March 31, 2027.
- Construction or substantial renovation begins on or before December 31, 2028, and is substantially completed on or before December 31, 2031.
- The total consideration, excluding HST, is less than $1.85 million.

Modified rules apply to homes on leased land and co-operative housing. Owner-built homes must generally have construction or substantial renovation begin between April 1, 2026, and March 31, 2027, be substantially completed by December 31, 2029, and have a fair market value below $1.85 million when completed.

Full eligibility details are available here: Who can apply for the Ontario ENHR.

Assignment Sales and Agreement Changes

For an assignment sale to qualify, both the original agreement and the assignment agreement must generally be entered into between April 1, 2026, and March 31, 2027.
Amending an agreement signed before April 1, 2026, generally does not make the transaction eligible. If an earlier agreement is terminated and replaced, the new agreement must be entered into for bona fide reasons other than obtaining the enhanced rebate.

Builder Payment or Credit of Rebates

Builders may pay or credit the Ontario ENHR and ONHAP to eligible purchasers. Where a builder provides the relief:

1. The builder and purchaser complete and sign the required forms.
2. The builder pays the amount to the purchaser or credits it against the purchase price or closing amount.
3. The builder reports the HST collected and claims the CRA-administered rebates on its GST/HST return.
4. The builder submits the completed forms and supporting documents to the CRA with the applicable GST/HST return.
5. The ONHAP amount cannot be deducted on the builder's GST/HST return and will be paid separately by Ontario after CRA assessment and transfer of information.

Builders that credit ONHAP at closing will carry that amount until Ontario issues payment. Electronic filing is not currently available, although CRA guidance indicates it is expected to become available in the fall.

If a builder does not provide the rebates, the purchaser must apply directly. Purchasers generally have up to two years from the transfer of ownership or possession to apply. Co-operative housing corporations cannot pay or credit the rebate, so co-op purchasers must apply directly.

Detailed instructions are available here: [Applying for the rebate: home purchased from a builder].

Transactions Closed Before Forms Were Available

The federal regulations implementing the Ontario ENHR were made on June 12, 2026, and updated application forms became available in mid-July. Where HST became payable before June 12, the builder cannot retroactively pay or credit the Ontario ENHR, and the purchaser must apply directly to CRA.

For eligible transactions where HST became payable on or after June 12 but closing occurred before the forms were released, the builder and purchaser may complete the forms together if the builder agrees to provide the rebate. Otherwise, the purchaser may apply directly.

Required Forms

For homes purchased from a builder:

- [GST190: GST/HST New Housing Rebate Application for Houses Purchased from a Builder]

- RC7190-ON: GST190 Ontario Rebate Schedule

For owner-built or substantially renovated homes:

- GST191: GST/HST New Housing Rebate Application for Owner-Built Houses
- GST191-WS: Construction Summary Worksheet
- RC7191-ON: GST191 Ontario Rebate Schedule

The forms include a consent section allowing CRA to share required information with Ontario. If this consent is completed, a separate ONHAP application is not required. Please refer to the CRA and Ontario guidance documents for complete details.