

PRESENTATION SHEET:

LAND TRANSFER TAX HOLIDAY

INTRODUCTION

- [MPP NAME], we would like to discuss the implementation of a six-month Land Transfer Tax (LTT) Holiday on the first \$600,000 of a home purchase price, which is roughly the average home sale price in Ontario in 2019.

ISSUE

- Due to pent up demand as a result of the pandemic, the housing market in many parts of the Province has been very active over the last five-months. One thing has become clear - there is a shortage of affordable homes on the market.
- Ontario is at risk of a housing affordability crisis, where fewer homes are sold and those sold are more expensive. We need to increase housing supply quickly.
- Housing can be the engine that pulls Ontario's economy on the track to recovery.
- Ontario needs to tackle housing affordability by encouraging increase housing supply quickly in a way that is also going to generate economic activity.

ACTION NEEDED

- [MPP NAME], we would like this issue to be considered to get more housing supply into the market fast and drive economic activity the Province should bring forward a Land Transfer Tax holiday as part of either the Fall Budget in November or the Spring 2021 Budget.

REALTOR® PROPOSAL

- Implementing a six-month LTT Holiday for homes under \$600,000 will increase housing by encouraging more home owners to list their homes.
- The LTT Holiday would save the average home buyer \$8,500 on the average prices home in Ontario (\$600,000).
- Creating an LTT holiday will give home sellers who were thinking of selling in the next one to two years a huge incentive to put their property on the market now.
- Our research shows that anywhere from 10 to 15% of home owners are actively thinking about selling their homes in a two year time frame.

- Our proposal mirrors closely with what the United Kingdom has done. To inject more supply into the market the UK Parliament eliminated their version of the LTT on property values up to \$860,000 until March 2021.
- Our research shows that a LTT Holiday will **create 31,000 jobs**, generate **\$5.2 billion in economic activity**, and **pump 32,000 more homes into the market** as new supply.
- Every home purchase in Ontario generates at least \$73,250 in additional spending and every 1,000 home sales results in a \$30 million increase in GDP.

THE ASK:

WILL YOU PLEASE WRITE A LETTER TO THE MINISTER OF FINANCE IN SUPPORT OF A LAND TRANSFER TAX HOLIDAY?

PLEASE TAKE DETAILED NOTES AND SUBMIT THE MPP VISIT REPORT FORM TO MIKE MCNEICE AT MIKEM@OREA.COM.

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