

Multigenerational Home Renovation Tax Credit**Protected B**
when completed

Complete this schedule if you are eligible to claim the multigenerational home renovation tax credit (MHRTC) on line 45355 of your return. For more information, go to canada.ca/cra-mhrtc.

Attach a copy of this schedule to your paper return. Do **not** include your supporting documents, but keep them in case you are asked to provide them later.

Who can claim the multigenerational home renovation tax credit (MHRTC)

You can claim this credit if you are an **eligible individual** who incurred **qualifying expenditures** on a **qualifying renovation** to create a secondary unit within an **eligible dwelling** that allows a **qualifying individual** to reside with a **qualifying relation**.

An **eligible individual** is either of the following:

- an individual who ordinarily resides, or intends to ordinarily reside, in an **eligible dwelling** within 12 months of the end of the **renovation period**, and is **any** of the following:
 - a **qualifying individual** or their cohabiting spouse or common-law partner at any time in the **renovation period tax year**
 - a **qualifying relation** of a qualifying individual
- an individual who is a qualifying relation of a qualifying individual, who owns the eligible dwelling or is the beneficiary of a trust that owns the eligible dwelling

See the the next page for definitions of the terms in bold above.

Notes: You must be a resident of Canada throughout the tax year to claim this credit.

Only one qualifying renovation can be claimed for a qualifying individual in their lifetime.

When **more than one** eligible individual makes an MHRTC claim for the same qualifying renovation, the total of all amounts claimed for that renovation must not be more than \$50,000. If the individuals **cannot** agree on what portion of the amounts each can claim, the Minister of National Revenue may decide the portions.

The maximum of \$50,000 for qualifying expenditures applies to the same qualifying renovation, even if the secondary unit is expected to be the residence of more than one qualifying individual.

For more information, including examples of who can claim this credit, go to canada.ca/cra-mhrtc.

How much you can claim

An eligible individual can claim up to \$50,000 in qualifying expenditures for a qualifying renovation ending in the tax year.

The MHRTC is 15% of **whichever amount is less**:

- \$50,000
- your total qualifying expenditures

The maximum credit available for the MHRTC is \$7,500.

Notes: Expenses that may be included in an MHRTC claim must be reduced by any expenses that can reasonably be considered to have been reimbursed. This includes any form of assistance that you received, or are entitled to receive, including any related rebates, such as those for GST/HST.

Expenses claimed for the medical expense tax credit or the home accessibility tax credit **cannot** be claimed for the MHRTC.

Eligible dwelling

A housing unit in Canada that:

- both the qualifying individual and a qualifying relation of the individual ordinarily reside in, or intend to ordinarily reside in, within 12 months of the end of the renovation period
- is owned (or jointly owned) by the qualifying individual or a qualifying relation of that individual (or a trust if the qualifying individual or qualifying relation is a beneficiary of the trust) at any time during the renovation period tax year

The amount of land that can be considered part of the eligible dwelling is generally limited to half of a hectare (1.24 acres).

Qualifying expenditure

An expense that is:

- a reasonable expense that was directly attributable to a qualifying renovation of an eligible dwelling
- paid or incurred before the end of the renovation period by an eligible individual (or a trust that the eligible individual is a beneficiary)

Note: The expense must have been paid and incurred after December 31, 2022.

For examples of qualifying expenditures that qualify and do **not** qualify, go to canada.ca/cra-mhrtc.

Qualifying individual

Someone who, before the end of the renovation period tax year, is one of the following:

- 65 years of age or older
- 18 years of age or older who is eligible for the disability tax credit

Qualifying relation

Someone who is :

- 18 years of age or older before the end of the renovation period tax year
- a parent, grandparent, child, grandchild, brother, sister, aunt, uncle, niece or nephew of either the qualifying individual or their cohabiting spouse or common-law partner, at any time in the renovation period tax year

Qualifying renovation

A renovation or an alteration of, or addition to, the qualifying individual's eligible dwelling that:

- allows the qualifying individual to reside in the dwelling with a qualifying relation by establishing a secondary unit within the dwelling
- is of an enduring nature and integral to the eligible dwelling

Renovation period

A period of time that:

- begins at the time that the first qualifying expenditure is made or incurred for a qualifying renovation (for example, when you apply for a building permit)
- ends at the time of the completion of the qualifying renovation (for example, when the qualifying renovation passes the final inspection or proof of project completion is received)

Renovation period tax year

The tax year that includes the end of the renovation period of the qualifying renovation. For example, if the renovation period ends on May 3, 2024, the renovation period tax year is 2024 even if the renovation began in 2023.

Secondary unit

A self-contained housing unit that:

- has a private entrance, kitchen, bathroom facilities and sleeping area
- meets applicable local requirements to qualify as a secondary dwelling unit, if any

The secondary unit can be newly constructed or created from an existing living space.

