

## How the Home Renovation Tax Credit works for you

Many Canadians may have heard about the recent Home Renovation Tax Credit (HRTC) proposed by the federal government earlier this year. The temporary tax credit enables homeowners to claim a 15 per cent non-refundable tax credit up to a maximum of \$1,350 on eligible expenses when renovating the home. But homeowners may be asking themselves, “What does this mean to me?”



Insulation Expert Michael Macey at Owens Corning says there can be great return on investment when you renovate your home and take advantage of the government incentives. Here’s an example from Macey that uses the Home Renovation Tax Credit to show how it can help add to the potential savings that come with an attic insulation upgrade and help your overall savings grow.

### Example – Re-insulate your attic and help save money

John wants to upgrade his attic insulation up to the recommended insulating standard of R-50. To do this, he requires at least 15 inches of PINK FIBERGLAS batt insulation along his 1,200 square foot attic floor. To top-up on the insulation he already has in place, he spends \$1,000 on insulation and another \$2,500 to hire an installation contractor. The total cost for the attic project is \$3,500.

John claims his attic renovation expenses on his 2009 tax return. After taking into account the \$1,000 minimum threshold for the HRTC, a 15 per cent tax credit is available on the remaining \$2,500, resulting in a total of \$375 in potential tax relief<sup>†</sup>.

In addition to the \$375 saved, John may also qualify for an ecoENERGY government grant. Because he insulated his attic to a value of R-50, he may qualify for up to \$600 in a retrofit grant – a possible savings of \$975 combined with the tax credit!

The best part of the savings can come from the re-insulation project itself. An attic insulated to R-50 helps save a half ton\*\* of greenhouse gas emissions every year and can help reduce heating and cooling costs\*. It’s a great way to help save the environment and put some money back in homeowners’ pockets.

This is only one of many examples of how families can make the most of government grants and incentives. More information on the ecoENERGY program can be accessed on the Natural Resources Canada website [www.oeo.nrcan.gc.ca](http://www.oeo.nrcan.gc.ca). And for further information on the HRTC, visit [www.insulationtaxcredit.ca](http://www.insulationtaxcredit.ca) and [www.budget.gc.ca](http://www.budget.gc.ca).

Don’t wait to renovate! The HRTC is applicable to eligible home renovation expenses incurred before February 1, 2010 – so get going on your attic re-insulation project today.

<sup>†</sup> All taxation factors must be taken into account to determine if a tax credit is warranted

\* Savings vary depending on the original amount of insulation in your home, climate, house size, air leaks, and personal energy use and living habits.

\*\* Based on an average attic size of 1700 SF with existing R19 insulation, averaged over seven cities in Canada  
The colour PINK is a registered trademark of Owens Corning © 2009 Owens Corning. All Rights Reserved.