

Home renovation tax credit can help save on contractor costs

If you've ever been interested in renovating your home, but have been hesitant to hire a contractor because of costs, the government now offers a solution to help save Canadians money in this area. Under the Home Renovation Tax Credit (HRTC) stimulus proposed in the 2009 federal budget, contractors hired to perform home renovations are eligible expenses covered under the tax credit.



The HRTC is designed to encourage Canadians to renovate their homes and alleviate some of the financial woes that sometimes come with territory. It can help homeowners save up to 15 per cent on eligible expenses, up to a maximum of \$1,350, assisting both families and the Canadian economy as it tries to rebound.

But savings on home renovations through the tax credit may only be part of a greater financial picture. Consider an attic insulation upgrade, for example.

“Re-insulating the attic is one renovation project homeowners should consider because it can help improve a home’s energy efficiency and comfort for families, while helping to reduce monthly heating and cooling costs*,” says Cheryl West, Insulation Expert at Owens Corning. “Hiring an insulation contractor for the project can help ease worries by getting the job done right by a professional.”

In addition to installing insulation, a contractor can measure the amount of insulation already in place on the attic floor and determine how much more is needed to meet the recommended insulating standard of R-50. Homeowners can help achieve this by asking the contractor to insulate their attic with up to 15 inches of PINK FIBERGLAS Batt Insulation or 18 3/4 inches of PROPINK Blown Insulation. Not only can this help reduce energy consumption, but it can help save a half ton** of greenhouse gas emissions every year, year after year.

If hiring a professional is right for your home renovation project, make sure that the contractor demonstrates proven experience, provides a written estimate and assures you worry-free service. It may be worth the time to call a few references to assess their reputation. Also, protect any accidental damage to your home by confirming that they have adequate insurance coverage. Ask them to explain their workmanship to you as well as any manufacturer warranties.

The HRTC is a great incentive for homeowners to renovate their homes, but don't forget about the government grants also available as part of the ecoENERGY Retrofit Program. Natural Resources Canada offers savings of up to \$600 in retrofit rebates to homeowners who qualify based on their home upgrades. Visit www.oeenrcan.gc.ca for more information on how you can qualify for a government retrofit rebate, and for details about the new Home Renovation Tax Credit and how to insulate your attic, visit www.budget.gc.ca and www.insulationtaxcredit.ca.

* 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.