

## HST Tax Credits and Rebates

As part of government's commitment to making life more affordable for Nova Scotia families, the province is introducing three new tax credits starting July 1, 2010.

### Affordable Living Tax Credit

The Affordable Living Tax Credit is aimed at individuals and families with low and modest income, to help offset the impact of the HST rate increase. Beginning July 1, 2010, qualifying Nova Scotia households will receive a tax credit payment every quarter, along with the federal GST credit. To be eligible for this tax credit you must file your income tax return each year.

### Point-of-Sale Rebate

The point-of-sale rebate eliminates the provincial portion of the HST on certain essential items. The following items will be rebated at the time of purchase:

<b>New Rebates as of July 1, 2010</b>	<b>What is included</b>	<b>What is excluded</b>
Children's clothing	Clothing designed for boys and girls up to Canada Standards size 20 and 16 respectively	Costumes, sports equipment
Children's footwear	Footwear for boys and girls up to size 6	Sports footwear (skates, cleats, specialty boots and diving flippers)
Diapers	Disposable and cloth diapers, liners and training pants.	Adult-sized diapers purchased for children, diapers provided by a diaper service.
Feminine hygiene products	Tampons, sanitary napkins, menstrual cups.	Douches, sprays, deodorants and feminine wipes.
<b>Existing Rebate</b>	<b>What is included</b>	<b>What is excluded</b>
Books	Nova Scotia has had a point of sale rebate of the provincial portion of the HST on books since 1997.  This rebate will continue.	Magazines, newspapers.

### Poverty Reduction Credit

The Poverty Reduction Credit will help make life better for those Nova Scotians living in poverty. As of July 1, 2010, the Poverty Reduction Credit will provide quarterly tax-free payments to help about 15,000 low income Nova Scotians, many of whom have a disability. To qualify, applicants must be 19 years of age with no dependents, receiving

Social Assistance through the Income Assistance program as their main source of income, with a total annual income of \$12,000 or less for the previous tax year.

## **Rebates Currently in Place**

### **Books**

The provincial portion of the HST is rebated at the time of purchase for all books. This rebate will continue, and will automatically adjust to 10 per cent when the HST rate changes on July 1, 2010.

### **Your Energy Rebate**

Equal to the provincial portion of the HST, the Your Energy Rebate is designed to help Nova Scotians with the high cost of home energy. The rebate applies to all sources of residential use energy including home heating fuel, natural gas, propane, firewood, wood pellets, coal, kerosene and electricity. The rebate began in 2006, and will automatically adjust to 10 per cent when the HST rate changes on July 1, 2010. This rebate is administered by Service Nova Scotia and Municipal Relations.

### **First Time Home Buyers Rebate**

This is a provincial rebate for first time home buyers, of 18.75 per cent of the provincial portion of the HST, to a maximum of \$1,500. The rebate is for first-time home buyers of a newly constructed home. The First Time Home Buyers Rebate is administered by Service Nova Scotia and Municipal Relations.

### **Heritage Property Rebate**

Equal to the provincial portion of the HST, the Heritage Property rebate applies to the purchase of building materials to be used for the repair, improvement or restoration of the exterior of a heritage property. The rebate will automatically adjust to 10 per cent when the HST rate changes on July 1, 2010. This rebate is administered by Service Nova Scotia and Municipal Relations.

### **Purchase of a computer for physically, visually or hearing impaired or mentally impaired**

A rebate equal to the provincial portion of the HST is available for the purchase of a computer for physically, visually or hearing impaired, or mentally challenged people. The maximum rebate will increase from \$300 to \$375 on July 1, 2010. This rebate is administered by Service Nova Scotia and Municipal Relations.

### **Purchase of a vehicle for physiologically impaired**

A rebate equal to the provincial portion of the Nova Scotia Sales Tax is available for the purchase of a vehicle for physiologically challenged people. The maximum rebate will increase from \$3,000 to \$3,750 on July 1, 2010. This rebate is administered by Service Nova Scotia and Municipal Relations.

### **Fire Fighting Equipment for Municipalities rebate**

This is a rebate for the purchase of a vehicle or heavy equipment used to fight fires by a municipality. The maximum rebate will increase from \$6,343 to \$7,929. This is based on rebating 42.86% of the provincial portion of the HST on a maximum purchase price of \$185,000. The province already rebates 57.14 per cent of the provincial portion of the HST, so this additional rebate effectively provides a 100 per cent rebate for fire fighting equipment on a maximum purchase price of \$185,000. This rebate is administered by Service Nova Scotia and Municipal Relations.

**Fire Fighting Equipment for Volunteer Fire Departments rebate**

This is a rebate for the purchase of a vehicle or heavy equipment used to fight fires by a volunteer fire department. The maximum rebate will increase from \$7,400 to \$9,250. This is based on rebating 50 per cent of the provincial portion of the HST on a maximum purchase price of \$185,000. The province already rebates 50 per cent of the provincial portion of the HST, so this additional rebate effectively provides a 100 per cent rebate for fire fighting equipment on a maximum purchase price of \$185,000. This rebate is administered by Service Nova Scotia and Municipal Relations.