

# Tax Credit for the Restoration of a Secondary Residence 2018

Complete this form to claim the tax credit for the restoration of a secondary residence on line 462 of your 2018 income tax return.

You could be entitled to this refundable tax credit for 2018 if you or your spouse paid qualified repair expenditures to restore a **secondary residence** that was damaged by the severe flooding that hit a number of Québec municipalities from April 5 to May 16, 2017.

You must take into account only the **expenditures paid in 2018**.

If you co-own the dwelling, you can split the tax credit with the other co-owners. Each co-owner must file a separate copy of this form.

If your dwelling is a condominium and the expenditures were paid by the syndicate of co-owners, you must, before completing this form, obtain

a duly completed and signed copy of form TP-1029.RE-D-V, *Information Return: Tax Credit for the Restoration of a Secondary Residence*, from the syndicate of co-owners.

You must enclose form TP-1029.RE-V with your 2018 income tax return. Do not enclose supporting documents (for example, a certificate from the municipality or an expert's damage assessment report) or form TP-1029.RE-D-V. However, you must keep them in case we ask for them.

**Be sure to read the information on pages 5 and 6 before completing this form.**

## Important

You can choose not to complete this form if you meet **all** of the following conditions:

- In 2018, you received one or more advance payments of the tax credit for the restoration of a secondary residence.
- You applied for advance payment of the tax credit for your total qualified expenditures for the year.

If you choose not to complete this form, carry the amount from box H of your RL-19 slip to lines 441 and 462 of your income tax return.

## 1 Information about you (the applicant)

Last name  1 First name  2

Social insurance number  3 Date of birth  4  
Y Y Y Y M M D D

Address of your principal residence

Apartment number  11 Street number  Street name or P.O. box

City, town or municipality  12 Province  Q C Postal code  13

## 2 Information about your spouse (if applicable)

Last name  16 First name  17

Social insurance number  18 Date of birth  19  
Y Y Y Y M M D D

## 3 Information about the dwelling covered by the application

### Important

If your dwelling (secondary residence) qualifies as a **principal residence** for the Programme d'aide financière spécifique relatif aux inondations survenues du 5 avril au 16 mai 2017 dans des municipalités du Québec (special financial assistance program for the flooding that occurred between April 5 and May 16, 2017 in Québec's municipalities), **you are not entitled** to the tax credit. In this case, do not complete this form.



### 3.1 Address of the dwelling

25	Apartment number	Street number	Street name or P.O. box	
26	City, town or municipality			Province <b>Q C</b>
				Postal code 27
28	Roll number ( <i>numéro matricule</i> ) from the municipal assessment roll			

### 3.2 Co-owners (if applicable)

If you need more space, attach another sheet with the required information.

1	30	Last name	31	First name	1
	32	Social insurance number	33	Date of birth Y Y Y Y M M D D	
2	30	Last name	31	First name	2
	32	Social insurance number	33	Date of birth Y Y Y Y M M D D	

### 3.3 Description of the flood damage

34 Specify: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 4 Expenditures that qualify for the tax credit

Enter the information about the repair work in section 4.1. See "Qualified expenditures" on page 6.

If the work was done on a condominium building, see "Condominium" on page 6 before completing parts 4 and 5.

### 4.1 Contractor(s) who did the work

Enter the required information about each contractor who did repair work.

On line 71, enter the amount paid in 2018 in respect of the components mentioned under codes **1 through 13** in Table 1. On line 72, enter the amount paid in 2018 in respect of the components mentioned under codes **14 through 16** in Table 1. On line 73, enter the code(s) corresponding to the type of work done. The codes are listed in Table 1 on page 7.

If you need more space, attach another sheet with the required information.

1	65	Name				1	
	66	Québec enterprise number (NEQ)	67	QST registration number	67.1		Social insurance number <sup>1</sup>
	68	Licence number <sup>2</sup>	69	Date of the contract Y Y Y Y M M D D	70		Eligible amount (including taxes) <sup>3</sup>
	72	Amount paid in 2018 (codes 14 – 16)	73	Code	71		Amount paid in 2018 (codes 1 – 13)

1. If you did not complete field 66 or 67, enter the contractor's social insurance number.
2. Enter, as applicable, the number of the licence issued by the Régie du bâtiment du Québec, the Corporation des maîtres électriciens du Québec or the Corporation des maîtres mécaniciens en tuyauterie du Québec.
3. For work covered by codes **14 through 16** in Table 1, the amount on lines 70 **cannot exceed \$5,000** for the dwelling for 2017 and 2018. If the dwelling is in a condominium building, the amount on lines 70 in respect of codes 14 through 16 in Table 1 cannot exceed \$5,000 for the **building**.



Name			
65			
Québec enterprise number (NEQ)		QST registration number	Social insurance number
66	67	T Q	67.1
Licence number		Date of the contract	Eligible amount (including taxes)
68		69	70
		Y Y Y Y M M D D	
Amount paid in 2018 (codes 14 – 16)		Code	
72	73		

Name			
65			
Québec enterprise number (NEQ)		QST registration number	Social insurance number
66	67	T Q	67.1
Licence number		Date of the contract	Eligible amount (including taxes)
68		69	70
		Y Y Y Y M M D D	
Amount paid in 2018 (codes 14 – 16)		Code	
72	73		

Name			
65			
Québec enterprise number (NEQ)		QST registration number	Social insurance number
66	67	T Q	67.1
Licence number		Date of the contract	Eligible amount (including taxes)
68		69	70
		Y Y Y Y M M D D	
Amount paid in 2018 (codes 14 – 16)		Code	
72	73		

Name			
65			
Québec enterprise number (NEQ)		QST registration number	Social insurance number
66	67	T Q	67.1
Licence number		Date of the contract	Eligible amount (including taxes)
68		69	70
		Y Y Y Y M M D D	
Amount paid in 2018 (codes 14 – 16)		Code	
72	73		

### 4.2 Damage assessment expert

Enter the required information about the damage assessment expert.

On line 86, enter the cost of the services provided by the damage assessment expert. On line 87, enter the amount paid in 2018 in respect of the amount on line 86.

If you need more space, attach another sheet with the required information.

Last name		First name	
80	81		
Telephone		Extension	
82			
Apartment number	Street number	Street name or P.O. box	
83			
City, town or municipality			Province
84			Q C
Eligible amount (including taxes)		Amount paid in 2018	
86	87		



### 4.3 Cost of permits

Enter, if applicable, the amount of qualified expenditures related to the cost of any permits required for the repair work, including any studies to obtain the permits.

Do not include this amount on lines 70. ....

90	
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Enter the amount paid in 2018 in respect of the amount on line 90. ....

91	
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### 5 Reimbursement or other assistance

Enter the amount of any government or other assistance, reimbursement or other assistance (including an indemnity paid under an insurance contract) received or receivable in respect of the **repair work** or **expert damage assessment services**.

95	
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Do not include an amount of assistance already entered on line 103 of form TP-1029.RE.VA-V for 2017 or on line 204 of form TP-1029.RE-V for 2017.

### 6 Tax credit for the restoration of a secondary residence

Total of lines 71, 87 and 91

Total of lines 72

Add lines 201 and 202.

Amount from line 95

**Important:** The amount entered on this line must not exceed the amount on line 203.

Subtract line 204 from line 203.

**Qualified expenditure**

Multiply line 205 by 30%.

Maximum amount per eligible dwelling

Amount claimed for eligible **repair** expenditures on line 462 of your **2017** income tax return for the eligible dwelling<sup>4</sup>

Amount claimed for eligible **repair** expenditures by the other co-owner(s) of the eligible dwelling on line 462 of their **2017** return<sup>5</sup>

Add lines 216 and 217.

Subtract line 218 from line 215.

Enter the amount on line 207 or line 219, **whichever is less**.

Amount claimed for eligible **repair** expenditures by the other co-owner(s) of the eligible dwelling on line 462 of their **2018** return

Subtract line 221 from line 220. Enter the result on line 462 of your return.

**Tax credit for the restoration of a secondary residence**

201	
+	202
=	203
-	204
=	205
×	30%
=	207
215	1 5 0 0 0 0 0
+	216
+	217
=	218
-	219
220	
-	221
=	222

4. This amount may be shown on line 209 of form TP-1029.RE-V for 2017 or your notice of advance payment for 2017.  
 5. This amount may be shown on line 208 of form TP-1029.RE-V for 2017 or your notice of advance payment for 2017.



## Applicant

To be entitled to the tax credit for the restoration of a secondary residence, you must **meet the following conditions**:

- You were resident in Québec on December 31, 2018, or, if you ceased to be resident in Canada in 2018, you were resident in Québec the day you ceased to be resident in Canada.
- You owned or co-owned the eligible dwelling at the time of the flooding and when the expenses were incurred.
- You obtained from the **municipality** where the eligible dwelling is located a **certificate** confirming that the land adjacent to the eligible dwelling was hit by flooding that occurred in a territory covered by the Programme d'aide financière spécifique relatif aux inondations survenues du 5 avril au 16 mai 2017 (special financial assistance program for the flooding from April 5 to May 16, 2017) (the Program).
- If your application concerns **qualified repair expenditures**, you have an **expert's damage assessment report** describing the damage caused to the dwelling.
- You are claiming the tax credit for qualified expenditures **paid in 2018**.

### Note

If you are completing the form for a person who died in 2018, the person must have been resident in Québec on the date of his or her death.

## Calculating the tax credit

For 2018, the tax credit corresponds to 30% of the qualified **repair** expenditures paid in 2018 to have recognized repair work done. The maximum credit for repair work for 2017 and 2018 is **\$15,000**. The expenditures must be paid by December 31, 2018.

### Note

The tax credit has two components: the repair component (for 2017 and 2018) and the post-disaster clean-up and preservation component (for 2017 only). If you paid post-disaster clean-up and preservation expenditures in 2017, you can claim the tax credit under this component for 2017, subject to certain conditions. For more information, see form TP-1029.RE-V for 2017.

## Eligible dwelling

To be eligible, the dwelling must meet the following conditions:

- It was damaged by flooding in a region covered by the Program but **does not** qualify as a principal residence under the Program.
- It is suitable for year-round occupancy and was normally occupied by you at the time of the flooding and when the expenses were incurred.<sup>6</sup>
- It was not the subject, before the recognized work began, of a notice of expropriation, a notice of intention to expropriate, a reserve for public purposes, a prior notice of the exercise of a hypothecary right registered in the registry office or any other procedure calling your right of ownership into question.

## Contract

The work must have been carried out under a contract between a contractor and:<sup>7</sup>

- you;
- your spouse on the date the contract was signed; or
- any other person who was a co-owner (or the spouse of a co-owner) on the date the contract was signed.

### Important

If your application concerns **both** recognized post-disaster clean-up and preservation work and repair work, or if **not all** the work is recognized work, the contractor must give you a written statement showing the breakdown of the cost of goods and services supplied by the contractor for the different types of work carried out.

## Contractor

The contractor who did the work:

- must not have been the owner or co-owner of the dwelling, nor the spouse of the owner or any of the co-owners of the dwelling on the date the contract was signed;
- must have had an establishment in Québec on the date the contract was signed; and
- must have held, when the work was done and **if the work so required**, an appropriate licence issued by, as applicable, the Régie du bâtiment du Québec, the Corporation des maîtres électriciens du Québec or the Corporation des maîtres mécaniciens en tuyauterie du Québec, and must have also obtained licence security, if applicable.

## Recognized repair work<sup>8</sup>

To be recognized, repair work must:

- concern the components listed in **Table 1** on page 7; and
- concern damage that a **damage assessment expert** has attributed to flooding in a region covered by the Program.

### Note

- **Replacing** a component mentioned in Table 1 that **cannot be repaired** also constitutes repair work.
- If the dwelling was damaged to such an extent that it is preferable to rebuild it, any work to rebuild the dwelling that is attributable to the components listed in Table 1 is considered to have been done to repair the damage to the dwelling.

## Qualified expenditures

To qualify for the tax credit, the expenditures must have been paid by:

- you (or your legal representative);
- your spouse when the expenditures were paid;
- any other person who was a co-owner of the dwelling when the expenditures were paid.

6. If the dwelling became uninhabitable because of the damage it sustained, it must have been suitable for year-round occupancy and normally occupied by you prior to the flooding.

7. If the eligible dwelling is a unit in a condominium building, the contract can be signed by the syndicate of co-owners.

8. The work must comply with all municipal, provincial and federal laws, regulations and policies.



Qualified expenditures include:

- the cost of necessary permits, including any studies to obtain them;
- the cost (including taxes) of any goods that:
  - were used to carry out the repair work,
  - were supplied by the contractor or were acquired from a QST registrant<sup>9</sup> after the flooding began;
- the cost (including taxes) of the services rendered by the contractor in carrying out the repair work; and
- the cost (including taxes) of the services rendered by a damage assessment expert.

**Examples of excluded expenditures:**

- expenditures used to finance the cost of services provided by a damage assessment expert or the cost of the repair work;
- expenditures attributable to goods or services supplied by a person with whom you or one of the co-owners is not dealing at arm's length, unless the person is a QST registrant;
- expenditures incurred to acquire property you used before acquiring it under a contract of lease;

- expenditures related to a part of the dwelling you use to earn business or rental income; and
- expenditures used to calculate another tax credit under Québec legislation.

**Condominium**

If the eligible dwelling is located in a condominium, qualified expenditures include any expenditure incurred by the syndicate of co-owners, up to the amount of your unit's share of the expenditure.

In such a case, the syndicate of co-owners must have given you a completed copy of form TP-1029.RE.D-V that describes the work carried out and lists your unit's share of that expenditure.

To calculate the amounts to enter on lines 70, 71, 72, 86, 87, 90, 91 and 95 of this form, multiply the amounts on lines 70, 71, 72, 86, 87, 90, 91 and 95 of form TP-1029.RE.D-V by your unit's share of the expenditure.

9. A supplier that is not registered for the QST because it is considered to be a small supplier within the meaning of the *Act respecting the Québec sales tax* will nonetheless be considered a QST registrant.



**Table 1 – Dwelling components on which recognized repair work may be carried out**

<b>Code</b>	<b>Component</b>
1	<b>Structure and concrete</b> Foundations, footings, support beams, load-bearing walls, concrete slabs, dry wells, framing, carports and garages forming part of the structure of a dwelling, and basement entryways.
2	<b>Exterior walls</b> Exterior cladding and chimneys.
3	<b>Roofs</b> Roofing materials.
4	<b>Openings</b> Exterior doors, including doors of garages forming an integral part of the structure of a dwelling, and windows.
5	<b>Insulation</b> Structure, wall, ceiling and subfloor insulation.
6	<b>Electricity</b> Electrical lead, systems and connectors.
7	<b>Plumbing</b> Pipes, sewer connections, water connections and sanitary devices.
8	<b>Floors</b> Subfloors and fixed floor coverings.
9	<b>Interior walls and ceilings</b> Gypsum board, plaster and paint on walls and ceilings, baseboards, ceiling mouldings and interior doors.
10	<b>Bathroom cabinets and sinks</b> Counters, drawers, shelves, cabinets and panels.
11	<b>Interior stairways</b> Stringers, runners, risers and handrails.
12	<b>Heating and ventilation</b> Main and secondary heating systems (especially wood stoves), including conduits, firewood, air exchangers and their conduits, natural gas connections and tanks.
13	<b>Equipment</b> Pumps and wet wells, septic tanks, leaching beds, drinking water supply systems, drinking water filtration and treatment systems, hot water tanks and equipment for disabled persons.
14	<b>Incidental structures of a dwelling<sup>10</sup></b> Detached garages, sheds, porches, balconies, decks, patios and terraces.
15	<b>Landscaping work<sup>10</sup></b> Driveways, walkways, fences, walls and slabs on ground.
16	<b>Other landscaping work<sup>10</sup></b> The portion of the land that may reasonably be considered as facilitating the use and enjoyment of the dwelling, trees and hedges.

10. Any portion of expenditures exceeding the first \$5,000 that is paid in relation to an eligible dwelling during the 2017 and 2018 taxation years for recognized repair work concerning the components specified in codes 14 to 16 may not be taken into account in calculating qualified repair expenditures.

