

Authority: Executive Committee Item EX11.1, as adopted  
by City of Toronto Council on February 6 and 7, 2024  
City Council voted in favour of this by-law on  
November 14, 2024  
Written approval of this by-law was given by Mayoral  
Decision 21-2024 dated November 14, 2024

## CITY OF TORONTO

### BY-LAW 1250-2024

#### **To amend City of Toronto Municipal Code Chapter 760, Taxation, Municipal Land Transfer Tax.**

Whereas City Council has authorized the implementation of a Municipal Non-Resident Speculation Tax on foreign buyers of residential property in the City of Toronto; and

Whereas City of Toronto Municipal Code Chapter 760, Taxation, Municipal Land Transfer Tax requires amendment to reflect these changes;

The Council of the City of Toronto enacts:

1. The City of Toronto Municipal Code Chapter 760, Taxation, Municipal Land Transfer Tax, is amended by making the following changes:
  - (a) Adding the following definitions to § 760-2. Definitions.

“FOREIGN ENTITY – either a Foreign National or a Foreign Corporation.”;

“FOREIGN CORPORATION – a corporation that is one of the following:

    1. A corporation that is not incorporated in Canada.
    2. A corporation, the shares of which are not listed on a stock exchange in Canada, that is incorporated in Canada and is controlled, directly or indirectly in any manner whatever, within the meaning of section 256 of the *Income Tax Act*, by one or more of the following:
      - i. A Foreign National.
      - ii. A corporation that is not incorporated in Canada.
      - iii. A corporation that would, if each share of the corporation’s capital stock that is owned by a Foreign National or by a corporation described in paragraph 1 were owned by a particular person, be controlled, directly or indirectly in any manner whatever, within the meaning of section 256 of the *Income Tax Act*, by the particular person;”

“FOREIGN NATIONAL – an individual who is not a Canadian citizen or Permanent Resident.”

“PERMANENT RESIDENT - a permanent resident of Canada as defined in the *Immigration and Refugee Protection Act*. S.C. 2001, c. 27 as amended, from time to time”

“TAXABLE TRUSTEE – in relation to a conveyance of designated land, a trustee of a trust with at least one trustee that is a Foreign Entity, or a trust with no Foreign Entity trustees if, immediately after the conveyance is tendered for registration, a beneficiary of the trust who is a Foreign Entity holds a beneficial interest in the designated land to which the conveyance relates, but does not include a trustee acting for the following types of trusts:

1. A mutual fund trust within the meaning of subsection 132 (6) of the *Income Tax Act* (Canada).
2. A real estate investment trust as defined in subsection 122.1 (1) of the *Income Tax Act* (Canada).
3. A SIFT trust as defined in subsection 122.1 (1) of the *Income Tax Act* (Canada);”

(b) Adding a new Article XX – Municipal Non-Resident Speculation Tax.

**§ 760-126. Amount by foreign Entity on or after January 1, 2025.**

Every Foreign Entity and Taxable Trustee who after January 1, 2025 tenders for registration a conveyance by which an Eligible Home is conveyed to or in trust to the transferee shall pay to the Chief Financial Officer and Treasurer, when the conveyance is tendered for registration or before it is tendered for registration, a tax computed at a rate of 10% of the value of the consideration for the conveyance, in addition to any other amounts payable under this Chapter.

**§ 760-127. Exemptions for amount payable by foreign entity.**

No tax is payable by a Foreign Entity where:

- A. The transaction is exempt from tax under §760-14; or
- B. On the date that the registration for conveyance is tendered, and subject to §760-128, the Foreign Entity is one of the following persons or entities, and has certified that they and their spouse (if applicable) will occupy the Eligible Home as their principal residence:

- (1) A Foreign National who is nominated under the Ontario Immigrant Nominee Program, and the Foreign National has applied, or certifies that they will apply, to become a permanent resident of Canada;
- (2) A Foreign National on whom refugee protection is conferred as a protected person under section 95 of the *Immigration and Refugee Protection Act*, S.C. 2001, c. 27; or,
- (3) A Foreign National who jointly purchases an Eligible Home with a spouse as defined in the *Land Transfer Tax Act*, who is (i) a Canadian citizen, (ii) Permanent Resident, or (iii) is a person to which A or B would apply.

**§ 760-128. Declaration of principal residence by foreign national**

To be eligible for an exemption under §760-127B, a Foreign National, and if applicable his or her spouse, shall provide the Chief Financial Officer and Treasurer, in the form and manner approved by the Chief Financial Officer and Treasurer, certification that the Foreign National occupies the Eligible Home as the Foreign National's principal residence.

**§ 760-129. Rebate, permanent resident status.**

Upon application by a Foreign National within 90 days of becoming a Permanent Resident, the Chief Financial Officer and Treasurer shall rebate, in the manner he or she directs, tax payable under this Article by a Foreign National in respect of a transfer to the Foreign National of an Eligible Home used by the Foreign National as their principal residence continuously from the time of the transaction to the time that they apply for the rebate, if the Foreign National becomes a Permanent Resident within four years of the date of registration of the conveyance of the Eligible Home, the Foreign National is the sole owner of the Eligible Home or owns it jointly solely with his or her spouse, and the Chief Financial Officer and Treasurer has received information satisfactory to him or her that the transferee is a permanent resident of Canada.

2. This by-law comes into effect on January 1, 2025.

Enacted and passed on November 14, 2024.

Frances Nunziata,  
Speaker

John D. Elvidge,  
City Clerk

(Seal of the City)