

Residential Construction Rebate Program Frequently Asked Questions

General Questions:

1. What is the rebate?
 - Homeowners are eligible for one of two of the following rebates:
 - 25% rebate on home renovation projects, up to a maximum rebate of \$10,000, for principal residences, for eligible home renovation projects. Total project costs must exceed \$1,000 (before HST).
 - 25% rebate on new home construction, up to a maximum rebate of \$10,000, for principal residences valued up to a maximum of \$350,000 (before HST).
 - All projects must be completed by a registered third-party contractor.
2. Is the rebate income tested?
 - No. Income information is not used to assess eligibility for the rebate.
3. How do I apply for the rebate?
 - To apply for the rebate, the homeowner must complete and submit the pre-approval form to the Canadian Home Builders' Association – Newfoundland and Labrador.
 - All homeowners must sign the pre-approval form.
4. When does the pre-approval form need to be submitted by?
 - The pre-approval form must be submitted to the Canadian Home Builders' Association – Newfoundland and Labrador not later than August 7, 2020.
5. What is the start date for the home renovation/construction to be eligible for the rebate?
 - This program is for projects contracted between June 8 and August 7, 2020 **and** started on or after June 8, 2020, with work substantially completed by March 31, 2021.
 - If the work was previously contracted, it is not eligible for the rebate regardless if work has been started or not.
6. If I am building a new home to rent/lease or doing renovations to a residential rental unit, am I eligible for the rebate?
 - No. Eligibility for the program requires the renovation work or new build be for the homeowner's principal place of residence.
7. Will I know if I am approved before construction starts?
 - Each application will be assessed to determine eligibility. Notification to the homeowner will be provided to advise of the results. There is no guarantee of pre-approval.
8. Is there a deadline by which the work must be completed?
 - All renovation work and new construction must be substantially completed by March 31, 2021.

9. What is meant by substantially complete?

- For home renovations, the work is considered substantially completed if 90% or more is completed by March 31, 2021.
- For a new home build, the work is considered substantially completed if 51% or more of the home is constructed by March 31, 2021.
- In the event that the home renovation or new home build is not considered substantially complete by CHBA by the specified dates, no rebate will be provided to the homeowner, regardless of reason for delay.

10. How do I get my rebate?

- Complete the pre-approval form. Once CHBA reviews, the pre-approvals will be assessed by the Department of Finance, Government of Newfoundland and Labrador.
- When a pre-approval is confirmed by the Department of Finance and the homeowner is advised, they must complete a [Supplier Setup and Maintenance Form](#). All rebates will be provided via Electronic Funds Transfer (EFT), by the Department of Finance.
- Payments will be processed, up to June 30, 2021, depending on the work submission deadlines noted. A homeowner submits all supporting documentation to the Canadian Home Builders' Association – Newfoundland and Labrador. All rebates will be provided via Electronic Funds Transfer (EFT), by the Department of Finance.

11. What supporting documentation is required to receive my rebate?

- Proof of payment to the contractor from both the homeowner and the contractor (specifically, an invoice from the contractor stating it is paid, as well as proof of payment such as a credit card slip, copy of cancelled cheque, etc.).
- Confirmation from the homeowner that the work has been substantially completed and validated by the CHBA (e.g., affidavit).
- Copy of pre-approval letter.
- Valid Government of Newfoundland and Labrador issued vendor number. If a homeowner does not currently have a vendor number, they must complete a [Supplier Setup and Maintenance Form](#).

Note: The revenue collected by each contractor through the Residential Construction Rebate program may be subject to post audit processes.

12. What is an eligible contractor?

- An eligible contractor includes any third-party business that is carrying out commercial activities. Evidence used to substantiate eligibility includes proof of liability insurance plus either a HST registration number, valid Business Number and/or WorkplaceNL registration number.
- Supply Centres that arrange contracted services for clients are eligible, however the entire purchase must be processed by the Supply Centre and not in two transactions. A homeowner who purchases the materials themselves and then arranges for installation by a registered third-party contractor is not eligible for this rebate.

13. How can a contractor become eligible to participate in this program?
- A contractor must provide information to confirm they are eligible for Residential Construction Rebate Program by completing the contractor enrolment form and submitting it to the Canadian Home Builders' Association – Newfoundland and Labrador.
 - There is no fee for enrolling in the rebate program.
 - An eligible contractor does not have to be a member of the Canadian Home Builders' Association – Newfoundland and Labrador to participate in this program.
14. Would a contractor performing their own renovations or building their own house qualify for the program?
- No. This program requires the work to be completed by a registered, third-party contractor.
15. What is meant by principal place of residence?
- A principal residence is the primary location that a person inhabits for the majority of the year (more than 6 months), also referred to as primary residence or main residence.
16. What is the Canadian Home Builder's Association – Newfoundland and Labrador (CHBA-NL)?
- The Canadian Home Builders' Association – Newfoundland and Labrador (CHBA-NL) is an industry association whose members include new home builders, renovators, developers, trades, manufacturers, suppliers, lenders, government representatives and other industry related professionals.
 - For more information please visit <https://chbanl.ca/>.
17. How does the homeowner confirm if their contractor has registered with the CHBA-NL for the Residential Construction Rebate Program?
- Once the homeowner has decided on their contractor, the homeowner should confirm if they have enrolled in the program with the CHBA-NL. If they have not, the homeowner should ask that the contractor complete and submit the contractor enrolment form to the CHBA-NL as soon as possible.
18. What does it mean to be in good standing with the Government of Newfoundland and Labrador?
- Individuals or businesses that have no amounts or fees owing that are not past due to the Government and Newfoundland would be considered in good standing.
19. Am I eligible to participate in the Residential Construction Rebate Program if I am already availing of another provincial government program (i.e. Heat Pump Rebate Program or Homeowner Support Programs through NL Housing) designed to assist with the cost of home renovations or new home construction?
- No. Any homeowner who is currently availing of a program which is designed to assist with the financial impacts of renovating their home or building a new home, are not eligible to receive a rebate under the Residential Construction Rebate Program. Every homeowner is required to sign an attestation when completing their pre-approval form.

Residential Home Renovation Projects:

1. What home renovation projects are eligible for a rebate?
 - An eligible home renovation project is a building renovation that is of an enduring nature and is integral to, or built into, the residence. The following are examples:
 - re-shingling a roof
 - replacing siding
 - exterior painting
 - kitchen, bathroom, or basement renovations
 - replacing windows or doors
 - new furnace
 - upgrading wiring
 - upgrading insulation
 - new carpet or hardwood floors
 - building an addition, shed, deck, fence or retaining wall.

2. What are some examples of renovations projects that are NOT eligible for a rebate?
 - repairs and maintenance which are usually performed on an annual or more frequent basis (e.g., minor deck/fence repairs, driveway sealing, etc.)
 - septic systems and wells
 - appliances (e.g. fridge, stove) and audio-visual electronics
 - financing costs
 - landscaping
 - resurfacing a driveway
 - furniture and draperies/blinds
 - purchase of tools or other construction equipment
 - carpet cleaning
 - house cleaning
 - maintenance contracts for furnace cleaning, snow removal, lawn care, etc
 - an air conditioner which is a portable plug-in type (an air conditioning unit which is built in to the home heating or ventilation system would be eligible)

3. Does a homeowner who purchases the materials for the renovation and then hires a contractor to do the labour qualify for the rebate?
 - No. This program is about stimulating the economy and employment in the province's construction industry.

4. Can a homeowner submit more than one pre-approval form to the rebate program?
 - Homeowners can only submit one pre-approval form for the Residential Construction Rebate program. However the one form can include multiple renovation projects and multiple third-party contractors.
 - The total cost of all renovation projects must exceed \$1,000.
 - The maximum rebate available on the sum total of all projects will not exceed \$10,000.

New Home Construction Projects:

1. Is a homebuyer who is living out of the province eligible for the rebate if they build a new home in this province?
 - If the new build will be the homebuyer's principal place of residence, the homebuyer can apply to the rebate program. The contract to build the home cannot be signed and construction cannot be started before June 8, 2020. The work must be substantially complete by March 31, 2021.
2. If the homeowner previously purchased the land and is now building the home, is the cost of the land included in the value eligible for the rebate?
 - Yes. When submitting the application, the homeowner must include proof of the cost of the land, which is then included in determining the amount eligible for the rebate.
 - The total value (land and construction) must not exceed \$350,000 (before HST). Landscaping and paving is not included.
3. If a homebuyer has already signed a contract and construction has begun on their new home (and hence not eligible for the new home construction rebate), is the homeowner eligible for the home renovation rebate should they now decide to do additional work (e.g., basement completed) before taking possession of the home?
 - If the work is contracted between June 8, 2020 and August 7, 2020 and started on or after June 8, 2020, the additional work will be eligible for a rebate as a home renovation project, as long as it is more than \$1,000 and is substantially complete by March 31, 2021.
4. Is a renovation to a basement apartment eligible for a rebate?
 - If the homeowner is also living in the same house, then yes, the apartment renovation is eligible for the rebate, provided all other conditions of the program are met.
5. Are homes built on market speculation (spec homes) eligible for the Residential Construction Rebate?
 - Yes. Spec homes are eligible for this rebate, subject to meeting the following program requirements:
 - pre-approval form submitted between June 8, 2020 and August 7, 2020
 - home is substantially completed by March 31, 2021
 - total value of the home (including land) is less than or equal to \$350,000 (before HST)
 - principal place of residence for the homeowner