October 5, 2006

His Worship Larry Di Ianni
Mayor
City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Mayor Di Ianni,

Thank you for your letter on behalf of Hamilton City Council, regarding a request to amend Ontario’s *Land Transfer Tax Act* (the act).

As you know, the Government of Ontario does administer a refund program, the land transfer tax (LTT) refund program, for first-time buyers of a newly built home. The refund is up to a maximum of $2,000 on the purchase price of a $227,500 home. This particular program was established in 1996, to bring new home ownership within reach for more families, as well as to create jobs in building, furnishing and equipping these new homes. The rebate applies to new homes only, not to renovations and conversions.

Hamilton City Council’s recommendation to amend the act to include first-time buyers of units in buildings that have been converted from commercial or industrial units has been noted. As part of the budget process, the government regularly reviews all taxes, fees and programs. Please be assured that this request has been taken under advisement and will be brought forward during any future debate on this matter.
Thank you again for writing.

Yours sincerely,

[Signature]

Greg Sorbara
Minister

c: Marie Bountrogianni, MPP, Hamilton Mountain
Judy Marsales, MPP, Hamilton West
Jennifer Mossop, MPP, Stoney Creek
Ted McMeekin, MPP, Ancaster-Dundas-Flamborough-Aldershot