
News Release

Office of MP Gerry Byrne

For immediate release

Home renovation program still under renovation

Ottawa – (February 10, 2009) -- Details of the Conservative's Home Renovation Tax Credit apparently are still under 'renovation'.

That was the word that came out of a briefing hosted by junior finance minister Ted Menzies for parliamentarians last night on Bill C-10, the Budget Implementation Act, Liberal MP Gerry Byrne said today.

"This was a pretty high hyped centre piece for the Conservatives plan in what they dubbed an economic stimulus budget", Byrne said. "The Home Renovation Tax Credit was supposed to be good retail politics for them. It was supposed to offer up to a \$1,350 tax credit to homeowners on \$10,000 or more in reno' costs while getting the skilled trades more contract work. The problem is the Conservative's left it out of the budget."

When asked to explain why it was left out, spokespersons for the government just said that they will continue to consult, get the details of the program right before launching it and that they will eventually put it in a future budget bill, the budget implementation act part two, which they said is likely to be tabled sometime later in the fall of 2009.

Byrne said that there is a glaring problem with all of that.

"The Home Renovation Tax Credit was announced to be in effect for 2009 only, one calendar year from January to December and that detail was reconfirmed by officials again last night", Byrne said.

"If the enabling legislation and the program's final guidelines won't be made available until the fall of 2009, then neither will the precise details of who and what expenses that are eligible. That will still be missing. The motive for people to go out and spend \$10,000 or more on a home renovation project if they knowingly are running the chance that what they did doesn't actually qualify under the program's eligibility guidelines is substantially reduced. After the money has been spent and the expected \$1,350 on next years tax return already notionally banked, it's a little bit late to ask the contractor to come back and put the house back the way it was. The government is asking people, homeowners, to simply embrace the unknown and just go out and do it and hope when the legislation is laid out for a closer look that both they and the government got it right. That's quite a gamble, one which suggests that this stimulus to embrace the economic stimulus is conspicuously absent."

Byrne noted there is a further risks to all of this.

“The government may not do it at all”, Byrne said. “Last year, the government announced its intention to provide a tax credit for music lessons similar to the one available for families with children in sports activities. It has never come to pass either.

<http://www.conservative.ca/EN/1091/106518>)

Finally, if this is all going to be put in a budget bill part two for tabling this fall, that bill won't likely become law until November. The program is over in December. Homeowners will have one month of certainty and contractors will have one busy month.”

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