

**Tax Tip**  
**Week of November 2, 2009**

**Cut Off for Home Renovation Tax Credit**

The Home Renovation Tax Credit has a unique feature in that expenditures made in 2010 must be claimed on an individual's 2009 tax return. The Home Renovation Tax Credit applies to eligible purchases made after January 27, 2009 and before February 1, 2010. The minimum expenditure is \$1,000 and the maximum is \$10,000. The formula for determining the credit is eligible expenditures minus \$1,000 X 15%.

Thus, expenditures made in January 2010 must be claimed on an individual's 2009 tax return. If the taxpayer omits to claim eligible 2010 expenditures, it is possible to amend the 2009 tax return at a later date. However, omitted expenditures from 2010 may also fall between the cracks.

It is important to ensure that all claims for the Home Renovation Tax Credit are included on the 2009 return.