

Sale of **PRINCIPAL RESIDENCE**



For the sale of a principal residence in 2016 or later tax years, CRA will only allow the principal residence exemption if you report the sale and designation of principal residence in your income tax return. If you forget to make a designation of principal residence in the year of the sale, it is very important to ask the CRA to amend your income tax and benefit return for that year. Under proposed changes, the CRA will be able to accept a late designation in certain circumstances, but a penalty may apply.

The penalty is the lesser of the following amounts:

1. \$8,000; or
2. \$100 for each complete month from the original due date to the date your request was made in a form satisfactory to the CRA.

If the principal residence was part rental, part principal residence, then the sale must be reported on 2 separate line items showing the principal portion and the income property portion.

If you sold your principal residence in 2025, please complete the following:

Homeowner's name: _____

Full address of residence: _____

Year of acquisition: _____

Date of sale: _____

Sale price: _____

Was this property rented out in its entirety for any of the years owned? YES NO

If yes, please provide the rental dates: _____