

Land Transfer Tax

In Manitoba, the Manitoba Land Titles Office charges the land transfer tax on all home purchases. It is charged according to the following scale:

First \$30 000	0%	
Next \$60 000	0.5%	= 0.005
Next \$60 000	1.0%	= 0.01
Next \$50 000	1.5%	= 0.015
Over \$200 000	2.0%	= 0.02

% to decimal

The cost of property has risen dramatically in Manitoba over the last decade. As a result, the land transfer tax can be a considerable additional cost.

Land Transfer Tax Calculation Examples

a) Calculate the land transfer tax due on the purchase of a \$225 000 home.

		<u>Land transfer tax</u>	\$ 0
30000	① First \$30000	= \$ 0	
90000	② Next \$60000	= 60000 x 0.005 =	\$ 300
150000	③ Next \$60000	= 60000 x 0.01 =	\$ 600
200000	④ Next \$50000	= 50000 x 0.015 =	\$ 750
225000	⑤ Last \$25000	= 25000 x 0.02 =	\$ 500
		<u>TOTAL =</u>	<u>\$ 2150.00</u>

b) Calculate the land transfer tax due on a home purchased for \$163 600.

30000	① First \$30000	= \$ 0
90000	② Next 60000	= 60000 x 0.005 = \$ 300
150000	③ Next 60000	= 60000 x 0.01 = \$ 600
	Last 13,600	= 13600 x 0.015 = 204
	<u>TOTAL =</u>	<u>\$ 1104</u>

c) You just bought an empty lot for \$28 500. Calculate the land transfer tax due on this purchase. Because \$28 500 is less than \$30 000, the land transfer tax = 0