



Ontario

Ministry of
Consumer and
Commercial
Relations

Property
Rights
Division

Legal
and
Surveys
Standards
Branch

BULLETIN NO. 79029

DATE: August 10, 1979

TO:
ALL LAND REGISTRARS

THE LAND TRANSFER TAX ACT, 1974
- ONTARIO REGULATION 563/79

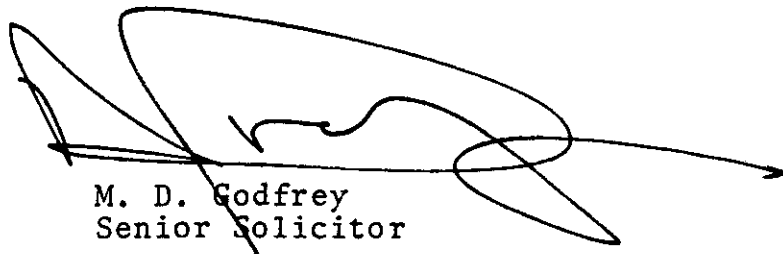
CONVEYANCES TO FAMILY FARM
CORPORATIONS & FAMILY BUSINESS
CORPORATIONS

Ontario Regulation 563/79 which was filed July 30, 1979 and which will appear in the Ontario Gazette of August 18, 1979 provides that The Land Transfer Tax Act, 1974 was not intended to apply to a conveyance of land from an individual to his family farm corporation or family business corporation.

With respect to a conveyance of a land to a family farm corporation, the transferee, in order to be exempt from land transfer tax, must complete two copies of the affidavit appearing at the end of the Bulletin and attach one to the conveyance and one to the extra copy of the land transfer tax affidavit, which accompanies the conveyance. In addition, the following must be inserted in section 6 of each copy of the land transfer tax affidavit:

"Exemption claimed pursuant to
section 2 of Ontario Regulation
563/79."

In the case of a conveyance to a family business corporation, no tax is payable if the conveyance has been stamped by the Ministry of Revenue that no tax is payable.



M. D. Godfrey
Senior Solicitor

MDG/oal



FORM 4
THE LAND TRANSFER TAX ACT, 1974
AFFIDAVIT RE CONVEYANCE TO FAMILY FARM CORPORATION

IN THE MATTER OF THE CONVEYANCE OF

.....
.....
(insert brief description of land)

BY

.....
.....
(insert names of all transferors)

TO

.....
(insert names of all transferees)

I,

.....
(print name)

OF

.....
(print address)

MAKE OATH AND SAY THAT:

1. I am the (describe office) of (insert name of transferee corporation), the transferee corporation of the above described conveyance whose head office is located at (insert address of corporation's head office) and I have personal knowledge of the facts hereinafter deposed to.
2. Prior to the above described conveyance, (insert names of appropriate individuals) carried on farming on the land being conveyed during the period(s) (set out time period(s) during which the land was farmed prior to the conveyance)
3. The above described conveyance is being made for the principal purpose of enabling the transferee corporation to continue farming on the land being conveyed under the direction of (insert name of appropriate persons)
4. Each transferor, each shareholder of the transferee corporation (excluding holders of directors' qualifying shares) and each person named in this affidavit is, within the meaning of clause (g) of subsection 1 of section 1 of Ontario Regulation /79, a member of the family of every other transferor, shareholder or person so named. (See Instruction 1)
5. No person named in clause (2) or (3) of this affidavit and no shareholder of the transferee corporation (excluding holders of directors' qualifying shares) is a non-resident person within the meaning given to that expression in clause (g) of subsection 1 of section 1 of The Land Transfer Tax Act, 1974.
6. I have read and considered the definitions of "family farm corporation", "farming" and "farming assets" set out respectively in clauses (c), (d) and (e) of subsection 1 of section 1 of Ontario Regulation /79. The transferee corporation in respect of whom this affidavit is made is a "family farm corporation" within the meaning given to that expression in the aforementioned Regulation. (See Instruction 2)

Sworn before me
in the
of
this day of 19 .

.....
A Commissioner

.....
Signature