

Ministry of Finance

Motor Fuels and
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Ministère des Finances

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March 31, 1999

EM199904

MEMORANDUM TO : Land Registrars

FROM: James P. McLellan
Acting Director
Motor Fuels and Tobacco Tax Branch
Ministry of Finance

SUBJECT: The *Electricity Act, 1998* and
The *Land Transfer Tax Act*

Sections 135 and 159 of the *Electricity Act, 1998* provide that the *Land Transfer Tax Act* does not apply to certain transfers of land.

- The *Land Transfer Tax Act* does not apply to transfers of real property by Ontario Hydro pursuant to a transfer order made under the *Electricity Act, 1998*.
- The *Land Transfer Tax Act* does not apply to transfers of real property by a municipality or other municipal entity pursuant to a municipal transfer by-law made under the *Electricity Act, 1998*.

Transfers made by a transfer order of the Lieutenant Governor In Council or a municipal transfer by-law in accordance with the *Electricity Act, 1998* will be made by unregistered dispositions which will not require any action by Land Registrars.

The purpose of this memorandum is to provide instructions to Land Registry Offices concerning the procedures for subsequent conveyances of these assets to other persons.

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Land Registrars

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The conveyance of these real property assets to other persons will make reference to the preceding unregistered disposition by either Ontario Hydro or a municipality or other municipal entity. The notice of unregistered disposition contained in the conveyance, would normally attract tax, however the unregistered disposition will not require a Land Transfer Tax Affidavit and will not be taxable if a recital is made in the conveyance stating that the transferor on the conveyance to other persons acquired title pursuant to a transfer order or a transfer by-law under the Electricity Act, 1998.

The conveyances to other persons will be registered and will require the Land Transfer Tax Affidavits of Residence and Value of the Consideration and the payment of the applicable taxes.

We request Land Registry Offices forward copies of documents that are registered in this manner to Ministry of Finance.

If you have any questions please call Arno Agur, Manager Land Transfer Tax at (905) 433-6396.



James P. McLellan
Acting Director

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