




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	February 6, 2025
SUBJECT:	Vacant Unit Tax - February Mailout (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Clayton Pereira Director, Revenue Services Corporate Services Department
SIGNATURE:	

To ensure property owners are aware of the upcoming Vacant Unit Tax declaration period, the attached notice to declare letter has been mailed to approximately 180,000 residential property owners. All residential property owners must submit a mandatory occupancy declaration annually to determine if their property is subject to the Vacant Unit Tax.

Background

The Vacant Unit Tax is one of the multiple measures that Council has approved to address the City's housing crisis. The program aims to increase the supply of housing in Hamilton by encouraging residential property owners to keep their properties occupied rather than vacant. Following the recovery of administrative costs, revenues generated from the Vacant Unit Tax will be reinvested into affordable housing initiatives. Starting in 2025, the City will be charging an additional one per cent tax on any property that has been left vacant for more than 183 days in the previous year.

If an occupancy declaration is not submitted, the property will be considered vacant and the Vacant Unit Tax will be charged. A principal residence will not be subject to the Vacant Unit Tax but all residential property owners will still be required to submit an occupancy declaration annually.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

Exemptions

There are some instances where a property may be left vacant and be exempt from the Vacant Unit Tax:

- Principal residence: The residential unit is the principal residence of the owner.
- Death of an Owner: exemption applies to year of death plus one subsequent year only.
- Major Renovations: Major renovations or redevelopment make occupation of a unit impossible for more than 183 days in the same calendar year, provided a building permit has been issued.
- Sale of the property: The Vacant Unit Tax will not apply in the year of the sale if the transfer is to an unrelated individual or corporation.
- Principal resident is in care, institutionalized or hospitalized: The period of time when the principal resident resides in a hospital, long-term or a supportive care facility.
- Court order: If a court order prohibiting occupancy of the residential property is in effect.
- Non-profit housing: The exemption applies to designated housing projects owned and operated by non-profit corporations.

Key Dates

Date	Details
Early February 2025	Notice to declare letters with declaration instructions are mailed to residential property owners
February 10, 2025	Mandatory declaration period begins
April 30, 2025	Mandatory declaration period deadline
First week of June 2025	Vacant Unit Tax bills are mailed out with final property tax bills
June 30, 2025	First Vacant Unit Tax payment is due if on the quarterly plan *
July 2, 2025	Complaint/appeal period begins
September 30, 2025	Second Vacant Unit Tax payment is due if on the quarterly plan *

* **Please Note:** If on a Pre-Authorized Payment (PAP) Plan the Vacant Unit Tax will coincide with your scheduled Property Tax payment plan.

For more information about the Vacant Unit Tax, visit www.hamilton.ca/VacantUnitTax or contact vacantunittax@hamilton.ca.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” - February notice to declare letter.



Hamilton

City of Hamilton
City Hall, 71 Main Street West
Hamilton, Ontario
Canada L8P 4Y5
www.hamilton.ca

Vacant Unit Tax
Revenue Services
Corporate Services Department

February 3, 2025

Owner
Owner
Address
Address
Address

**RESIDENTIAL VACANT UNIT TAX
DECLARATION REQUIRED BEFORE
April 30, 2025**

INFORMATION REQUIRED FOR THE DECLARATION:

**Property Address
Roll Number
Access Code**

ACTION REQUIRED: City of Hamilton - Vacant Unit Tax

The City of Hamilton is implementing a Vacant Unit Tax (VUT) as one of the measures to address Hamilton's affordable housing crisis. By creating an incentive for property owners to sell unoccupied homes or make them available as rentals, the City aims to make more housing available for those who need it.

Starting in 2025, all residential property owners must complete an annual declaration notifying the City of their property's occupancy status for the previous year. This letter is to notify you that a declaration will be required.

A principal residence will not be subject to the Vacant Unit Tax, but residential property owners are still required to submit an annual declaration.

Please note: You must submit the status of each residential unit you own.

You can submit your declaration starting on **February 10, 2025**. Your declarations must be completed by **April 30, 2025** to avoid the addition of a VUT charge to your 2025 property tax bill.

The VUT charge is calculated at a rate of 1% of the property's current value assessment.

Next Steps

1. Learn about the Vacant Unit Tax

The Vacant Unit Tax (VUT) applies to residential units that are not a principal residence and have been vacant for more than 183 days in 2024. The intent of the VUT is to make



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housing available to those in need. Net revenue generated from the tax will also be reinvested into affordable housing initiatives. The VUT is based on the property status from the year before, meaning if the home is vacant in 2024, the tax will be payable in 2025. To learn more, please visit www.hamilton.ca/VacantUnitTax.

2. Prepare required information for declaration

To complete your declaration, you will need your **Roll Number** and **Access Code**, which are included at the top of this notice. These can also be found on your most recent property tax bill.

3. Complete your declaration

Beginning **February 10, 2025**, you can submit your declaration online by visiting www.hamilton.ca/VacantUnitTax. You will need to create an account and enter your roll number and access code.

If you need assistance completing your declaration, please call 905-546-2573 or email vacantunittax@hamilton.ca. For additional information, please visit www.hamilton.ca/VacantUnitTax.

All declarations must be completed by April 30, 2025.

Please submit your declarations accurately to avoid the potential of an audit and a fine of up to \$10,000. Please complete your declaration to avoid your property unnecessarily being deemed vacant and charged the VUT.

Thank you for your cooperation and support.

For additional information, please visit www.hamilton.ca/VacantUnitTax.