

RPTTG:104

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## Transfer of Real Property to Wholly Owned Corporations

This Guide provides information on the exemption from transfer tax when real property is transferred to or between wholly owned corporations.

The [Real Property Transfer Tax Act](#) provides for an exemption from the tax when a person transfers real property to a corporation that the person wholly owns. The Act also provides an exemption from the tax when a corporation transfers real property to another corporation and both corporations are wholly owned by the same person.

Effective January 16, 2010, an amendment to the [Real Property Transfer Tax Act](#) sets out two provisions that impose ownership requirements in respect of the tax exemptions provided under the Act for the transfers of real property to corporations.

[Section 4](#) of the Act contains a provision that allows a person to transfer real property to a corporation that the person wholly owns, exempt of real property transfer tax. [Section 4.1](#) of the Act contains a provision that cancels this exemption in situations where the person who transferred the real property ceases to wholly own the corporation at any time during the twelve months immediately after the date of transfer. In cases where the exemption is cancelled, the transfer tax is due and payable on the date the person ceases to wholly own the corporation.

[Section 4](#) of the Act also contains a provision that allows a corporation to transfer real property to another corporation, where both corporations are wholly owned by the same person, exempt of real property transfer tax. [Section 4.1](#) of the Act contains a provision that cancels this exemption in situations where the corporation that received the real property in the transfer ceases to be wholly owned by the person at any time during the twelve months immediately after the date of transfer. In cases where the exemption is cancelled, the transfer tax is due and payable by the corporation that received the real property on the date the person ceases to wholly own the corporation.

**Further Information:**

For copies of the [Real Property Transfer Tax Act](#) and [Regulations](#) and any inquiries regarding this guide, please contact:

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This guide is prepared for information purposes only, and should not be considered a substitute for the applicable statutes. Should there be any conflict between the contents of this guide and the statutes, the statutes shall prevail.