

Vacant Unit Tax Facts



The Vacant Unit Tax will be applicable for the first time in 2023. Here are some additional Vacant Unit Tax facts to clarify some questions you may have about the new tax and declaration.

The reason for the Vacant Unit Tax (VUT)

Ottawa's housing supply has grown tighter, and the rental and sale prices have risen dramatically during the pandemic, which has further impacted the higher cost of living and interest rates for mortgages and household debt.

This has created a struggle for residents and their families to find a place to live within a price range they can afford. The Vacant Unit Tax is an incentive in the City's toolbox to get these properties on the market to rent or sell – increasing Ottawa's housing stock. All net revenues collected will go directly into the City's funding for more affordable housing. The City projects \$25 million in the next five years to support affordable housing initiatives.

VUT does not apply if your residential property is your principal residence

A property owner's principal residence **is not subject** to the tax, however, a property declaration is still required. The owner's other residential properties that are vacant for 184 days or more days could be subject to the one per cent tax, if it does not meet the other exempted reasons – such as legal restrictions, illness and hospitalization, and renovation work.

Alternate and accessible declarations options available

The City has set up declaration options for residents who require accessibility related supports, and for those without access to the internet or digital devices – like computers, tablets and other hand-held devices:



Call 613-580-2444 where an agent will help complete your declaration over the phone or provide you with the necessary supports.



Call 613-580-2400 to contact the City using Canada Video Relay Service. The service uses internet and mobile phone technologies to connect the caller with real-time sign language interpretation.

Fairness and reliable data are reasons for all residential property owners to declare

To get up-to-date, complete and accurate data, the City of Ottawa requires all residential property owners to complete the declaration

The City has researched Vacant Unit Tax models in Canada and around the globe. The mandatory declaration by property owners has proven to be the most successful model. Alternative models such as voluntary declarations or complaint based were found to be ineffective, inefficient and inequitable to property owners.