



# REGIONAL HOMES

## ARTICLE

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*Promoting building excellence and tradition  
in Waterloo Region since 1946*



### Want a High Risk Renovation - Negotiate a Cash Deal



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WRHBA 2009-2010

It just doesn't make any sense for a homeowner to pay "cash" for any type of home renovation today – not that it ever really did. It is just not worth it either ethically or financially!

By paying cash, you get no receipt since your contractor is obviously not remitting any tax payments. With no receipt there is no home renovation tax credit. Given that the average Canadian household spent \$12,600 on renovations in 2008 most of us would be eligible for the full \$1,350 credit.

The renovation tax credit really provides a benefit on two fronts. Firstly, it provides a financial incentive to homeowners to actually engage in renovation activity and secondly, it is an effective weapon against the underground economy by demanding receipts be issued and, by extension, attracting the homeowner to engage a legitimate contractor to do the work.

But the risk to the homeowner in entering into an "under the table" deal is much greater than simply letting the renovation tax credit slip out of reach. If something goes wrong such as provision of shoddy or incomplete work, you will have no recourse because no contract exists that can be enforced. Even worse, imagine that a worker was injured while working on your property and a few weeks later you find yourself being sued as the party liable for that injury. Your "contractor" was uninsured and carried no workers compensation and now you are left holding the proverbial bag – you could lose your home.

Don't take the chance. Seek to engage a legitimate contractor with good references and you'll avoid the damaging pitfalls that a "cash deal" might bring your way. Check with your Better Business Bureau, the Chamber of Commerce or the Home Builders' Association for referrals to the many legitimate contractors that work in this Region.

The Waterloo Region Home Builders' Association is proud to be a promoter of the RenoMark program which guarantees the very best in renovator performance. Call the Association office at 884-7590 or go on line to [renomark.com/Waterloo/index.asp](http://renomark.com/Waterloo/index.asp) to find out more about RenoMark if you are either a homeowner looking for a contractor or if you are a renovator who would like to find out more about the benefits of the RenoMark label.

### Waterloo Region Home Builders' Association

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[www.wrhba.com](http://www.wrhba.com)

**FOR FURTHER INFORMATION, OR TO ARRANGE AN INTERVIEW CONTACT:**

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*WRHBA is actively involved in all facets of the new home construction and residential renovation industries. It is a voluntary association whose primary goal is to positively impact the communities where their members and their customers live, work and play. Through ongoing representation to municipal government, media relations and consumer education, they address important issues head on and have a strong presence that benefits members and contributes to housing affordability and the well-being of communities in the Region of Waterloo. Visit [www.wrhba.com](http://www.wrhba.com) for further association information.*

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