



Ministry of Revenue
 Tax Compliance Branch
 Land and Resources Taxes
 33 King Street West
 PO Box 625
 Oshawa ON L1H 8H9

Affidavit Regarding the Exemption for the Conveyance or Disposition of Farmed Land

Land Transfer Tax Act

Regulation 697, R.R.O. 1990, Ontario Regulation 70/91

Ce formulaire est disponible en français.

Refer to instructions and definitions on reverse.

In The Matter of the Conveyance or Disposition of

 Brief legal description of land

By: _____

 Name(s) of all transferor(s)

To: _____

 Name(s) of all transferee(s)

I/We _____

Make Oath and Say That:

1. I am / we are the transferee(s) or the _____
 Name of officer for transferee corporation

of the transferee corporation and have read and considered Regulation 697, R.R.O. 1990, including the definitions of "family farm corporation", "farming", "farming assets" and "members of the family" as defined by the Regulation, and have personal knowledge of the facts hereinafter set out.

Each transferor or (if applicable) each shareholder of the transferor corporation, and each transferee or (if applicable) each shareholder of the transferee corporation are members of the same family.

Where the transferor(s) is/are the personal representative(s) of the estate of a deceased individual, the deceased individual was also one of the members of the family immediately prior to his/her death.

Where the transferor or the transferee is a corporation, it is a family farm corporation.

2. Prior to the above described conveyance or disposition, _____
 Name(s) of appropriate individual(s) or family farm corporation

carried on farming on the land being transferred during the period _____
 Period during which the lands were farmed From date – To date

Please select the applicable statement(s) NOTE – 3(b) and 3(c) cannot both be selected.

3(a) The land is being conveyed or made subject to a disposition for the principal purpose of enabling one or more individuals, each of whom is a member of the family of each transferor or (if the transferor is a family farm corporation) of each shareholder of the transferor, to continue farming on the land.

3(b) The conveyance or disposition is from the personal representative(s) of the estate of a deceased individual to one or more individuals for the principal purpose of enabling that individual or individuals (each of whom was a member of the family of the deceased individual immediately prior to the deceased individual's death) to continue farming on the land, and the conveyance or disposition qualifies or would qualify for the exemption under subsection 2.1(1.1) of Regulation 697, R.R.O. 1990; or

3(c) The land is being conveyed or made subject to a disposition for the principal purpose of enabling the transferee corporation to continue farming on the land under the direction of

_____, each of whom is a member of the family of each transferor.
 Name(s) of appropriate individual(s)

Sworn before me
 in the _____
 of _____
 this _____ day of _____ 20_____.



 Signature

 A Commissioner, etc.

The personal information on this form is collected under the authority of the *Land Transfer Tax Act* R.S.O. 1990, c.L.6 as amended, and R.R.O. 1990, Reg. 697, as amended, and will be used to determine eligibility to an exemption of Land Transfer Tax. Questions about the collection should be directed to: Manager, Land and Resources Taxes, Tax Compliance Branch, 33 King Street West, PO Box 625, Oshawa, ON L1H 8H9, 1 866 ONT-TAXS (1 866 668-8297).

Instructions

1. This affidavit should accompany the conveyance tendered for registration or a Section 3 **Return on the Acquisition of a Beneficial Interest in Land**.
2. Only the following types of transfers qualify for the exemption:
 - (a) from an individual or individuals to another individual or individuals, all of whom are members of the same family;
 - (b) from the personal representative(s) of the estate of a deceased individual to members of that individual's family;
 - (c) from an individual or individuals to a family farm corporation;
 - (d) from a family farm corporation to an individual or individuals, all of whom are members of the same family as the shareholders of the family farm corporation.

Transfers from an estate to a corporation or from a corporation to another corporation do not qualify for an exemption.
3. If the transfer is from an individual to one or more individuals, paragraph 5 of the **Land Transfer Tax Affidavit** should include the following statement: "This is a conveyance of farmed land from an individual(s) to one or more individuals and is exempt from tax pursuant to subsection 2.1(1) of Regulation 697, R.R.O. 1990 under the *Land Transfer Tax Act*."
4. If the transferor(s) is/are the personal representative or personal representatives of the estate of a deceased individual, paragraph 5 of the **Land Transfer Tax Affidavit** should include the following statement: "This is a conveyance of farmed land from the personal representative(s) of the estate of a deceased individual to one or more individuals and is exempt from tax pursuant to subsection 2.1(1.1) of Regulation 697, R.R.O. 1990 under the *Land Transfer Tax Act*, as the conveyance would have been exempt if the conveyance would have taken place by the deceased individual immediately before death."
5. If the transferee is a family farm corporation, paragraph 5 of the **Land Transfer Tax Affidavit** should include the following statement: "This is a conveyance of farmed land from an individual or individuals to a family farm corporation and is exempt from tax pursuant to subsection 2(1) of Regulation 697, R.R.O. 1990 under the *Land Transfer Tax Act*."
6. If the transferor is a family farm corporation, paragraph 5 of the **Land Transfer Tax Affidavit** should include the following statement: "This is a conveyance of farmed land from a family farm corporation to an individual or individuals, all of whom are members of the same family as the shareholders of the family farm corporation and is exempt from tax pursuant to subsection 2.1(1) of Regulation 697, R.R.O. 1990 under the *Land Transfer Tax Act*."

Definitions

"**family farm corporation**" means a corporation in which, at the date of registration of any conveyance with respect to which the expression is being applied,

- (a) all of the issued shares except for directors' qualifying shares are owned by a person or persons, each of whom is a member of the family of each transferor of the land being conveyed, and, where any of such persons is a corporation, 95 per cent of the value of the assets of such corporation are farming assets, and

- (b) 95 per cent of the value of the assets are farming assets.

"**farming**" includes tillage of the soil, the breeding, raising or grazing of livestock of all kinds, the raising of poultry and the production of poultry products, fur farming, dairy farming, fruit growing, the growing of food for human consumption or for the feeding of livestock and the keeping of bees, but does not include the leasing out of land where the lessor is not entitled to share in the crops, livestock or other commodities raised or produced on the land or the proceeds of the sale of such crops, livestock or other commodities so raised or produced.

"**farming assets**" of a family farm corporation, means:

- (a) land, buildings, equipment, machinery and livestock that are used chiefly in farming by the corporation,
- (b) any right or licence granted or issued under any Act of the Legislature that permits or regulates the production or sale of any commodity or thing produced, raised or grown through farming,
- (c) the building in which a shareholder or one or more members of his or her family reside who are engaged in farming if that building is on land that is used or is contiguous to land used in farming by that shareholder or those members of his or her family,
- (d) shares in another family farm corporation, and
- (e) trade accounts receivable, supplies and inventory of commodities or things produced, raised or grown through farming.

"**members of the family**" means with respect to an individual:

- (a) the individual,
- (b) the individual's spouse,
- (c) the individual's child,
- (d) the individual's father, mother, brother or sister or any spouse or descendant of such brother or sister,
- (e) the brother or sister of the individual's father or mother or any descendant of any such brother or sister,
- (f) the father, mother or any brother or sister of the individual's spouse or any descendant of any such brother or sister,
- (g) the individual's son-in-law or daughter-in-law,
- (h) the individual's grandfather or grandmother,
- (i) the individual's grandchild or great-grandchild or the spouse of any such grandchild or great-grandchild, or
- (j) a corporation all of the issued shares of which except for directors' qualifying shares are owned by an individual or individuals, each of whom is related to the individual to whom the expression is being applied in the manner described in any of clauses (a) to (i).

"**spouse**" means spouse as defined in section 29 or the **Family Law Act**. At present this means:

- either of two persons who are married to each other, and also includes
- either of two persons who have continuously cohabited for a period of not less than three years, or for a shorter period of time if they are the natural or adoptive parents of a child.

Enquiries

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