

Election Proposal Costing

Removing the Underused Housing Tax

April 22, 2025

Repealing the Underused Housing Tax (UHT) and its administration expenses, effective May 1, 2025.

Cost of Proposed Measure

Fiscal year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Total cost \$ millions	93	99	109	108	107	514

Notes

- Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- A positive number implies a deterioration in the budgetary balance (lower revenues or higher spending). A negative number implies an improvement in the budgetary balance (higher revenues or lower spending).
- Totals may not add due to rounding.

Estimation and Projection Method

The cost of the measure was defined as the loss in UHT revenues, net of administrative costs. The revenues were previously estimated by the PBO in its costing note on the subject published in April 2024 and were subsequently added to its EPC baseline (for more details, see [Estimated revenues from the Underused Housing Tax](#)).

PBO estimated and projected the UHT administrative costs using data from Canada Revenue Agency (CRA) in 2023-24 and CRA's historical composition of operating expenditures.

Sources of Uncertainty

The main sources of uncertainty relate to the incompleteness of the UHT returns data and the magnitude of ongoing administrative costs.

Data Sources

UHT Revenues, Salaries and Wages per FTE Projections

EPC Baseline – April 2025, Office of the Parliamentary Budget Officer

Category 0 Spending by Standard Objects – CRA

Personnel Expenditure Analysis Tool (PEAT) Database, Office of the Parliamentary Budget Officer

Information on UHT Administration Costs

Order/Address of the House of Commons – Q-2221

