

Moving Expenses

You are able to claim moving expenses as a deduction from your income when filing your tax return. You can deduct reasonable amounts that you paid for moving yourself, your family, and your household effects. Not all members of your household have to travel together or at the same time.

Eligible moving expenses include:

- transportation and storage costs (such as packing, hauling, in-transit storage, and insurance) for household effects, including items such as boats and trailers;
- travelling expenses, including vehicle expenses, meals, and accommodation, to move you and members of your household to your new residence
- costs for up to 15 days for meals and temporary accommodation near either residence for you and the members of your household; and
- the cost of cancelling a lease for your old residence, except any rental payment for the period during which you occupied the residence.

When your old residence is sold as a result of your move, eligible moving expenses also include:

- legal or notarial fees for the purchase of the new residence, as well as any taxes paid (other than GST/HST or property taxes) for the transfer or registration of title to the new residence, if you or your spouse or common-law partner sold the old residence, and
- the cost of selling your old residence, including advertising, notarial or legal fees, real estate commission, and mortgage penalty when the mortgage is paid off before maturity.

You can deduct eligible moving expenses from income you earn at your new location if you move and establish a new home to be employed or carry on a business.

Your new home must be at least 40 kilometers (by the shortest usual public route) closer to the new place of work or educational institution. You must establish your new home as the place where you ordinarily reside. For example, you have established a new home if you have sold or rented (or advertised for sale or rent) your old home.

Generally, your move must be from one place in Canada to another place in Canada.

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You can also deduct moving expenses if you move to study courses as a full-time student at a college, university, or other institution offering post-secondary education. However, you can only deduct these expenses from the part of your scholarships, fellowships, bursaries, certain prizes, and research grants required to be included in your income.

If your eligible moving expenses are more than the scholarships, fellowships, bursaries, certain prizes, and research grants income you report for the year, you can deduct the unused part of those expenses from the same type of income you receive and report on your return for the following years.

You can claim moving expenses that you incur at the beginning of each academic period when you move to the educational institution, as long as you meet the 40-kilometre limitation and have income earned in the new location. You can also claim moving expenses when you move back after a summer break, or a work semester if you have income earned at the new location.

Moving expenses that you **cannot deduct** include:

- expenses for work done to make your home more saleable;
- any loss from the sale of your home;
- expenses for house-hunting trips before you move;
- the value of items movers refused to take, such as plants, frozen food, ammunition, paint, and cleaning products;
- expenses for job hunting in another city (such as travelling expenses);
- expenses to clean or repair a rented residence to meet the landlord's standards;
- expenses to replace personal-use items such as tool sheds, firewood, drapes, and carpets;
- mail-forwarding costs (such as with Canada Post);
- costs of transformers or adaptors for household appliances; and
- costs incurred in the sale of your old home if you delayed selling for investment purposes or until the real estate market improved.