



***BY-LAW IMPOSING A TAX ON VACANT
RESIDENTIAL DWELLINGS***

NUMBER 1044

05-13-2026
Version 1.0

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RESIDENTIAL DWELLINGS**

WHEREAS the Town of Hampstead is governed by the *Cities and Towns Act* (CQLR, c. C-19);

WHEREAS section 500.5.1 of the *Cities and Towns Act* authorizes a municipality to impose a tax based on the property value of an immovable containing a vacant or underused residential dwelling;

WHEREAS the Municipal Council deems it in the public interest to adopt a measure aimed at promoting the occupancy of residential dwellings within the territory of the Town;

WHEREAS pursuant to section 356 of the *Cities and Towns Act* (QRLN, c. C-19), notice of motion for the present By-law has been given and a Draft By-law has been tabled at the Regular Council meeting held on 04 May, 2026;

WHEREAS all Council members received a copy of the present By-law no. 1044 and declare having read it;

ON MAY 13, 2026, THE COUNCIL DECREES AS FOLLOWS:

CHAPTER 1

DECLARATORY, INTERPRETATIVE AND ADMINISTRATIVE PROVISIONS

Section 1.1 Preamble

The preamble forms an integral part of this by-law.

Section 1.2 Purpose

The purpose of this by-law is to impose an annual municipal tax on the taxable value of any immovable located within the territory of the Town of Hampstead containing one or more vacant residential dwellings.

Section 1.3 Title of the by-law

This by-law is entitled: *“By-law imposing a tax on vacant dwellings.”*

Section 1.4 Territory to which the by-law applies

This by-law applies to the entire territory of the Town of Hampstead.

Section 1.5 Definitions

For the purposes of this by-law, unless the context indicates otherwise, the following definitions apply:

1.5.1 “Dwelling”

An enclosed space intended for human habitation, having a separate entrance leading to the exterior, a lobby, or a common corridor, and including sanitary facilities and functional cooking facilities, and that is habitable year-round.

1.5.2 “Vacant dwelling”

A dwelling that is not occupied.

1.5.3 “Occupied dwelling”

A dwelling occupied for a minimum of 180 days per year by its owner, by a person related to the owner by blood or marriage, including through a de facto spouse, or through a caregiving relationship, or by another occupant under a lease of at least 180 days, including subleases.

Section 1.6 Exceptions

Despite Article 1.5.3, a dwelling is deemed to be occupied:

1. during any period in which an evacuation order issued by a judicial or administrative authority applies;
2. during any period in which its occupant, where it is their principal residence, cannot occupy it due to their health condition;
3. for 24 months following the death of its owner, where it was their principal residence, or following the death of a related person where it was that person’s principal residence;
4. during any period in which it is uninhabitable due to major work and for six months following completion of such work;
5. during any period in which it is intended for use as a secondary residence by its owner and is not offered for tourist accommodation within the meaning of the Tourist Accommodation Act (CQLR, c. H-1.01).

The period referred to in paragraph 4 may not exceed 24 months following the commencement of the major work.

Paragraph 5 applies to only one dwelling per owner within the municipality. Where more than one dwelling may qualify, the owner must designate the dwelling benefiting from this provision by declaration to the responsible officer.

Section 1.7 Application of the by-law

The Treasurer and Assistant Treasurer are designated as responsible officers for the administration of this by-law. The responsible officer shall receive inspection reports, secondary residence declarations, determine vacancy, process contestations, assess submitted evidence, and render decisions under this by-law.

CHAPTER 2

SCOPE OF APPLICATION

Section 2.1 Applicable dwellings

The tax applies to all vacant dwellings, subject to exclusions provided in Article 2.2.

Section 2.2 Exclusions

The tax does not apply to:

1. a dwelling that does not meet all of the following conditions:
 - a) has a separate entrance;
 - b) has sanitary and cooking facilities;
 - c) such facilities are functional, supplied with running water, and reserved for occupants;
 - d) is habitable year-round;
2. a dwelling not accessible year-round due to road closure or lack of maintenance;
3. a dwelling in low-rental or modest-rental housing;
4. a dwelling subject to an operating agreement (e.g., affordable housing) with the Société d’habitation du Québec, a municipality, or government body, or the Canada Mortgage and Housing Corporation;

5. a dwelling subject to an agreement under a housing program governed by the *Act respecting the Société d'habitation du Québec*;
6. a dwelling listed under a housing authority assessment unit;
7. a dwelling classified as “1100 chalet or seasonal residence” under the property assessment roll;
8. a dwelling in a registered tourist accommodation establishment (except “tourist residence” category);
9. a dwelling in a private seniors’ residence.

Paragraph 1 does not apply where non-compliance results from a by-law violation regarding building standards or maintenance.

Section 2.3 Determination criteria

The vacancy of a dwelling is established by a report submitted to the responsible officer, based on a visual inspection carried out by a municipal employee, including, in particular, an inspector, a member of public safety personnel, public works staff or, where applicable, the body responsible for property assessment.

Section 2.4 Notice

Where a dwelling is determined to be vacant pursuant to Article 2.3, the Town shall send the owner a written notice by mail to the address listed on the property assessment roll.

This notice shall inform the owner, in particular:

- a) of the vacancy determination;
- b) of the potential liability for the tax provided for in this by-law for the following fiscal year;
- c) of the right to contest and the applicable deadlines.

Section 2.5 Right to contest

Any owner of an immovable or dwelling subject to a vacancy determination made under Article 2.3 may submit written representations to the Town contesting such determination within the prescribed time.

Section 2.6 Time limit

The contestation must be submitted in writing to the responsible officer no later than December 31 of the current fiscal year or within 30 days following the mailing of the notice sent by the Town for that purpose, whichever is later.

Failing this, the immovable or dwelling shall be deemed vacant and shall be subject to the applicable tax as of the following fiscal year.

Section 2.7 Burden of proof

The owner bears the burden of demonstrating that the dwelling was occupied for residential purposes during the reference period or that it qualifies for an exception or exclusion.

Section 2.8 Change of status

The owner of a vacant dwelling that becomes occupied during the fiscal year must notify the Town Treasurer no later than December 31 of the current fiscal year.

Section 2.9 Proof of occupancy

For the purposes of this by-law, acceptable proof of occupancy includes any official document demonstrating actual consumption or human presence, including, but not limited to:

- a) an electricity consumption statement issued by Hydro-Québec;
- b) a bill for electricity, natural gas or another energy service;
- c) a residential telecommunications bill;
- d) any other document deemed relevant and probative by the responsible officer.

Section 2.10 Evaluation of evidence

The responsible officer has the right to assess the sufficiency and probative value of the documents submitted. Minimal consumption or consumption clearly inconsistent with actual occupancy of the dwelling may be deemed insufficient as proof of occupancy.

Section 2.11 Decision

The decision rendered by the responsible officer following the review of the contestation is final for the following taxation year.

CHAPTER 3

TAX RATE AND CALCULATION

Section 3.1 Applicable rate

The tax rate is established as follows, based on the year of application of this by-law:

Taxation Year	Maximum Rate
2027	1%
2028	2%
2029+	3%

Section 3.2 Calculation

Subject to section 182 of the *Act respecting municipal taxation* (CQLR, c. F-2.1), the tax is calculated based on the taxable value of the assessment unit concerned at the time of taxation.

Section 3.3 Reference period

For the purposes of this by-law, the reference period is from January 1 to December 31 of each year.

The tax is imposed once annually for each fiscal year to which it applies.

Subject to Article 2.8, any change in the status of a dwelling determined during the reference period, whether from occupied to vacant or from vacant to occupied, takes effect for the following fiscal year.

Section 3.4 Exceptions

For the purposes of Article 3.2, where the assessment unit belongs to the category of non-residential immovables and falls within one of classes 1A to 8 provided for in section 244.32 of the *Act respecting municipal taxation* (CQLR, c. F-2.1), the value to be considered corresponds to a percentage of the unit's value equivalent to that applicable, under the first paragraph of section 244.53 of that Act, to the base rate for the class to which the unit belongs. In the case of a unit falling within class 9 or 10, the value to be considered is \$0.

Furthermore, where the assessment unit contains more than one dwelling, the value to be considered must, taking into account the first paragraph, be multiplied by the quotient obtained by dividing the number of vacant dwellings within the unit during the reference period by the total number of dwellings it contains.

CHAPTER 4

COLLECTION

Section 4 Method of collection

The tax is collected in the same manner, at the same times, and with the same remedies as the general property tax.

Any tax arrears shall bear interest and be subject to the same penalties as property tax arrears.

CHAPTER 5

TRANSITIONAL AND FINAL PROVISIONS

Section 5.1 Effective date

The tax imposed by this by-law shall take effect as of the fiscal year beginning January 1, 2027.

Section 5.2 Coming into force

This by-law comes into force in accordance with the law.

(s) Jeremy Levi, Mayor
Jeremy Levi, Mayor

(s) Simona Sonnenwirth
Simona Sonnenwirth, Deputy Town Clerk