

Ontario Private Members' Bill proposes real estate corporations

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In a move that the province's real estate industry has long lobbied for, a Private Members' Bill (Bill) was introduced in the Ontario Legislature on March 8, 2017, that would permit real estate agents and brokers to operate through personal corporations. On March 23, the Bill received second reading in the Ontario Legislature and was referred to the Standing Committee on General Government.

The Bill would amend the *Real Estate and Business Brokers Act, 2002* to permit a personal real estate corporation to be registered as a broker or salesperson. The personal real estate corporation would have to be a professional corporation under the *Business Corporations Act* (Ontario) and its business would have to be limited to trade in real estate. In essence, real estate agents and brokers would be able to use a personal corporation for tax planning purposes – an initiative that has long been sought after in the industry and that is already permitted in other provinces.

The Bill is sponsored by members of the opposition. Historically, very few Private Members' Bills have been passed into law, even less so when they were proposed by the opposition. Franchisors in the real estate sector should pay attention to this Bill, and we will provide further updates on its progress.

[View the full text](#) [PDF] of Ontario Bill 104.

If you have any questions, please contact a member of Osler's [Franchise Group](#).