

Security deposit interest rates

2% below prime rate

(Calculated on January 1 and on July 1 annually)

To calculate the interest:

(amount) x (% rate) ÷ (365) x (number of days)

Period	Interest Rate	Period	Interest Rate
Jan. 1, 1999 to June 30, 1999	4.75%	July 1, 1999 to Dec. 31, 1999	4.25%
Jan. 1, 2000 to June 30, 2000	4.5%	July 1, 2000 to Dec. 31, 2000	5.5%
Jan. 1, 2001 to June 30, 2001	5.5%	July 1, 2001 to Dec. 31, 2001	4.25%
Jan. 1, 2002 to June 30, 2002	2.00%	July 1, 2002 to Dec. 31, 2002	2.25%
Jan. 1, 2003 to June 30, 2003	2.5%	July 1, 2003 to Dec. 31, 2003	1.5%
Jan. 1, 2004 to June 30, 2004	2.5%	July 1, 2004 to Dec. 31, 2004	1.75%
Jan. 1, 2005 to June 30, 2005	2.25%	July 1, 2005 to Dec. 31, 2005	2.25%
Jan. 1, 2006 to June 30, 2006	3%	July 1, 2006 to Dec. 31, 2006	4%
Jan. 1, 2007 to June 30, 2007	4%	July 1, 2007 to Dec. 31, 2007	4%
Jan. 1, 2008 to June 30, 2008	4%	July 1, 2008 to Dec. 31, 2008	2.75%
Jan. 1, 2009 to June 30, 2009	1.5%	July 1, 2009 to Dec. 31, 2009	0.25%
Jan. 1, 2010 to June 30, 2010	0.25%	July 1, 2010 to Dec. 31, 2010	0.5%
Jan. 1, 2011 to June 30, 2011	1%	July 1, 2011 to Dec. 31, 2011	1%
Jan. 1, 2012 to June 30, 2012	1%	July 1, 2012 to Dec. 31, 2012	1%
Jan. 1, 2013 to June 30, 2013	1%	July 1, 2013 to Dec. 31, 2013	1%
Jan. 1, 2014 to June 30, 2014	1%	July 1, 2014 to Dec. 31, 2014	1%
Jan. 1, 2015 to June 30, 2015	1%	July 1, 2015 to Dec. 31, 2015	.85%
Jan. 1, 2016 to June 30, 2016	.7%	July 1, 2016 to Dec. 31, 2016	.7%
Jan. 1, 2017 to June 30, 2017	.7%	July 1, 2017 to Dec. 31, 2017	.7%
Jan. 1, 2018 to June 30, 2018	1.2%	July 1, 2018 to Dec. 31, 2018	1.45%
Jan. 1, 2019 to June 30, 2019	1.95%	July 1, 2019 to Dec. 31, 2019	1.95%
Jan. 1, 2020 to June 30, 2020	1.95%	July 1, 2020 to Dec 31, 2020	.45%
Jan. 1, 2021 to June 30, 2021	.45%	July 1, 2021 to Dec 31, 2021	.45%
Jan. 1, 2021 to June 30, 2022	.45%	July 1, 2022 to Dec 31, 2022	1.7%
Jan. 1, 2023 to June 30, 2023	4.45%	July 1, 2023 to Dec. 31, 2023	4.95%
Jan. 1, 2024 to June 30, 2024	5.2%	July 1, 2024 to Dec. 31, 2024	4.95%

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Interest on security deposits

The landlord must pay interest to the tenant annually (at the end of each tenancy year) or 15 days after the date the tenant moves out (the earlier date applies). The interest rate is payable at 2% lower than the bank prime rate as of January 1 and July 1 of each year.

The table shows the interest to be paid on the security deposit for each time-period. The interest is not compounded; it is calculated for each time-period.

This sheet is provided for assistance only and is not a statement of law. To interpret or apply the legislation, the *Residential Landlord and Tenant Act*, Part 2, should be consulted. Sections 17(1), 18 and 19 refer to security deposits.

There are specific rules about how the security deposit may be used. They are detailed in the *Residential Landlord and Tenant Act*. Please contact the Residential Tenancies Office at (867) 667-5944 or toll-free at 1-800-661-0408 ext. 5944 to determine whether you are eligible to use the security deposit for the last month's rent.

Calculating the interest

Formula for calculating the interest owed: $(\text{amount}) \times (\% \text{ rate}) \div (365) \times (\text{number of days})$

Example of an interest calculation

Mary rented an apartment on July 1, 1999. Her security deposit was \$500.00. On May 31, 2000, Mary moved out of the rental suite.

- July 1, 1999 to Dec. 31, 1999 = 184 day. The listed interest rate is 4.25%.
⇒ $\$500.00 \times 4.25\% \div 365 \text{ days} \times 184 \text{ days} = \10.71
- Jan. 1, 2000 to May 31, 2000 = 152 days. The listed interest rate is 4.5%.
⇒ $\$500.00 \times 4.5\% \div 365 \text{ days} \times 152 \text{ days} = \9.37

The landlord owes Mary \$20.08 (\$10.71+ \$9.37) in interest on her security deposit.

See the security deposit interest rate chart to make calculations.

