

## Return of security deposit

Once a tenant has moved out **and** given their landlord a forwarding address in writing, the landlord must within 15 days do one of the following:

- return the security deposit, with interest to the tenant;
- obtain the tenant's consent in writing to any deductions from the security deposit and return the difference to the tenant; or
- if the tenant does not agree to the deductions, apply for dispute resolution at the Residential Tenancies Office (RTO).

Refer to the info sheet **Condition inspections [move-in & move-out]** for more requirements related to the return of the security deposit.

A landlord who wants to keep some or all of a deposit must either:

- get the tenant's written consent; or
- obtain an order from the Residential Tenancies Office (RTO) to deduct a specified amount from the deposit.

A landlord may want to keep some or all of a deposit to cover:

- damage the tenant, their guests or pets caused to the rental unit beyond normal wear and tear;
- unpaid rent, utilities, or fuel;
- changing the locks or cutting new keys if the keys were not returned; or
- reasonable costs caused by the tenant moving out without giving proper notice.

Landlords and tenants can forfeit their claims to the security deposit if they do not meet their obligations under the *Residential Landlord and Tenant Act*.

A landlord will extinguish their ability to claim any amount of the security deposit if they:

- do not meet the requirements related to condition inspections and reports; or
- they do not apply to the RTO within 15 days of the tenancy ending.

A tenant will extinguish their right to have the security deposit returned if they:

- do not meet the requirements related to condition inspections; or
- do not provide the landlord with their forwarding address in writing within six months of the tenancy ending.

**Tenants must have their landlord's written consent to use a security deposit as last month's rent.**

### Calculating interest on a security deposit

Landlords must calculate the interest owing on the full deposit regardless of any deductions they wish to make.

The interest rate is two percent **below** the Bank of Canada's prime rate (set January 1 and July 1 of each year).

For a complete list of interest rates, please visit [yukon.ca/en/security-deposit-interest-rates](https://yukon.ca/en/security-deposit-interest-rates) or contact the RTO at (867) 667-5944.

**You can find an interest calculator at [yukon.ca](https://yukon.ca).**

## **Claiming damages against a security deposit (deductions)**

If a landlord wishes to make a claim against the security deposit for damage to a rental unit, they must have completed condition inspections at move-in **and** move-out. Failure to do so will prevent a landlord from claiming any compensation for damage.

## **Disputes related to security deposits**

When a tenant and landlord cannot agree on deductions to a security deposit, either party can apply for dispute resolution to have the matter settled. The landlord must apply within 15 days of the tenancy ending or receiving the tenant's forwarding address (whichever is later).

If the landlord does not return the security deposit or makes deductions without the tenant's written approval, the tenant has up to one year from the end of the tenancy to apply for dispute resolution. However, the tenant loses the right to the deposit if they do not give their landlord a forwarding address in writing within six months of the tenancy ending.