

LEAD REFERENCE

The 7 numbers every Ontario car buyer *needs to know.*

The seven numbers that determine whether your deal is fair, what the dealer is making, and what's actually on the table to negotiate. Print this page or save it to your phone before you walk into a dealership.

Issued by Holdback advisory desk **Jurisdiction** Ontario, Canada

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01 2–3%

Dealer holdback (manufacturer rebate paid quarterly)

For most Canadian-market vehicles, the manufacturer pays the dealer a hidden rebate of **2–3% of MSRP** after every sale. On a \$60,000 vehicle, that's **\$1,200–\$1,800** the dealer earns even if they sell at "invoice." When a salesperson tells you "we're losing money on this deal," they almost never are.

Source: Industry rate disclosed in Holdback's pillar guide on dealer holdback (holdback.ca/dealer-holdback). Rates vary by manufacturer; some pay flat, some by trim band.

02 \$1,500–\$4,800

Finance & Insurance (F&I) gross profit per vehicle

The room you visit after agreeing on price — the finance office — is where most dealers earn more than they did on the vehicle itself. Industry F&I gross averages **\$1,500 to \$4,800 per car**, mostly from extended warranty, GAP insurance, paint protection, and rate markup on financing.

Source: JD Power industry surveys + CADA economic reports. See holdback.ca/finance-office-guide for the line-by-line breakdown of every product offered and what each costs the dealer.

03 \$4,800

Average margin Ontario buyers leave on the table

Combining vehicle markup, F&I products, rate spread, and admin fees, the average Ontario buyer walks out of a dealership having spent roughly **\$4,800 more than they had to**. The number is wide — some buyers leave \$1,500, some leave \$9,000+ — but \$4,800 is the typical midpoint across the deals Holdback has reviewed.

Source: Aggregate from 400+ Ontario consultations advised by Holdback. Refresh quarterly.

04 \$45,000

OMVIC compensation fund cap (per transaction)

If a registered Ontario dealer disappears with your deposit or fails to deliver on a contract, OMVIC's compensation fund covers eligible buyers up to **\$45,000 per transaction**. Private sales are NOT covered — one reason a verifiable dealer relationship has value even when the price is higher than private.

Source: OMVIC (Ontario Motor Vehicle Industry Council). Verify current cap at omvic.ca before any large transaction.

05 \$50,000

EVAP electric-vehicle rebate price cap

To qualify for the federal Electric Vehicle Affordability Program (EVAP) rebate, the vehicle's MSRP must be **under \$50,000 for a base trim**. Trims up to \$65,000 of the same model can also qualify if the base is under cap. Stack with provincial incentives where applicable. Holdback's EVAP checker (holdback.ca/evap-checker) tells you exactly what your specific vehicle qualifies for.

Source: Government of Canada iZEV / EVAP eligibility rules. Caps and qualifying models change annually.

06 13% × trade-in

HST trade-in credit (Ontario only)

When you trade in at an Ontario dealership, HST is calculated on the difference between the new vehicle price and your trade-in value — not on the full new price. On a \$15,000 trade-in, that's **\$1,950 in tax savings**. Selling privately and buying separately costs you the full HST. The trade-in needs to clear the dealer's offer plus this credit to come out ahead.

Source: Ontario HST rules + Canada Revenue Agency. Use holdback.ca/hst-calculator for your specific numbers.

07 \$500–\$3,000

Dealer cash & volume bonuses (manufacturer-to-dealer)

On top of holdback, manufacturers pay dealers "**dealer cash**" — flat per-unit incentives that move with monthly sales targets — plus volume bonuses tied to quarterly quotas. Per vehicle this typically lands between **\$500 and \$3,000**, sometimes more on slow-moving inventory at month-end. Most of this never appears on your bill of sale and is not disclosed to the buyer.

Source: Manufacturer dealer-pay structures (industry-standard). Specific amounts confidential per OEM but range is consistent across major brands.

GOT A DEAL IN FRONT OF YOU?

Have someone walk it line by line.

A 45-minute Holdback Deal Review at \$147 takes your specific quote, applies the seven numbers above, and tells you exactly what's negotiable and what to say. Or do it yourself with the calculators at holdback.ca/tools.

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