Tax Relief Provided Since 2006

Budget 2006

Individuals

- Reduced the Goods and Services Tax (GST) rate to 6% from 7%, effective July 1, 2006. 1
- Reduced the lowest personal income tax rate to 15.5% from 16%, effective July 1, 2006. 1
- Increased the basic personal amount to $8,648 from $8,148 for 2005, to $8,839 from $8,428 for 2006, to $8,929 from $8,713 for 2007, to $9,299 from $9,278 for 2008, and to $10,131 from $10,110 for 2009. 2
- Introduced the Canada Employment Credit, effective July 1, 2006 (a tax credit on employment income of up to $1,000 in 2007, first full year). 3
- Introduced a deduction for the cost of tools for tradespeople (up to $500 for costs in excess of $1,000).
- Introduced the Textbook Tax Credit (based on an amount of $65 for each month of full-time study and $20 for each month of part-time study).
- Exempted post-secondary scholarship and bursary income from tax.
- Introduced the Children’s Fitness Tax Credit (recognized up to $500 in eligible fees per child).
- Doubled the amount of income eligible for the Pension Income Credit to $2,000 from $1,000.
- Reduced tax on large corporation dividends (increased the gross-up to 45% from 25% and the Dividend Tax Credit to 19% from 13.3%).
- Increased the maximum Refundable Medical Expense Supplement to $1,000 from $767.
- Introduced the Public Transit Tax Credit, effective July 1, 2006.
- Eliminated capital gains tax on donations of publicly listed securities and ecogifts to public charities. 4
- Extended the $500,000 Lifetime Capital Gains Exemption and intergenerational rollover to fishing property.
- Extended the 15% Mineral Exploration Tax Credit to March 31, 2007.

Businesses

- Reduced the general corporate income tax rate from 21% for 2007, to 20.5% for 2008, to 20% for 2009, and to 19% for 2010. 5
- Eliminated the corporate surtax for all corporations, effective 2008.
- Increased the income limit for the small business tax rate to $400,000 from $300,000.
- Reduced the small business tax rate to 11.5% in 2008 and 11% in 2009, from 12% in 2007. 6
- Introduced the Apprenticeship Job Creation Tax Credit (equal to 10% of wages, to maximum credit of $2,000 per apprentice per year).
- Increased the cost limit for tools qualifying for the 100% capital cost allowance (CCA) to $500 from $200.
- Eliminated the federal capital tax in 2006 (two years earlier than originally scheduled).
- Extended carry-forward periods for non-capital losses and unused investment tax credits to 20 years from 10 years. 7
- Increased the threshold above which the financial institution capital tax begins to apply to $1 billion from $200 million.
- Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional applications.
- Reduced the excise duties on certain wines and beer to support vintners and small and medium-sized brewers, effective July 1, 2006.
- Repealed the excise tax on jewellery.
2006 Tax Fairness Plan

**Individuals**
- Increased the Age Credit amount by $1,000, to $5,066 from $4,066.
- Introduced pension income splitting, effective 2007.

**Businesses**
- Reduced the general corporate income tax rate by 0.5% to 18.5% in 2011.

Budget 2007

**Individuals**
- Introduced the Working Income Tax Benefit.
- Eliminated the capital gains tax on donations of publicly listed securities to private foundations.
- Exempted elementary and secondary school scholarship income from tax.
- Increased the lifetime contribution limit to $50,000 for Registered Education Savings Plans (RESPs).
- Eliminated the RESP annual contribution limit.
- Expanded access to RESP savings for part-time studies.
- Introduced the Child Tax Credit (based on an initial amount of $2,000).
- Increased the spousal and eligible dependant amounts to $8,929 from $7,581.
- Extended the Public Transit Tax Credit to electronic and weekly passes used on a regular basis.
- Increased the Lifetime Capital Gains Exemption to $750,000 from $500,000.
- Gradually increased the deduction for meal expenses of truck drivers from 50% of the allowable amount in 2006 to 80% in 2011.
- Provided more flexibility to employers to offer phased retirement programs.
- Introduced the Registered Disability Savings Plan (RDSP), effective 2008.
- Increased the age limit for maturing Registered Pension Plans (RPPs) and Registered Retirement Savings Plans (RRSPs) to 71 years of age from 69.
- Expanded RRSP qualified investments.
- Broadened the Northern Residents Deduction to include the District Municipality of Mackenzie (British Columbia).
- Increased the 48-hour travellers’ exemption to $400 from $200.
- Introduced zero-rating for GST/Harmonized Sales Tax (HST) purposes for exports of intangible personal property.
- Extended the 15% Mineral Exploration Tax Credit to March 31, 2008.

**Businesses**
- Introduced a temporary 50% straight-line accelerated CCA rate for investments in manufacturing or processing machinery and equipment for investments undertaken in 2007 and 2008.
- Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional equipment and applications, and also extended the incentive to investments made before 2020.
- Reduced the frequency of tax remittances and filings for small businesses.
- Introduced a farm savings account (AgriInvest), which includes favourable tax treatment of Government contributions and interest earned in the account.
- Aligned the CCA rate with useful life for manufacturing plants (to 10% from 4%), other non-residential buildings (to 6% from 4%), computers (to 55% from 45%), natural gas distribution lines (to 6% from 4%) and liquefied natural gas facilities (to 8% from 4%).
- Encouraged the elimination of provincial capital taxes.
- Eliminated non-resident withholding tax on arm’s length interest payments.
- Introduced a 25% investment tax credit for child care spaces up to a maximum credit of $10,000 per child care space created.
- Introduced a special additional deduction for the donation of medicines to the developing world.
• Introduced GST relief in respect of certain property and services used in the course of foreign conventions held in Canada and the accommodation portion of tour packages for non-residents.
• Introduced a tax relief package with respect to the 2010 Olympic Games.*

2007 Economic Statement

Individuals
• Reduced the GST rate to 5% from 6%, effective 2008.
• Reduced the lowest personal income tax rate to 15% from 15.5%, effective January 1, 2007.
• Increased the basic personal amount to $9,600 from $8,929 for 2007 and to $9,600 from $9,299 for 2008.

Businesses
• Reduced the general corporate income tax rate to 19.5% from 20.5% for 2008, to 19% from 20% for 2009, to 18% from 19% for 2010, to 16.5% from 18.5% for 2011 and to 15% from 18.5% for 2012.15
• Reduced the small business tax rate to 11% from 2008 on, from 11.5% in 2008 and 12% in 2007.16

Budget 2008

Individuals
• Introduced the Tax-Free Savings Account, effective 2009.
• Expanded the list of expenses eligible under the Medical Expense Tax Credit.
• Extended the RESP termination date limits and allowed a six-month grace period for receiving Educational Assistance Payments under an RESP.17*
• Increased the residency component of the Northern Residents Deduction by 10%.
• Extended the capital gains tax exemption to certain donations of exchangeable shares.*
• Extended the GST/HST exemption for nursing services; exempted from GST/HST specially designed training to assist individuals in coping with effects of a disability or disorder; expanded the list of GST/HST-free medical and assistive devices (e.g., service dogs).*
• Extended the 15% Mineral Exploration Tax Credit to March 31, 2009.

Businesses
• Extended the temporary 50% straight-line accelerated CCA rate for investments in manufacturing or processing machinery and equipment to include investments undertaken in 2009.18
• Aligned the CCA rate with useful life for railway locomotives (to 30% from 15%), CO₂ pipelines (to 8% from 4%) and CO₂ pumping and compression equipment (to 15% from 4%).
• Improved the Scientific Research and Experimental Development Program by increasing the expenditure limit for the enhanced 35% credit to $3 million from $2 million, and by increasing the phase-out ranges.
• Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional applications.
• Extended to long-term residential care facilities the GST New Residential Rental Property Rebate and GST/HST exempt treatment that applies to residential leases and sales of used residential rental buildings.
• Extended GST/HST relief to land leased to situate wind- or solar-power equipment for the production of electricity.*

2008 Economic Statement

Individuals
• Introduced a one-time 25% reduction in Registered Retirement Income Fund (RRIF) minimum withdrawals for 2008.
Budget 2009

Individuals
- Increased the basic personal amount to $10,320 from $10,100 for 2009.
- Increased the upper limit of the first personal income tax bracket to $40,726 from $38,832 for 2009.
- Increased the upper limit of the second personal income tax bracket to $81,452 from $77,665 for 2009.
- Doubled the total tax relief provided by the Working Income Tax Benefit.
- Increased the Age Credit amount by $1,000, effective 2009.
- Introduced the temporary Home Renovation Tax Credit on expenditures in excess of $1,000, but not more than $10,000.
- Introduced the First-Time Home Buyers’ Tax Credit, based on an amount of $5,000.
- Increased the Home Buyers’ Plan withdrawal limit to $25,000 from $20,000.
- Introduced tax relief for RRSP post-death losses.
- Extended the 15% Mineral Exploration Tax Credit to March 31, 2010.

Businesses
- Extended the temporary 50% straight-line accelerated CCA rate for investments in manufacturing or processing machinery and equipment to include investments undertaken in 2010 and 2011.
- Introduced a temporary two-year 100% accelerated CCA rate for computers.
- Increased the income limit for the small business tax rate to $500,000 from $400,000.
- Repealed section 18.2 of the Income Tax Act (Interest Deductibility).
- Simplified how GST/HST is applied to direct sellers employing a commission-based model (i.e., network sellers), effective in respect of fiscal years of network sellers beginning after 2009.

Budget 2010

Individuals
- Improved the taxation of the Universal Child Care Benefit for single parents.
- Allowed the rollover of a deceased individual’s RRSP/RRIF proceeds to an RDSP.
- Improved the allocation of child benefits between parents who share custody of a child.
- Introduced special relief for tax deferral elections on stock options.
- Reinstituted the 50% inclusion rate for Canadian residents who have been in receipt of U.S. Social Security benefits since before January 1, 1996.
- Reduced the administrative burden on charities by eliminating several disbursement quota requirements.
- Extended the Mineral Exploration Tax Credit to March 31, 2011.

Businesses
- Aligned the CCA rate with useful life for TV set-top boxes (to 40% from 20% for satellite set-top boxes and to 40% from 30% for cable set-top boxes).
- Extended the time limits in certain situations for refunds of amounts withheld under section 116 of the Income Tax Act and section 105 of the Income Tax Regulations.
- Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional applications.
- Introduced a "safety mechanism" for network sellers to further simplify the GST/HST for the direct selling industry, effective in respect of fiscal years of network sellers beginning after 2009.
- Introduced legislation to allow small excise remitters to file and remit semi-annually rather than monthly as part of the Paper Burden Reduction Initiative.
Budget 2011

Individuals

- Introduced the Children’s Arts Tax Credit for up to $500 per child in eligible fees and an additional $500 amount for Disability Tax Credit-eligible children.
- Introduced the Volunteer Firefighters Tax Credit, based on an amount of $3,000 for volunteer firefighters who perform at least 200 service hours.
- Introduced the Family Caregiver Tax Credit, based on an amount of $2,000 for caregivers of infirm dependants.
- Removed the $10,000 limit that applies on the amount that caregivers can claim under the Medical Expense Tax Credit on behalf of certain dependants.
- Eliminated the one-claimant-per-household rule for the Child Tax Credit.*
- Included professional or trade examination fees in the definition of eligible tuition for the Tuition Tax Credit.
- Reduced the minimum duration requirement that Canadian students studying at foreign universities must meet to claim the Tuition, Education and Textbook Tax Credits or receive Educational Assistance Payments from RESPs.
- Provided subscribers of separate individual RESPs with the same flexibility to allocate assets among siblings as exists for subscribers of family plans.*
- Increased flexibility to access RDSPs for beneficiaries with shortened life expectancies.*
- Ensured that the new Agri-Québec program is accorded the same tax treatment that is currently provided to the federal Agrifund program.
- Extended the Mineral Exploration Tax Credit to March 31, 2012.

Businesses

- Extended the temporary 50% straight-line accelerated CCA rate for investments in manufacturing or processing machinery and equipment to include investments undertaken in 2012 and 2013.
- Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional equipment.
- Extended Qualifying Environmental Trust rules to pipelines.

Budget 2012

Individuals

- Expanded the list of eligible expenses under the Medical Expense Tax Credit to include blood coagulation monitoring devices and their disposable peripherals.*
- Exempted from the GST/HST pharmacists’ non-dispensing services; expanded the list of GST/HST-free drugs and medical and assistive devices to include the drug “Isosorbide-5-Mononitrate” and blood coagulation monitoring devices; and added to the list of health professionals on whose order certain medical and assistive devices are GST/HST free.*
- Allowed parents, spouses and common-law partners to open RDSPs for an adult individual who might not be able to enter into a contract.*
- Allowed investment income earned in an RESP to be rolled over on a tax-free basis to an RDSP.*
- Provided more flexibility for RDSPs to remain open for beneficiaries who cease to qualify for the Disability Tax Credit in certain circumstances.
- Increased the maximum withdrawal limits that apply to certain RDSPs.
- Extended the Mineral Exploration Tax Credit to March 31, 2013.
- Reduced taxes on foreign-based rental vehicles temporarily imported by Canadian residents, effective June 1, 2012.*
- Increased the 24-hour travellers’ exemption to $200 from $50 and increased the 48-hour travellers’ exemption to $800 from $400.
Businesses

- Expanded eligibility for the accelerated CCA for clean energy generation and conservation equipment to include additional applications.
- Improved the neutrality of the Atlantic Investment Tax Credit by including in qualified property certain electricity generation equipment and clean energy generation equipment used primarily in an eligible activity (i.e., farming, fishing, logging, and manufacturing and processing).
- Eliminated double taxation under the thin capitalization rules of Canadian corporations receiving loans from foreign affiliates.
- Allowed prescribed literacy organizations to claim a rebate of GST on books to be given away.*
- Doubled the GST/HST streamlined accounting thresholds, effective in respect of GST/HST reporting periods beginning after 2012.*

Budget 2013

Individuals

- Enhanced the Adoption Expense Tax Credit to better recognize the costs of adopting a child.
- Introduced the temporary First-Time Donor’s Super Credit to encourage all young Canadians to donate to charity.
- Expanded tax relief for home care services under the GST/HST to better meet the health care needs of Canadians.
- Increased the Lifetime Capital Gains Exemption to $800,000 and indexed the new limit to inflation.
- Extended the Mineral Exploration Tax Credit to March 31, 2014.

Businesses

- Extended the temporary 50% straight-line accelerated CCA rate for investments in manufacturing or processing machinery and equipment to include investments undertaken in 2014 and 2015.
- Expanded accelerated CCA for clean energy generation equipment to include a broader range of equipment.
- Doubled the restricted farm loss deduction limit.
- Simplified employer compliance with the GST/HST pension plan rules.*

Budget 2014

Individuals

- Increased the maximum amount of the Adoption Expense Tax Credit to provide further tax recognition of the costs of adopting a child.
- Expanded the list of eligible expenses under the Medical Expense Tax Credit to include costs associated with service animals specially trained to assist individuals with severe diabetes, such as diabetes alert dogs, and include amounts paid for the design of an individualized therapy plan.*
- Expanded the GST/HST exemption for training that is specially designed to assist individuals in coping with a disorder or disability to also exempt services of designing such training; exempted acupuncturists’ and naturopathic doctors’ professional services; and added eyewear specially designed to electronically enhance vision of individuals with vision impairment ordered by a physician or other specified health professional to the list of GST/HST-free medical devices.
- Introduced the Search and Rescue Volunteers Tax Credit for search and rescue volunteers who perform at least 200 hours of service during the year.
- Expanded the types of farming livestock that qualify for tax deferral on sale by farmers dealing with drought or excess moisture conditions.*
- Extended the intergenerational rollover and the Lifetime Capital Gains Exemption to better accommodate taxpayers involved in both farming and fishing businesses.*
- Extended the Mineral Exploration Tax Credit to March 31, 2015.
- Doubled the carry-forward period for donations of ecologically sensitive land to 10 years.25
• Allowed the trustee of an individual's estate increased flexibility to apply charitable donation credits against the income tax liabilities of the individual or the estate.
• Extended the 2011 changes to limits on transfers from an RPP to an RRSP to help additional individuals leaving an underfunded pension plan.
• Allowed income contributed to an amateur athletic trust to qualify as earned income for the purposes of determining an athlete’s annual RRSP contribution limit.*

Businesses
• Expanded eligibility for the accelerated CCA for clean energy generation equipment to include water-current energy equipment and a broader range of equipment used to gasify eligible waste.
• Revised remittance thresholds for employer source deductions.
• Extended GST/HST group relief to new corporations.*

Budget 2015

Individuals
• Increased the Tax-Free Savings Account annual contribution limit to $10,000.
• Introduced the Home Accessibility Tax Credit for seniors and persons with disabilities.
• Reduced the minimum withdrawal factors for RRIFs.
• Increased the Lifetime Capital Gains Exemption to $1,000,000 for qualified farm or fishing property.
• Extended the Budget 2012 temporary measure that allows qualified family members to become the plan holder for a RDSP for an adult who may lack the capacity to enter into a contract until the end of 2018.
• Exempted certain donations involving private corporation shares and real estate from capital gains tax.*
• Allowed registered charities to invest in limited partnerships without being considered as carrying on a business.*

Businesses
• Reduced the small business tax rate to 10.5% in 2016, 10% in 2017, 9.5% in 2018 and 9% in 2019, and adjusted the dividend gross-up and dividend tax credit rate accordingly.
• Provided an accelerated CCA at a rate of 50% on a declining-balance basis for machinery and equipment used in manufacturing and processing acquired after 2015 and before 2026.
• Reduced the frequency of required remittance payments for the smallest new employers.
• Extended a tax deferral regime that applies to patronage dividends paid to members by an eligible agricultural cooperative in the form of eligible shares to shares issued before 2021.

Off-Budget Tax Relief
• Eliminated the excise duty on Canadian wine and provided excise duty relief to all Canadian brewers, announced on June 28, 2006 and effective July 1, 2006.
• Enhanced the Children’s Fitness Tax Credit for children with disabilities by increasing the age limit from under 16 to under 18 years of age and introducing an additional $500 amount for Disability Tax Credit-eligible children, announced on December 19, 2006.
• Exempted the GST/HST for midwifery services, announced on December 28, 2006.*
• Introduced a new single rebate system for GST/HST paid on any expenses relating to pension plans, similar to the multi-employer pension plan rebate, for all employer-sponsored pension trusts, announced on January 26, 2007.
• Eliminated the tobacco manufacturer’s surtax for tobacco processors, announced on February 2, 2007.
• Extended the carry-forward period for unused investment tax credits earned by Canadian businesses in the 1998 to 2005 taxation years to 20 taxation years from 10 taxation years, announced on January 21, 2008.
• Improved the tax treatment of debt denominated in a foreign currency, announced on March 7, 2008.
• Extended the 2008 deadline for RDSP contributions, announced on December 23, 2008.
• Introduced modifications to the provisions relating to amateur athletic trusts, announced on December 29, 2008.
• Extended tax relief to farmers who have had to deplete their breeding herds of grazing livestock as a result of flood or excessive moisture, announced on March 5, 2009 (the rules previously applied only to farmers in prescribed drought regions).
• Extended the deadline for certain financial institutions to file their GST/HST returns from 3 to 6 months, announced on September 23, 2009.*
• Increased the pension surplus threshold for defined benefit RPPs to 25% from 10%, announced on October 27, 2009.
• Improved the tax treatment of employee life and health trusts, announced on February 26, 2010.*
• Relieved certain investment plans from the obligation to file the GST/HST Annual Information Return for Financial Institutions, effective July 1, 2010.*
• Extended the tax credit in respect of Employment Insurance premiums paid by self-employed individuals, announced in a press release on August 27, 2010.
• Introduced GST relief for Royal Canadian Legion purchases of Remembrance Day poppies and wreaths, announced on October 28, 2010.*
• Accommodated improvements to the Saskatchewan Pension Plan, announced on December 7, 2010.*
• Relieved the GST/HST on the service of collecting and distributing the levy on blank media imposed under the Copyright Act, announced on October 31, 2011.*
• Increased the portion of a terminating member’s pension commuted value transferable to an RRSP where the promised pension benefits have been reduced due to an insolvent employer’s underfunding of the plan, in 2011.
• Implemented the income tax rules for Pooled Registered Pension Plans (PRPPs) on December 14, 2012 (like RPPs and RRSPs, PRPPs will be tax-assisted plans).
• Permitted income from a Retirement Compensation Arrangement to be eligible for pension income splitting, subject to specified conditions, effective for the 2013 and subsequent tax years.
• Exempted the GST/HST for hospital parking for patients and visitors, effective January 24, 2014.
• Relieved the GST/HST on services of refining precious metals supplied to a non-resident person that is not registered for GST/HST purposes, announced on April 8, 2014.*
• Extended the GST/HST rebate for pension plans to Pooled Registered Pension Plans (PRPPs), announced on August 29, 2014.*
• Extended the existing tax credit for interest paid on Canada Student Loans to interest paid on Canada Apprentice Loans, announced on October 20, 2014.
• Doubled the maximum amount that may be claimed under the Children’s Fitness Tax Credit to $1,000 from $500, effective for the 2014 and subsequent tax years, and made it refundable, effective for the 2015 and subsequent tax years, announced on October 9, 2014.
• Introduced the Family Tax Cut, a federal non-refundable tax credit that will allow a spouse to notionally transfer up to $50,000 of taxable income to a spouse in a lower tax bracket, up to a maximum benefit of $2,000, effective for the 2014 tax year, announced on October 9, 2014. (pending enactment)
• Increased the Child Care Expense Deduction dollar limits by $1,000, effective for the 2015 tax year, announced on October 30, 2014. (pending enactment)
• Measures to make the new Family Caregiver Relief Benefit and Critical Injury Benefit, announced on March 17, 2015 and March 30, 2015, non-taxable to Veterans. (pending enactment)
• Provided an accelerated capital cost allowance for facilities that liquefy natural gas, applicable to assets acquired before 2025, announced on February 19, 2015. (pending enactment)
• Extended the Mineral Exploration Tax Credit to March 31, 2016, announced on March 1, 2015. (pending enactment)
• Ensured that the costs associated with undertaking environmental studies and community consultations that are required in order to obtain an exploration permit are eligible for treatment as Canadian Exploration Expenses, announced on March 1, 2015. (pending enactment)
15% from January 1, 2005; 15.5% from July 1, 2006 (i.e., average rate of 15.25% for the 2006 taxation year).

For 2006, $9,039 for the first half of the year and $8,639 for the second half of the year, for an annual average of $8,839. The increases for 2007 to 2009 were modified as a result of the 2007 Economic Statement: $9,600 for 2007 and 2008, and $10,100 for 2009. The basic personal amount for 2009 was increased to $10,320 for 2009 in Budget 2009.

On employment income of up to $500 effective July 1, 2006 ($250 for the year); $1,000 for 2007 and indexed to inflation for subsequent tax years.

For 2006, $9,039 for the first half of the year and $8,639 for the second half of the year, for an annual average of $8,839. The increases for 2007 to 2009 were modified as a result of the 2007 Economic Statement:

$9,600 for 2007 and 2008, and $10,100 for 2009. The basic personal amount for 2009 was increased to $10,320 for 2009 in Budget 2009.

On employment income of up to $500 effective July 1, 2006 ($250 for the year); $1,000 for 2007 and indexed to inflation for subsequent tax years.

The increase for 2007 to 2009 was modified as a result of the 2007 Economic Statement: $9,600 for 2007 and 2008, and $10,100 for 2009. The basic personal amount for 2009 was increased to $10,320 for 2009 in Budget 2009.

On employment income of up to $500 effective July 1, 2006 ($250 for the year); $1,000 for 2007 and indexed to inflation for subsequent tax years.

This measure also applies to donations by corporations.

The 2007 Economic Statement superseded this Budget 2006 announcement with a new schedule of corporate income tax rate reductions.

A 0.5 point reduction to 11.5% effective January 1, 2008, and a 0.5 point reduction to 11% effective January 1, 2009. The 2007 Economic Statement superseded this Budget 2006 announcement, reducing the rate to 11% effective January 1, 2008.

Applies to losses incurred and credits earned in taxation years that end after 2005.

The 2007 Economic Statement superseded this announcement with a new schedule of corporate income tax rate reductions.

This measure also applies to donations by corporations.

The Child Tax Credit was repealed for the 2015 and subsequent taxation years due to the enhancement of the Universal Child Care Benefit announced on October 30, 2014.

The deductible portion of meals was increased to 60% on or after March 19, 2007, 65% in 2008, 70% in 2009, 75% in 2010, and 80% in 2011 and subsequent years.

Zero-rating applies to supplies made after March 19, 2007, and supplies made on or before March 19, 2007 if GST/HST was neither charged nor collected in respect of the supply.

The quarterly instalments of corporate income tax and the increased corporate income tax payable threshold are available in respect of corporate taxation years that begin after 2007. Increased the taxable supplies threshold, at or below which a registrant can file a GST/HST return annually and increased the net tax threshold, below which annual GST/HST filers can make one remittance; these are in respect of fiscal years that begin after 2007.

Interest payments to unrelated (arm's length) persons became exempt from withholding tax as of January 1, 2008, while an exemption from withholding tax for interest payments to non-arm's length U.S. persons was phased in between 2008 and 2010 under the most recent Canada-U.S protocol.


Rules apply to RESP transactions occurring after 2007, for plans in existence on January 1, 2008 or established after that date.

Eligible assets acquired in 2010 would generally have been eligible for a 50% declining-balance rate in the first taxation year ending after the assets are acquired, a 40% declining-balance rate in the following taxation year and the regular 30% declining-balance rate thereafter. Eligible assets acquired in 2011 would generally have been eligible for a 40% declining-balance rate in the first taxation year ending after the assets are acquired and the regular 30% declining-balance treatment thereafter.

Increases to the Canada Child Tax Benefit, the National Child Benefit supplement (NCBs) and the Canada Learning Bond instalments result from the legislative link between the NCBs phase-out and the upper limit of the lowest personal income tax bracket. Consequential changes were also made to the family income thresholds used to determine eligibility for Canada Education Savings Grants, Canada Disability Savings Grants and Canada Disability Savings Bonds to ensure that these thresholds correspond to the income tax brackets. These changes were included in Budget 2010 and apply to the 2009 and subsequent contribution years.

A 50% straight-line accelerated CCA treatment will apply in lieu of the accelerated declining basis CCA introduced in Budget 2008 (note 17) for assets acquired in 2010 and 2011.

This provision was introduced by the Government in 2007.
22 A single parent has the option of including the aggregate Universal Child Care Benefit amount received, in respect of all of his or her children, in the parent’s income or in the income of the dependant for whom an Eligible Dependant Credit is claimed.

23 Where the death of an RRSP annuitant occurs after 2007 and before 2011, special transitional rules allow for a result that is generally equivalent to the rollover measure.

24 To improve the allocation of child benefits between parents who share custody of a child, measures introduced in Budget 2010 allow two eligible individuals to receive the Canada Child Tax Benefit and Universal Child Care Benefit amounts in a particular month, and two eligible individuals to receive GST/HST Credit amounts in respect of a particular quarter. Each eligible individual can receive one-half of the annual entitlement that they would receive if they were the sole eligible individual.

25 This measure also applies to donations by corporations.

26 This measure also applies to donations by corporations.

27 The employee life and health trust rules allow amounts paid to employees and retirees from an employee life and health trust to be deducted in computing the trust’s income. At the same time, the benefits receive the same tax treatment (generally tax-free) in the hands of employees as if they had been paid directly by the employer. If the trust’s costs (including payments to employees) exceed its revenue for a particular year, the excess is treated as a business loss for the trust, subject to a special three-year carry-back and carry-forward mechanism.

* These measures have no significant cost for the Government.