HIGHLIGHTS+

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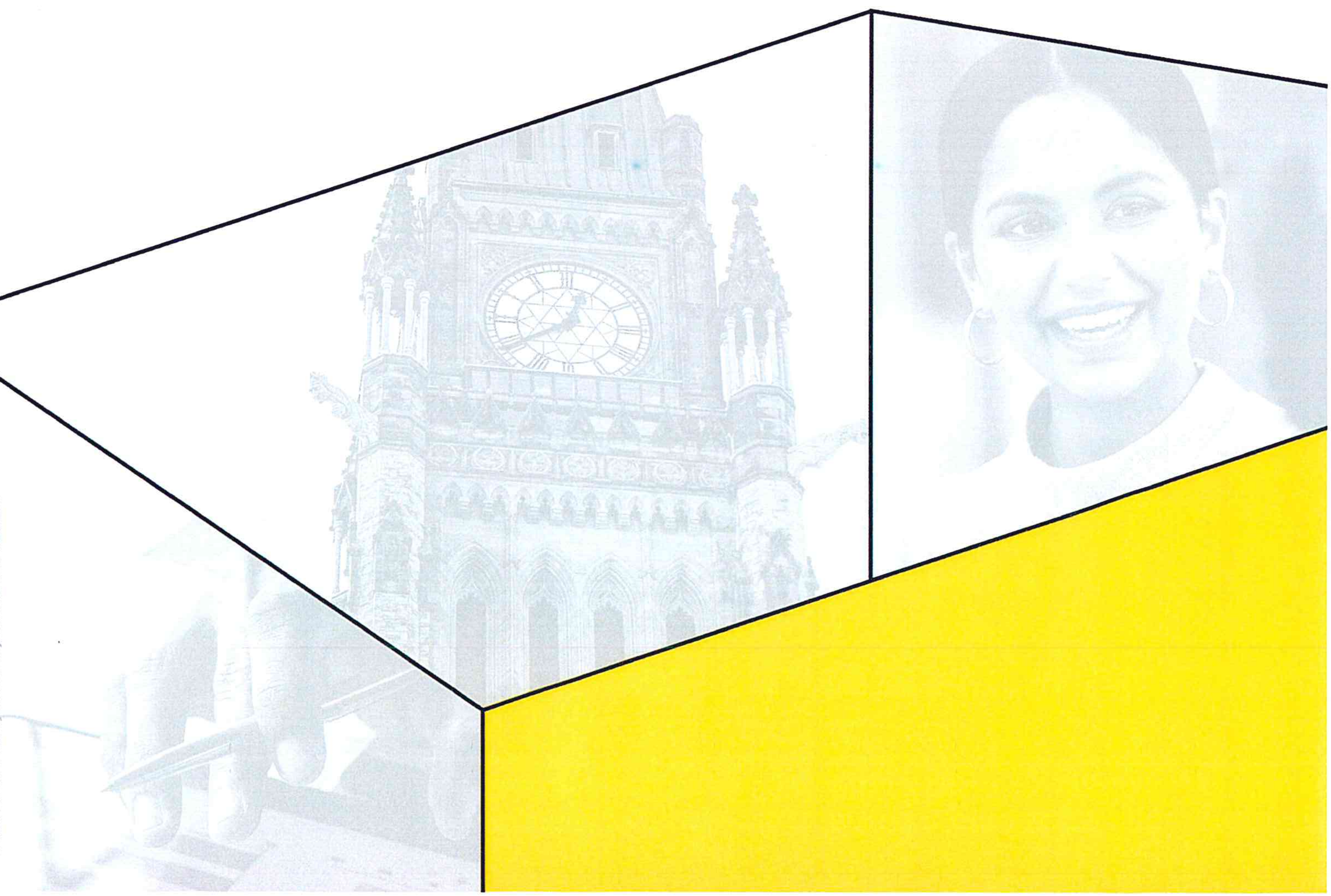
Tax Alert - Canada

Federal budget 2024



On 16 April 2024, Deputy Prime Minister and Federal Finance Minister, Chrystia Freeland, tabled the federal budget 2024-25. The budget contains tax measures affecting individuals and corporations, including an increase in the capital gains inclusion rate, but no change to the general corporate tax rate or the general personal income tax rates. Several of these measures were pre-announced in the days leading up to budget day.

The Deputy Prime Minister and Federal Finance Minister anticipates deficits of $40.0 billion for fiscal 2023-24 and $39.8 billion for fiscal 2024-25, with reduced deficits for each of the next four years.

The following is a summary of the key tax measures announced in Budget 2024.

Business income tax measures

Corporate income tax rates

No changes are proposed to the corporate income tax rates or to the $500,000 small-business limit of a Canadian-controlled private corporation (CCPC).

The 2024 Canadian federal corporate income tax rates are summarized in Table A.

Table A – 2024 federal corporate income tax rates[1]

	2024
General corporate rate [2,3]	15.0%
Small-business rate [2]	9.0%

[1] Rates represent calendar-year-end rates.

[2] The federal corporate income tax rates for manufacturers of qualifying zero-emission technology are reduced to 7.5% for eligible income otherwise subject to the 15% federal general corporate income tax rate or 4.5% for eligible income otherwise subject to the 9% federal small-business corporate income tax rate.

[3] An additional federal tax applies to banks and life insurers at a rate of 1.5% on taxable income (subject to a $100 million exemption to be shared by group members).

Proposed income tax measures

- **Capital gains inclusion rate** – The capital gains inclusion rate will be increased from one half to two thirds for corporations for capital gains realized on or after 25 June 2024. Transitional rules will be required to separately identify capital gains and losses realized before 25 June 2024 and those realized on or after that date.
- **Accelerated capital cost allowance (CCA)** – The CCA rate will be increased from 4% to 10% on a temporary basis for eligible new purpose-built rental projects for which construction begins on or after 16 April 2024, and before 2031, and that are available for use before 2036. Eligible property for these purposes includes new purpose-built rental housing that is a residential complex with at least four private apartment units, or 10

private rooms or suites, and in which at least 90% of residential units are held for long-term rental.

Property in CCA classes 44 (patents or the rights to use patented information for a limited or unlimited period), 46 (data network infrastructure equipment and related systems software) and 50 (general-purpose electronic data-processing equipment and systems software) acquired on or after 16 April 2024 and that becomes available for use before 1 January 2027 will be eligible for an immediate expensing of 100% in the first year, which would be available only for the year in which the property becomes available for use. Property that becomes available for use after 2026 and before 2028 will continue to benefit from the existing accelerated investment incentive.

- **Clean electricity investment tax credit (ITC)** - Budget 2024 provides details on the clean electricity ITC that was first announced in Budget 2023. The clean electricity ITC is a 15% refundable tax credit that will be available to taxable Canadian corporations and certain other eligible Canadian corporations. Eligible properties related to the clean electricity ITC include:

  - Certain equipment used to generate electricity from solar, wind or water energy
  - Concentrated solar energy equipment, used to generate electricity
  - Equipment used to generate electricity, or both electricity and heat, from nuclear fission
  - Equipment used for the purpose of generating electricity, or both electricity and heat, solely from geothermal energy, but excluding any equipment that is part of a system that extracts fossil fuels for sale
  - Equipment that is part of a system used to generate electricity, or both electricity and heat, from specified waste materials
  - Stationary electricity storage equipment and equipment used for pumped hydroelectric energy storage, but excluding equipment that uses any fossil fuel in operation
  - Equipment that is part of an abated natural gas energy system that uses fuel, all or substantially all of which is natural gas, to generate electricity, or both electricity and heat
  - Equipment and structures used to transmit or manage electrical energy that primarily originates in, or is destined for, another province or territory

  Capital expenditures to refurbish existing facilities may also be qualifying expenditures. Subject to a limited exception, compliance for property inclusion must be satisfied annually. Recapture rules will generally apply over a 10-year period (or a 20-year period in the case of eligible natural gas energy systems) in proportion to the fair market value of the property converted to ineligible use, exported from Canada or disposed of.

Certain labour requirements must be met to receive the 15% rate. If these requirements are not met, the credit is reduced to 5%. The clean electricity ITC could be claimed in addition to the Atlantic ITC, but generally not with any other ITC.

The clean electricity ITC will apply to eligible property that is acquired and available for use on or after 16 April 2024, and before 2035, provided it has not been used for any purpose before its acquisition, and is not part of a project that began construction before 28 March 2023.

- **Clean technology manufacturing ITC: Polymetallic extraction and processing** - Budget 2023 proposed the clean technology manufacturing ITC, which provides a 30% refundable tax credit for companies investing in eligible property that is acquired and available for use on or after 28 March 2023.

  Eligible activities for this ITC, as defined under draft legislative proposals, include qualifying mineral activities producing all or substantially all qualifying materials (i.e., lithium, cobalt, nickel, copper, rare earth elements and graphite). Budget 2024 proposes to clarify that production of a qualifying material may occur at projects engaged in the production of multiple metals. In addition, the value of qualifying materials would be used as a metric when assessing the extent to which property is used or is expected to be used for qualifying mineral activities, producing qualifying materials.

  The budget also proposes that eligible expenditures will include investments in eligible property used in a qualifying mineral activity, in which 50% or more of the financial value of the output comes from qualifying materials at mine or well sites, including tailing ponds and mills. Third-party attestation from an arm's length qualified engineer or geoscientist is required.

  The budget also proposes a safe harbour exception from the recapture rules that may apply within a 10-year period following acquisition, if a property is converted to use in a non-qualifying activity. Details for the safe harbour rule will be provided at a later date.

  These changes will apply for property that is acquired and becomes available for use on or after 1 January 2024.

- **New electric vehicle supply chain ITC** - A new 10% electric vehicle (EV) supply chain ITC is introduced on the cost of buildings used in key segments of the EV supply chain. The ITC is for businesses that invest in Canada across three supply chain segments (EV assembly, EV battery production and cathode active material production). To qualify for the ITC, the taxpayer must claim the clean technology manufacturing ITC in all three of the specified segments, or two out of three of the specified segments and hold at least a qualifying minority interest in an unrelated corporation that claims the clean technology manufacturing ITC in the third segment. The EV supply chain ITC will apply to property that is acquired and becomes available for use on or after 1 January 2024. The credit will be reduced to 5% for 2033 and 2034 and will no longer in be in effect after 2034.

- **Canada carbon rebate for small businesses** - Budget 2024 proposes to return a portion of fuel charge proceeds from a province via the new Canada carbon rebate for small businesses, an automatic, refundable tax credit for eligible businesses, sized in proportion to the number of persons they employ in the applicable province (i.e., Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador).

- **Interest deductibility limits: purpose-built rental housing** – The exemption from application of the excessive interest and financing expenses limitation (EIFEL) rules for certain public-private partnership infrastructure projects is expanded for certain interest and financing expenses incurred before 1 January 2036, in respect of arm's length financing used to build or acquire eligible purpose-built rental housing in Canada (as defined above under "Accelerated capital cost allowance"). This change would apply to taxation years that begin on or after 1 October 2023 (i.e., consistent with broader EIFEL amendments).

- **Synthetic equity arrangements** – In order to simplify the synthetic equity arrangements rules for dividends received on or after 1 January 2025, the tax-indifferent investor exception (where the taxpayer establishes that no tax-indifferent investor has all or substantially all of the economic exposure in respect of the share) and the synthetic equity arrangements traded on a derivatives exchange exception will be removed from the anti-avoidance rule.

- **Mutual fund corporations** – For taxation years that begin after 2024, a corporation will be precluded from qualifying as a mutual fund corporation where it is controlled by or for the benefit of a corporate group (including a corporate group that consists of any combination of corporations, individuals, trusts and partnerships that do not deal with each other at arm's length). Exceptions will be provided to ensure that the measure does not adversely affect mutual fund corporations that are widely held pooled investment vehicles.

- **Mandatory disclosure rules (MDRs)** – The failure to file an information return in respect of a reportable or notifiable transaction under the MDRs will be removed, as of 22 June 2023, from the scope of the general penalty under section 238 of the *Income Tax Act*, given that the MDRs already contain specific penalties that apply in these circumstances. Under section 238 of the *Income Tax Act*, a person who fails to file or make a return or comply with certain specified rules is guilty of an offence and liable to penalties up to $25,000 and imprisonment up to a year.

- **Non-compliance with information requests** – Several amendments to the information gathering provisions in the *Income Tax Act* are introduced.

    - Notice of non-compliance: The Canada Revenue Agency (CRA) will be allowed to issue a new type of notice to a person that has not complied with a requirement or notice to provide assistance or information. A penalty is imposed on a person that has been issued a notice of non-compliance of $50 for each day that the notice is outstanding, to a maximum of $25,000.

    - Questioning under oath: The CRA is allowed to include in a requirement or notice that any required information (oral or written) or documents be provided under oath or affirmation.

    - Compliance orders: A penalty of 10% of the aggregate tax payable by a taxpayer is imposed when the CRA obtains a compliance order against a taxpayer and the tax owing is in excess of $50,000. The CRA is also allowed to seek a compliance order when a person has failed to comply with a requirement to provide foreign-based information or documents.

- Stopping the reassessment limitation clock: The "stop the clock" rules will be amended to provide that they apply when a taxpayer seeks judicial review of any requirement or notice issued to the taxpayer (or a person not dealing at arm's length with the taxpayer) by the CRA in relation to the audit and enforcement process or during any period that a notice of non-compliance is outstanding.

Other tax statutes (such as the *Excise Tax Act* (GST/HST), *Excise Act* and *Select Luxury Items Tax Act*), which have provisions similar to the *Income Tax Act*, will also similarly be amended. These measures will come into force on Royal Assent of the enacting legislation.

- **Avoidance of tax debts** – A supplementary rule is introduced to strengthen the tax debt anti-avoidance rule, which will apply if: (i) there has been a transfer of property from a tax debtor to another person; (ii) as part of the same transaction or series of transactions, there has been a separate transfer of property from a person other than the tax debtor to a transferee that does not deal at arm's length with the tax debtor; and (iii) one of the purposes of the transaction or series is to avoid joint and several, or solidary, liability. Where these conditions are met, the property transferred by the tax debtor would be deemed to have been transferred to the transferee for the purposes of the tax debt avoidance rule. Also, the tax debt avoidance planning penalty (i.e., the lesser of 50% of the tax avoided or $100,000 plus any amount the person, or a related person, is entitled to receive or obtain in respect of the planning activity) is extended to tax debt avoidance planning that is subject to the proposed supplementary rule. Finally, taxpayers who participate in tax debt avoidance planning will be jointly and severally, or solidarily, liable for the full amount of the avoided tax debt, including any portion that has effectively been retained by a planner. Similar amendments would be made to comparable provisions in other federal tax statutes.

- **Manipulation of bankrupt status** – The exception to the debt forgiveness rules for bankrupt corporations and the loss restriction rule applicable to bankrupt corporations will be repealed for bankruptcy proceedings that commence on or after 16 April 2024. This change will subject bankrupt corporations to the general rules that apply to other corporations whose commercial debts are forgiven. The bankruptcy exception to the debt forgiveness rules will remain in place for individuals.

International tax measures

- **Crypto-asset reporting framework** – Budget 2024 proposes to implement a Crypto-Asset Reporting Framework (CARF) in Canada to impose a new annual reporting requirement on entities and individuals that are resident in Canada, or that carry on business in Canada, and that provide business services effectuating exchange transactions in crypto-assets, including crypto exchanges, crypto-asset brokers and dealers, and operators of crypto-asset automated teller machines. This measure will apply to the 2026 and subsequent calendar years.

- **Common reporting standard** – Budget 2024 proposes to amend the Common Reporting Standard (CRS), a global standard developed and endorsed by the Organisation for Economic Co-operation and Development (OECD) for the automatic exchange of financial information for tax purposes, to (i) include specified electronic money products and central bank digital currencies within the scope of the CRS, (ii) ensure effective coordination between the CRS and the CARF, (iii) limit instances of duplicative reporting between the two frameworks, (iv) require additional information be reported in respect of financial accounts and account holders, (v) strengthen the due diligence procedures followed by financial institutions, (vi) remove Labour-Sponsored Venture Capital Corporations (LSVCCs) from the list of non-reporting financial institutions and treat a non-registered account held in an LSVCC as an excluded account provided that annual contributions to the account do not exceed US$50,000, and (vii) clarify certain aspects of the anti-avoidance provision of the CRS. These measures will apply to the 2026 and subsequent calendar years.

- **Withholding for non-resident service providers** – Budget 2024 proposes to allow the CRA to waive, over a specified period, the requirement to withhold 15% of a payment to a non-resident person for services provided in Canada if the non-resident would not be subject to Canadian income tax in respect of the payments because of a tax treaty between its country of residence and Canada, or the income is exempt income from international shipping or from operating an aircraft in international traffic. Currently, non-resident service providers with no Canadian tax liability may only apply to the CRA for an advance waiver of the withholding requirement for a specific planned transaction. The new measure will come into force on Royal Assent of the enacting legislation.

As part of Budget 2024, Finance also provided an update on the most recent developments and upcoming implementation steps regarding the OECD recommendations on Pillar One and Pillar Two.

- **Pillar One: reallocation of taxing rights** – While Canada will continue to work towards the finalization of a multilateral treaty to bring the Pillar One rules into effect, it is moving ahead with its plan to enact a Digital Services Tax, which is currently included in Bill C-59 before Parliament. The tax would begin to apply for calendar year 2024, covering taxable revenues earned since 1 January 2022.

- **Pillar Two: global minimum tax** – Following consultations last summer on the draft *Global Minimum Tax Act* that was released in August 2023, the government intends to soon introduce this legislation in Parliament.

Tax measures for individuals and trusts

Personal income tax rates

There are no personal income tax rate or tax bracket changes in this budget. The brackets will continue to be indexed for inflation.

See Table B for the 2024 federal personal income tax rates and brackets.

Table B: Federal personal income tax rates

	2024
Up to $55,867	15.0%
$55,868 to $111,733	20.5%
$111,734 to $173,205	26.0%
$173,206 to $246,752	29.0%
Over $246,752	33.0%

Proposed income tax measures

- **Capital gains inclusion rate** – The capital gains inclusion rate will be increased from one half to two thirds for trusts, and from one half to two thirds on the portion of capital gains realized in the year that exceed $250,000 for individuals, for capital gains realized on or after 25 June 2024.

  The $250,000 threshold will effectively apply to capital gains realized by an individual (either directly or indirectly via a partnership or trust) net of any (i) current-year capital losses, (ii) capital losses of other years applied to reduce current-year capital gains, and (iii) capital gains in respect of which the lifetime capital gains exemption, the proposed employee ownership trust exemption or the proposed Canadian entrepreneurs' incentive is claimed. The annual $250,000 threshold will not be prorated for 2024 and will apply only in respect of net capital gains realized on or after 25 June 2024.

  Transitional rules will be required to separately identify capital gains and losses realized before 25 June 2024 and those realized on or after that date.

- **Canadian entrepreneurs' incentive** – Under this new incentive, the tax rate on capital gains will be reduced, by one half of the prevailing inclusion rate, on the disposition of qualifying shares by an eligible individual, on up to $2 million in capital gains per individual over their lifetime. This measure will apply to dispositions that occur on or after 1 January 2025, in addition to any available capital gains exemption.

The lifetime limit would be phased in by increments of $200,000 per year, beginning on 1 January 2025, before ultimately reaching a value of $2 million by 1 January 2034.

A share of a corporation will be a qualifying share if certain conditions are met (e.g., at the time of sale, it was a share of the capital stock of a small-business corporation owned directly by the claimant, and the claimant was a founding investor at the time the corporation was initially capitalized and held the share for a minimum of five years prior to disposition).

- **Employee stock option deduction** – Claimants of the employee stock option deduction will be provided a one-third deduction of the taxable benefit to reflect the new capital gains inclusion rate but will be entitled to a deduction of one half the taxable benefit up to a combined limit of $250,000 for both employee stock options and capital gains.

- **Lifetime capital gain exemption** – The lifetime capital gains exemption will be increased to apply on up to $1.25 million (from $1,016,836 in 2024) of eligible capital gains for dispositions that occur on or after 25 June 2024. Indexation of the exemption will resume in 2026.

- **Employee ownership trust tax exemption** – The 2023 Fall Economic Statement proposed to exempt the first $10 million in capital gains realized on the sale of a business to an employee ownership trust (EOT) from taxation, subject to certain conditions. Budget 2024 provides further details on the proposed exemption and conditions. The exemption will be available to an individual on the sale of shares to an EOT where certain conditions are met (e.g., the sale is a qualifying business transfer in which the trust acquiring the shares is not already an EOT or a similar trust with employee beneficiaries; at any time prior to the transfer, the individual (or their spouse or common-law partner) has been actively engaged in the qualifying business on a regular and continuous basis for a minimum period of 24 months).

  If a disqualifying event (e.g., the loss of EOT status) occurs within 36 months of the transfer, the exemption will not be available, and if the individual has already claimed the exemption, it will be retroactively denied. If the disqualifying event occurs more than 36 months after the transfer, the EOT will be deemed to realize a capital gain equal to the total amount of exempt capital gains.

- **Alternative minimum tax (AMT)** – Further changes to the AMT calculation will be introduced to the legislative proposals that were released in August 2023 to implement the changes announced in last year's budget:

  - Individuals will be allowed to claim 80% (instead of the previously proposed 50%) of the charitable donation tax credit when calculating AMT;

  - Individuals will be allowed deductions for the Guaranteed Income Supplement, social assistance and workers' compensation payments, and be able to claim the federal logging tax credit under the AMT;

  - Certain disallowed credits under the AMT will be eligible for the AMT carry-forward (i.e., the federal political contribution tax credit, ITCs and labour-sponsored funds tax credit);

- EOTs will be fully exempt from the AMT, as will certain trusts established for the benefits of Indigenous groups provided certain conditions are met (consultations on these proposed exemptions for Indigenous trusts were also announced).

These amendments will apply to taxation years that begin on or after 1 January 2024.

- **Home Buyers' Plan (HBP)** – The HBP limit will be increased by $25,000, allowing first-time home buyers to withdraw up to $60,000 (rather than $35,000) from their RRSPs. This measure will apply to the 2024 and subsequent calendar years in respect of withdrawals made after 16 April 2024. In addition, individuals who make (or made) an HBP withdrawal from their RRSP between 1 January 2022 and 31 December 2025 will be granted an additional three years (for a total of five years) before they need to begin making repayments to their RRSP.

- **Qualified investments for registered plans** – Stakeholders are invited to provide suggestions on how the qualified investment rules could be modernized on a prospective basis to improve the clarity and coherence of the registered plans regime. Stakeholders are invited to submit comments by 15 July 2024.

- **Tax credits for volunteer firefighters and search and rescue volunteers** – The amount used to calculate these two non-refundable tax credits will increase from $3,000 to $6,000, resulting in a tax credit of $900, for 2024 and later years.

- **Mineral exploration tax credit** – The mineral exploration tax credit, equal to 15% of specified mineral exploration expenses incurred in Canada and renounced to flow-through share investors, will be extended to flow-through share agreements entered into on or before 31 March 2025. The credit was scheduled to expire on 31 March 2024.

- **Deduction for tradespeople's travel expenses** – The government will amend the *Income Tax Act* to provide for a single, harmonized deduction for tradespeople's travel that respects the intent of Bill C-241, a private member's bill that was introduced to enact an alternative deduction for certain travel expenses of tradespeople in the construction industry, with no cap on expenses, retroactive to the 2022 taxation year.

- **Canada Child Benefit (CCB)** – Eligibility for the CCB will be extended in respect of a child for six months after the child's death, if the individual would have otherwise been eligible for the CCB in respect of that particular child. The CCB entitlement for each month during the extended period will be based on the age of the child in that particular month as if the child were still alive and will reflect other family circumstances in that month (such as marital status). The extended period will also apply to the child disability benefit. This measure will be effective for deaths that occur after 2024.

- **Disability Supports Deduction** – The list of expenses recognized under the Disability Supports Deduction will be expanded, subject to specific conditions, effective for 2024 and subsequent years.

- **Indigenous child and family services settlement** – The government committed to make best efforts to exempt income of the trusts established under the settlement agreement approved by the Federal Court on 24 October 2023. Budget 2024 proposes that income of the trusts established under the First Nations Child and Family Services, Jordan's Principle and Trout Class Settlement Agreement will be excluded from taxation. This will ensure that payments received by class members as beneficiaries of the trusts will not be included when computing income. This measure will apply to the 2024 and subsequent taxation years.

Charities measures

- **Donation receipts** – Certain changes will be introduced to simplify the issuance of donation receipts. For example, charities will be permitted to issue official donation receipts electronically, provided that they contain all required information, they are issued in a secure and non-editable format, and the charity maintains an electronic copy of the receipts. In addition, certain information (e.g., the place of issuance of the receipt) will no longer be required to be included on the official receipts.

  These changes will apply upon Royal Assent of the implementing legislation.

- **Foreign charities** – The period for which qualifying foreign charities are granted status as a qualified donee will be expanded from 24 months to 36 months, effective for foreign charities registered after 16 April 2024. In addition, foreign charities will be required to submit an annual information return to the CRA, for taxation years beginning after 16 April 2024. This return will include the total amount of receipts issued to Canadian donors, the total amount of gifts received from qualified donees and information on how those funds were used.

- **Administration** – To help simplify and modernize the way in which the CRA provides services and communicates information relating to registered charities and other qualified donees, certain administrative measures will be introduced (e.g., the CRA will be permitted to communicate certain official notices digitally, where the charity has opted to receive information from the CRA electronically). These measures will apply upon Royal Assent of the implementing legislation.

Sales and excise tax measures

- **Expanded removal of GST from rental housing** – The enhanced GST rental rebate for new rental units that was introduced in enacted Bill C-56, *Affordable Housing and Groceries Act*, will be expanded to student residences built by public universities, colleges and school authorities that operate on a not-for-profit basis. This measure will remove the GST for new student residences for which construction begins on or after 14 September 2023, and before 2031, and construction is completed before 2036.

- **GST/HST on face masks and face shields** – Budget 2024 proposes to repeal the temporary zero-rating of certain face masks or respirators and certain face shields. The temporary relief was proposed to be in effect until the use of face coverings was no longer broadly recommended by public health officials for the COVID-19 pandemic. This measure will apply to supplies made on or after 1 May 2024.

- **Excise duty on tobacco** – The government intends to increase the tobacco excise duty rate by $4 per carton of 200 cigarettes, along with corresponding increases to the excise duty rates for other tobacco products (i.e., tobacco sticks, manufactured tobacco and cigars). This measure will come into force on 17 April 2024.

- **Excise duty on vaping products** – The government intends to increase the vaping product excise duty to $1.12 (currently $1) per 2 ml or fraction thereof for the first 10 ml of vaping substance in the vaping device or immediate container and per 10 ml or fraction thereof for amounts over the first 10 ml. This measure will come into force on 1 July 2024, i.e., the same day as the effective date for the introduction of the coordinated vaping product taxation regime for Ontario, Quebec, the Northwest Territories and Nunavut.

- **Indigenous governments enabled to enact fuel, alcohol, cannabis and tobacco sales tax** – Budget 2024 proposes to amend the *First Nations Goods and Services Tax Act* to provide additional flexibility to Indigenous governments seeking to exercise tax jurisdiction on their lands. Specifically, the amendments will enable Indigenous governments to enact a value-added sales tax, under their own laws, on fuel, alcohol, cannabis, tobacco and vaping products within their reserves or settlement lands.

Pending legislation

Budget 2024 confirms that the government will proceed with the following pending legislative and regulatory proposals and other previously announced measures, modified to take into account consultations and deliberations since their release.

Income tax

- 20 December 2023 draft legislative proposals (clean hydrogen ITC, clean technology manufacturing ITC, rental expense deduction limitation for certain short-term rentals, concessional loans and international shipping exemption) [refer to EY Tax Alert 2024 Issues No. 9 and 21]

- Bill C-59, *Fall Economic Statement Implementation Act, 2023* [refer to EY Tax Alert 2023 Issues No. 44, 47, 48 and 50 and 2024 Issue No. 6]

  - Business income tax measures (carbon capture, utilization and storage (CCUS) and clean technology ITCs; CCUS exploration and development expenses; labour requirements for ITCs; revised EIFEL rules; digital services tax; hybrid mismatch arrangements; substantive CCPCs; intergenerational business transfers; zero-emission technology manufacturers; dividend received deduction by financial institutions (FIs); flow-through shares/critical mineral exploration tax credit; tax on repurchases of equity; general anti-avoidance rule and credit unions)

  - Personal and other income tax measures (employee ownership trusts, retirement compensation arrangements, first home savings accounts, registered disability savings plans, climate action incentive rural top-up and Canadian Dental Plan information sharing)

- 21 November 2023 Fall Economic Statement remaining measures (expansion of clean technology and clean electricity ITCs, and Canadian journalism labour tax credit) [refer to EY Tax Alert 2023 Issue No. 42]

- 4 August 2023 remaining draft legislative proposals (global minimum tax, AMT and various technical amendments) [refer to EY Tax Alert 2023 Issues No. 31, 35 and 45]

- 6 June 2023 draft legislation relating to the reform and modernization of Canada's transfer pricing system [refer to EY Tax Alert 2023 Issue No. 25]
- 2023 remaining federal budget measures (BEPS 2.0 Pillar One and Two (regarding the undertaxed profits rule)) [refer to EY Tax Alert 2023 Issue No. 20]
- 9 August 2022 remaining draft legislative proposals (elimination of tax deferral for investment income earned through controlled foreign affiliates and various technical amendments) [refer to EY Tax Alert 2022 Issues No. 37 and 40]

Indirect taxes

- 9 March 2024 draft legislative proposals regarding alcohol excise duty relief
- 20 December 2023 Draft Real Property (GST/HST) Regulations regarding prescribed elements of the enhanced GST rental rebate on new purpose-built rental housing
- 20 December 2023 Draft Regulations Making the Excise Duties on Vaping Products Regulations and Amending Various Regulations Relating to Excise Duties
- Bill C-59, *Fall Economic Statement Implementation Act, 2023* [refer to EY Tax Alert 2023 Issues No. 44 and 52]
  - GST/HST measures (payment card clearing services, assessment limitation period for FIs, financial instruments, *de minimis* FIs, ss. 150 and 156 elections, FIs imported taxable supplies rules, information return for certain FIs, joint venture election, input tax credit information requirements, exemption for psychotherapists' and counselling therapists' services, and extension of the new purpose-built rental housing 100% GST rebate)
  - Other indirect tax measures (excise duties on cannabis and vaping products and excise tax rebate for province-purchased goods)
- 21 November 2023 Fall Economic Statement remaining measures (joint venture election (expansion) and underused housing tax changes) [refer to EY Tax Alert 2023 Issues No. 42, 46 and 51]
- 4 August 2023 remaining draft legislative proposals (GST/HST changes regarding selected listed financial institutions (SLFIs), and amalgamations and windings-up, and changes regarding the excise tax on fuel and the luxury tax) [refer to EY Tax Alert 2023 Issue No. 31]
- 9 August 2022 remaining draft legislative proposals (GST/HST changes regarding SLFIs and application rules for Lloyd's associations, and changes regarding excise duty exemption for cider/mead)