

NOTE ON CHANGES IN INCOME TAX LEGISLATION FOR 2023 CFE

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As a CPA candidate, you are responsible for the regulation that are “in effect as of December 31” (of the prior year). The cut-off date of the version of the *Income Tax Act* for the Common Final Examination (CFE) is December 31 of the prior year.

TECHNICAL UPDATE FROM CPA CANADA FOR 2023

(source: CPA Canada, Technical update for 2023 CPA PEP examinations and the CFE, online April 4, 2023, <https://www.cpacanada.ca/en/become-a-cpa/cpa-certification-program-evaluation/technical-update-for-examinations>)

“For 2023, this should be interpreted to mean that the following standards and legislation are testable and are therefore included in the CPA Canada Standards and Guidance Collection (Exam Reference) material:

[...]

tax legislation **substantively enacted** (which includes legislation passing third reading in the House of Commons during a minority government)) up to December 3, 2022” [...]

“In addition, you are responsible for an awareness of changes that occur subsequent to the cut-off date, or that have been issued but are not in effect, at a Level C expectation at Core, and moving to Level B in the Assurance and Taxation Electives, based on the following competencies: [...]

6.1.3 explains implications of current trends, emerging issues and technologies in taxation.”

Reminder: “You may always apply a more current standard than what is required (recognizing that the reference material provided is only updated once a year) on the CPA PEP and CFE case portion of the examinations. [...] Therefore, objective-format questions follow the cut-off dates outlined above.”

Further details on taxation changes

“No exceptions noted.

Candidates are advised that, while many of them are enacted through the *Income Tax Act*, COVID-19-specific measures such as Canada Emergency Rent Subsidy, Canada Emergency Wage Subsidy, and Canada Recovery Hiring Program will not be testable on the CFE or PEP exams in 2022. Likewise, the determination of other temporary benefits such as the Canada Emergency Response Benefit and Canada Recovery Benefit will not be testable.”

INTRODUCTION

This note aims to present changes in income tax legislation during 2022, 2022, 2021, and 2020, for the 2023 CFE. A previous note presents changes in income tax legislation for the 2022 CFE. The note includes the list of *Income Tax Act* amending acts, the list of taxation draft legislation, and the details on the recent changes in legislation included and excluded in 2023 CFE.

(CAUTION: draft legislation may be broken down in pieces when included in a specific bill which become a chapter receiving royal assent modifying the ITA; not necessarily 100% of all draft legislation are keep together; it is preferable to use the enacted Acts included in a specific CFE to know what is or not included)

LIST OF INCOME TAX ACT - AMENDING ACTS
(R.S.C. 1985 (5th Supplement), c.1 as amended)

Year	Bill	Title	Chapter	Royal Assent
2023		(None)		
2022	C-32	<i>Fall Economic Statement Implementation Act, 2022</i>	19	December 15, 2022
2022	C-31	<i>Cost of Living Relief Act, no. 2 (Targeted Support for Households)</i>	14	November 17, 2022
2022	C-30	<i>An Act to amend the Income Tax Act (temporary enhancement to the Goods and Services Tax / Harmonized Sales Tax credit)</i>	13	October 18, 2022
2022	C-19	<i>Budget Implementation Act, 2022, No. 1</i> (budget tabled on April 7, 2022)	10	June 23, 2022
2022	C-8	<i>Economic and Fiscal Update Implementation Act, 2022</i> (Economic and fiscal update tabled on December 14, 2021)	5	June 9, 2022
2021	C-14	<i>Economic Statement Implementation Act, 2020</i>	6	May 6, 2021
2021	C-210	<i>An Act to amend the Canada Revenue Agency Act (organ and tissue donors)</i>	12	June 21, 2021
2021	C-208	<i>An Act to amend the Income Tax Act (transfer of small business or family farm or fishing corporation)</i>	21	June 29, 2021
2021	C-30	<i>Budget Implementation Act, 2021, No. 1</i> (budget tabled on April 19, 2021)	23	June 29, 2021
2021	C-2	<i>An Act to provide further support in response to COVID-19</i>	26	December 17, 2021
2020	C-9	<i>An Act to amend the Income Tax Act (Canada Emergency Rent Subsidy and Canada Emergency Wage Subsidy)</i>	13	November 19, 2020
2020	C-20	<i>An Act respecting further COVID-19 measures</i>	11	July 27, 2020
2020	C-14	<i>COVID-19 Emergency Response Act, No. 2</i>	6	April 11, 2020
2020	C-13	<i>COVID-19 Emergency Response Act</i>	5	March 25, 2020

(source: Justice Canada, Annual Statutes, online April 10, 2023
<https://www.laws-lois.justice.gc.ca/eng/AnnualStatutes/>)

LIST OF TAXATION DRAFT LEGISLATION

Year	Title	Released Date	Details
2023	Explanatory Notes Relating to Bill C-42. <i>An Act to amend the Canada Business Corporations Act and to make consequential and related amendments to other Acts</i>	April 2023	√(exc)
	Explanatory Notes Relating to Bill C-46. <i>An Act to amend the Federal-Provincial Fiscal Arrangements Act and the Income Tax Act</i>	April 2023	√(exc)
	Tax Measures Budget 2023	March 28, 2023	√(exc)
2022	Draft Regulations Amending Part 1 of Schedule 1 and Schedule 2 to the Greenhouse Gas Pollution Pricing Act and Fuel Charge Regulations, No. 2	December 2022	-
	<i>Legislative Proposals Relating to Amendments to the Income Tax Act and Explanatory Notes</i>	November 2022	√(exc)
	<i>Legislative Proposals Relating to the Payment Card Networks Act</i>	November 2022	-
	Explanatory Notes Relating to Amendments to the <i>Income Tax Act</i> , <i>Excise Tax Act</i> and the <i>Excise Act, 2001</i>	September 2022	√(exc)
	<i>Legislative Proposals Relating to the Income Tax Act - Hybrid Mismatch Arrangements and Explanatory Notes</i>	April 2022	√(exc)
	<i>Legislative Proposals Relating to the Selected Luxury Items Tax Act</i>	March 2022	-
	<i>Legislative and Regulatory Proposals Relating to the Excise Tax Act, the Air Travellers Security Charge Act, the Excise Act, 2001, and the Greenhouse Gas Pollution Pricing Act and Explanatory Notes</i>	February 2022	-
2019	Legislative Proposal Relating to the <i>Income Tax Act</i> (Amateur Athlete Trust) and Explanatory Notes	December 20, 2019	√(exc)

Year	Title	Released Date	Details
2022	Notice of Ways and Means Motion to introduce an Act to implement certain provisions of the fall economic statement tabled in Parliament on November 3, 2022 and certain provisions of the budget tabled in Parliament on April 7, 2022 and Explanatory Notes	November 2022	√(inc)
	Legislative Proposals Relating to the <i>Income Tax Act</i> and Other Legislation and Explanatory Notes	August 2022	√(inc)
	Notice of Ways and Means Motion to introduce an Act to implement certain provisions of the budget tabled in Parliament on April 7, 2022 and other measures	April 2022	√(inc)
	Legislative Proposals Related to the <i>Income Tax Act</i> and Other Legislation	February 2022	√(inc)
	Explanatory Notes for the Draft <i>Digital Services Tax Act</i>	February 2022	-
2021	Notice of Ways and Means Motion to implement certain provisions of economic and fiscal update tabled in Parliament on December 14, 2021 and other measures	December 14, 2021	√(inc)
	Explanatory Notes Relating to Amendments to the <i>Income Tax Act</i> and the Income Tax Regulations proposed by Bill C-8	December 2021	√(inc)
	Notice of Ways and Means Motion to introduce an Act to implement a Digital Services Tax	December 21, 2021	-
	Draft Regulations Amending the Fuel Charge Regulations, No. 2	December 2, 2021	-
	Legislative Proposals Relating to the <i>Income Tax Act</i>	December 2021	√(inc)
	Regulations Amending the Income Tax Regulations (COVID-19 - Relief for Deferred Salary Leave Plans and Pension Plans)	May 2021	√(inc)
	Notice of Ways and Means Motion to implement certain provisions of the budget tabled in Parliament on April 19, 2021 and other measures	April 19, 2021	√(inc)
	Draft Legislative Proposal Related to the <i>Income Tax Act</i> (Canada Emergency Wage Subsidy)	March 3, 2021	√(inc)
	Legislative Proposals Related to the <i>Income Tax Act</i>	February 24, 2021	√(inc)
Legislative Proposals Related to the <i>Income Tax Act</i> and Explanatory Notes	January 19, 2021	√(inc)	

Year	Title	Released Date	Details
2020	Legislative Proposals Relating to the <i>Income Tax Act</i> and Explanatory Notes	December, 2020	√(inc)
	Legislative Proposals Related to the <i>Income Tax Act</i> and Explanatory Notes - Flow-Through Shares - Time Extension	December 16, 2020	√(inc)
	Legislative Proposals Related to the <i>Income Tax Act</i> and Proposed Amendments to the Income Tax Act Regulations and Explanatory Notes - Zero-Emission Vehicles and New Class 56	December 15, 2020	√(inc)
	Legislative Proposals to Amend the <i>Excise Tax Act</i>	November 30, 2020	-
	Legislative Proposals to Amend the Income Tax Act and Other Related Legislation, as well as Draft Amendments to Related Regulations	November 30, 2020	√(inc)
	Legislative Proposals Relating to the <i>Income Tax Act</i> , Employee Life and Health Trusts and Explanatory Notes	November 27, 2020	√(inc)
	Legislative Proposal Relating to the <i>Income Tax Act</i> (Canada Emergency Rent Subsidy)	November 19, 2020	√(inc)
	Notice of Ways and Means Motion to amend the <i>Income Tax Act</i>	October 30, 2020	√(inc)
	Draft Legislative Proposals for Further COVID-19 Measures	July 17, 2020	√(inc)
	Proposed Amendments to the Income Tax Regulations (COVID-19 relief for pension plans and deferred salary leave plans)	July 2, 2020	√(inc)
	Regulations Amending the Income Tax Regulations (COVID-19 Wage Subsidy Initiatives)	May 20, 2020	√(inc)
	Legislative Proposals Relating to the <i>Income Tax Act</i> (Support for Canadian Journalism) and Explanatory Notes	April 17, 2020	√(inc)
	Notice of Ways and Means Motion to introduce An Act respecting certain measures in response to COVID-19	March 25, 2020	√(inc)

(source: Department of Finance Canada, Draft Legislation, online April 10, 2023, <https://www.fin.gc.ca/legislation/draft-avant-eng.asp>)

Note: (exc) = excluded from 2023 CFE; (inc) = included in 2023 CFE; √ = details included in recent changes section

RECENT CHANGES IN LEGISLATION INCLUDED IN 2023 CFE

Acts included in 2023 CFE

**** An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 3, 2022 and certain provisions of the budget tabled in Parliament on April 7, 2022**

(c.19 - royal assent December 15, 2022)

- providing that any gain on the disposition of a Canadian housing unit within a one-year period of its acquisition is treated as business income (residential property flipping rule)
- introducing a Tax-Free First Home Savings Account
- phasing out flow-through shares for oil, gas, and coal activities
- introducing a new 30% Critical Mineral Exploration Tax Credit for specified mineral exploration expenses incurred in Canada and renounced to flow-through share investors
- introducing the Canada Recovery Dividend under which banks and life insurers' groups pay a temporary one-time 15% tax on taxable income above \$1 billion over 5 years
- increasing the corporate tax rate of banks and life insurers' groups by 1.5% on taxable income above \$100 million
- providing additional reporting requirements for trusts (RRSPs and RRIFs)
- providing rules applicable to mutual fund trusts listed on a designated stock exchange in Canada with respect to amounts that are allocated to redeeming unitholders
- providing the minister of National Revenue with the discretion to decline to issue a certificate under section 116 of the *Income Tax Act* in certain circumstances relating to the administration and enforcement of the *Underused Housing Tax Act*
- doubling the First-Time Homebuyers' Tax Credit
- expanding the eligibility criteria for the Medical Expense Tax Credit in respect of medical expenses incurred in Canada related to surrogate mothers and donors and fees paid in Canada to fertility clinics and donor banks
- introducing the Multigenerational Home Renovation Tax Credit
- allowing access to the small business tax rate on a phased-out basis up to taxable capital of \$50 million
- modifying the computation of income as a result of the adoption of a new international accounting standards for insurance contracts (IFRS 17)
- introducing a new graduated disbursement quota rate for charities
- providing that the General Anti-Avoidance Rule (GAAR) can apply to transactions that affect tax attributes that have not yet been used to reduce taxes
- strengthening the rules on avoidance of tax debts
- modifying the tax treatment of certain interest coupon stripping arrangements that might otherwise be used to avoid tax on cross-border interest payments
- clarifying the applicable rules with respect to audits by Canada Revenue Agency officials, including requiring taxpayers to give reasonable assistance and to answer all proper questions for tax purposes
- extending the capital cost allowance for clean energy and the tax rate reduction for zero-emission technology manufacturing to include air-source heat pumps

*** Cost of Living Relief Act, no. 2 (Targeted Support for Households)**

(c.14 - royal assent November 17, 2022)

- expand to include *Dental Benefit Act* and *Rental Housing Benefit Act*

* *An Act to amend the Income Tax Act (temporary enhancement to the Goods and Services Tax / Harmonized Sales Tax credit)*

(c.13 - royal assent October 18, 2022)

- double the Goods and Service Tax / Harmonized Sales Tax (GST/HST) credit for six months, effectively increasing the maximum annual GST/HST credit amounts by 50% for the 2022-2023 benefit year

* *An Act to implement certain provisions of the budget tabled in Parliament on April 7, 2022 and other measures*

(c.10 - royal assent June 23, 2022)

Income Tax Act

- providing a Labour Mobility Deduction for the temporary relocation of tradespeople to a work location
- allowing for the immediate expensing of eligible property by certain Canadian businesses
- allowing the Children's Special Allowance to be paid in respect of a child who is maintained by an Indigenous governing body and providing consistent tax treatment of kinship care providers and foster parents receiving financial assistance from an Indigenous governing body and those receiving such assistance from a provincial government
- doubling the allowable qualifying expense limit under the Home Accessibility Tax Credit
- expanding the criteria for the mental functions impairment eligibility as well as the life-sustaining therapy category eligibility for the Disability Tax Credit
- providing clarity in respect of the determination of the one-time additional payment under the GST/HST tax credit for the period 2019-2020
- changing the delivery of Climate Action Incentive payments from a refundable credit claimed annually to a credit paid quarterly
- temporarily extending the period for incurring eligible expenses and other deadlines under film or video production tax credits
- providing a tax incentive for specified zero-emission technology manufacturing activities
- providing the Canada Revenue Agency (CRA) the discretion to accept late applications for the Canada Emergency Wage Subsidy, the Canada Emergency Rent Subsidy and the Canada Recovery Hiring Program
- including postdoctoral fellowship income in the definition of 'earned income' for RRSP purposes
- enabling registered charities to enter into charitable partnerships with organizations other than qualified donees under certain conditions
- allowing automatic and immediate revocation of the registration of an organization as a charity where that organization is listed as a terrorist entity under the *Criminal Code*
- enabling the CRA to use taxpayer information to assist in the collection of Canada Emergency Business Account loans
- expanding capital cost allowance deductions to include new clean energy equipment

GST/HST (Excise Tax Act)

- ensuring that all assignment sales in respect of newly constructed or substantially renovated residential housing are taxable supplies for GST/HST purposes
- extending eligibility for the expanded hospital rebate to health care services supplied by charities or non-profit organizations with the active involvement of, or on the recommendation of, either a physician or a nurse practitioner, irrespective of their geographic location

** An Act to implement certain provisions of the economic and fiscal update tabled in Parliament on December 14, 2021 and other measures*

(c.5 - royal assent June 9, 2022)

- introduce a new refundable tax credit for eligible businesses on qualifying ventilation expenses made to improve air quality
- expand the travel component of the northern residents deduction by giving all northern residents the option to claim up to \$1,200 in eligible travel expenses even if the individual has not received travel assistance from their employer
- expand the School Supplies Tax Credit from 15% to 25% and expand the eligibility criteria to include electronic devices used by eligible educators
- introduce a new refundable tax credit to return fuel charge proceeds to farming businesses in backstop jurisdictions

** An Act to provide further support in response to COVID-19*

(c.26 - royal assent December 17, 2021)

- extends subsidies under the Canada Emergency Wage Subsidy (CEWS), the Canada Emergency Rent Subsidy (CERS), and the Canada Recovery Hiring Program until May 7, 2022, as part of the response to the COVID-19 pandemic

** An Act to implement certain provisions of the budget tabled in Parliament on April 19, 2021 and other measures*

(c.23 - royal assent June 29, 2021)

- providing relieving measures in connection with COVID-19 in respect of the use by an employee of an employer-provided automobile for the 2020 and 2021 taxation years
- limiting the benefit of the employee stock option deduction for employees of certain employers
- providing an adjustment for payments or repayments of government assistance in determining capital cost allowance for certain zero-emission vehicles
- expanding the scope of the foreign affiliate dumping rules to further their objectives
- providing change in use rules for multi-unit residential properties
- establishing rules for advanced life deferred annuities
- providing for an option to deduct repaid emergency benefit amounts in the year of benefit receipt and clarifying the tax treatment of non-resident beneficiaries
- removing the time limitation for a registered disability savings plan to remain registered after the cessation of a beneficiary's eligibility for the disability tax credit and modifying grant and bond repayment obligations
- increasing the basic personal amount for certain taxpayers
- providing a temporary special reading of certain rules relating to the child care expense deduction and disability supports deduction for the 2020 and 2021 taxation years
- providing flow-through share issuers with temporary additional time to incur eligible expenses to be renounced to investors under their flow-through share agreements
- applying the short taxation year rule to the accelerated investment incentive for resource expenditures
- introducing the Canada Recovery Hiring Program refundable tax credit to support the post-pandemic recovery
- amending the employee life and health trust rules to allow for the conversion of health and welfare trusts to employee life and health trusts
- expanding access to the Canada Workers Benefit by revising the applicable eligibility thresholds for the 2021 and subsequent taxation years
- amending the income tax measures providing support for Canadian journalism
- clarifying the definition of shared-custody parent for the purposes of the Canada Child Benefit
- revising the eligibility criteria as well as the level of subsidization, under the Canada Emergency

Wage Subsidy (CEWS) and Canada Emergency Rent Subsidy (CERS), extending the CEWS and the CERS until September 25, 2021, providing authority to enable the extension of these subsidies until November 30, 2021, and ensuring that the level of CEWS benefits for furloughed employees continues to align with the benefits provided through the *Employment Insurance Act* until August 28, 2021

- preventing the use by mutual fund trusts of a method of allocating capital gains or income to their redeeming unitholders where the use of that method inappropriately defers tax or converts ordinary income into capital gains
- extending the income tax deferral available for certain patronage dividends paid in shares by an agricultural cooperative corporation to payments made before 2026
- limiting transfers of pensionable service into individual pension plans
- establishing rules for variable payment life annuities
- preventing listed terrorist entities under the *Criminal Code* from qualifying as registered charities and providing for the suspension or revocation of a charity's registration where it makes false statement for the purpose or maintaining registration
- ensuring the appropriate interaction of transfer pricing rules and other rules in the *Income Tax Act*
- preventing non-resident taxpayers from avoiding Canadian dividend withholding tax on compensation payments made under cross-border securities lending arrangements with respect to Canadian shares
- allowing for the electronic delivery of requirements for information to banks and credit unions
- improving existing rules meant to prevent taxpayers from using derivative transactions to convert ordinary income into capital gains
- extending to a wider array of eligible automotive equipment and vehicles the 100% capital cost allowance write-off for business investments in certain zero-emission vehicles
- ensuring that the accelerated investment incentive for depreciable property applies properly in particular circumstances
- providing rules for contributions to a specified multi-employer plan for older members

* *An Act to amend the Income Tax Act* (transfers of small business or family farm or fishing corporation) (c.21 - royal assent June 29, 2021)

- provide that, in the case of qualified small business corporation shares and shares of the the capital stock of a family farm or fishing corporation, siblings are deemed not to be dealing at arm's length and to be related, and that, under certain conditions, the transfer of those shares by a taxpayer to the taxpayer's child or grandchild who is 18 years of age or older is to be excluded from the anti-avoidance rule of section 84.1

* *An Act to amend the Canada Revenue Agency Act* (organ and tissue donors) (c.12 - royal assent June 21, 2021)

- authorize the Canada Revenue Agency to enter into an agreement with a province or a territory regarding the collection and disclosure of information required for establishing or maintaining an organ and tissue donor registry in the province or territory

* *An Act to implement certain provisions of the economic statement tabled in Parliament on November 30, 2020 and other measures*

(c.7 - royal assent May 6, 2021)

- additional support to families with young children as the coronarius disease 2019 (COVID-19) pandemic progresses
- expenses can qualify as qualifying rent expense for the purpose of the Canada Emergency Rent Subsidy (CERS) when it becomes due rather than when it is paid, provided certain conditions are met

Draft legislation included in 2023 CFE

(CAUTION: draft legislation may be broken down in pieces when included in a specific bill which become a chapter receiving royal assent modifying the ITA; not necessarily 100% of all draft legislation are kept together; it is preferable to use the enacted Acts included in a specific CFE to know what is or not included)

- * November 2022
Notice of Ways and Means Motion to introduce an Act to implement certain provisions of the fall economic statement tabled in Parliament on November 3, 2022 and certain provisions of the budget tabled in Parliament on April 7, 2022 and Explanatory Notes
(Integrated in New statute c.19 - royal assent December 15, 2022)
- * August 2022
Legislative Proposals Relating to the *Income Tax Act* and Other Legislation and Explanatory Notes
(Integrated in New statute c.19 - royal assent December 15, 2022)
- * April 7, 2022
Budget 2022
Notice of Ways and Means Motion to introduce an Act to implement certain provisions of the budget tabled in Parliament on April 7, 2022 and other measures
(Integrated in New statute c.10 - royal assent June 23, 2022 /c.19 - royal assent December 15, 2022)
- * February 2022
Legislative Proposals Related to the Income Tax Act and Other Legislation
(Integrated in New statute c.19 - royal assent December 15, 2022)
- * December 2021
Legislative Proposals Relating to the Income Tax Act (Climate action incentive (ITA 122.8))
(Integrated in New statute c.10 - royal assent June 23, 2022)
- * December 14, 2021
Notice of Ways and Means Motion to implement certain provisions of economic and fiscal update tabled in Parliament on December 14, 2021 and other measures
Explanatory Notes Relating to Amendments to the Income Tax Act and the Income Tax Regulations proposed by Bill C-8
(Integrated in New statute c.5 - royal assent June 9, 2022)
- * May 2021
Regulations Amending the Income Tax Regulations (COVID-19 - Relief for Deferred Salary Leave Plans and Pension Plans) (ITR 6801.1, 8308, 8500, 8502)
(Integrated)
- * April 19, 2021
Budget 2021
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * March 3, 2021
Draft Legislative Proposal Related to the Income Tax Act (Canada Emergency Wage Subsidy)
(Integrated in New statute c.26 - royal assent December 17, 2021)

- * February 24, 2021
Legislative Proposals Related to the Income Tax Act
(Integrated in New statute c.26 - royal assent December 17, 2021)
- * January 19, 2021
Legislative Proposals Related to the Income Tax Act and Explanatory Notes
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * December 16, 2020
Legislative Proposals Related to the Income Tax Act and Explanatory Notes - Flow-Through Shares - Time Extension
- * December, 2020
Legislative Proposals Relating to the Income Tax Act and Explanatory Notes
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * December 15, 2020
Legislative Proposals Related to the Income Tax Act and Proposed Amendments to the Income Tax Act Regulations and Explanatory Notes - Zero-Emission Vehicles and New Class 56
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * November 30, 2020
Legislative Proposals to Amend the Income Tax Act and Other Related Legislation, as well as Draft Amendments to Related Regulations
(Integrated in New statutes c.7 - royal assent May 6, 2021 and c.23 - royal assent June 29, 2021)
- * November 27, 2020
Legislative Proposals Relating to the Income Tax Act, Employee Life and Health Trusts and Explanatory Notes
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * July 2, 2020
Proposed Amendments to the Income Tax Regulations (COVID-19 relief for pension plans and deferred salary leave plans)
(Integrated in New statute c.23 - royal assent June 29, 2021)
- * April 17, 2020
Legislative Proposals Relating to the Income Tax Act (Support for Canadian Journalism) and Explanatory Notes
(Integrated in New statute c.23 - royal assent June 29, 2021)

RECENT CHANGES IN LEGISLATION EXCLUDED FROM 2023 CFE

Draft legislation excluded in 2023 CFE

- * April 2023
Explanatory Notes Relating to Bill C-42. *An Act to amend the Canada Business Corporations Act and to make consequential and related amendments to other Acts*
 - authorizing communication of certain taxpayer information (ITA 241(4)(u))

- * April 2023
Explanatory Notes Relating to Bill C-46. *An Act to amend the Federal-Provincial Fiscal Arrangements Act and the Income Tax Act*
 - one-time extra GST/HST credit in January 2023 (ITA 122.5; 152; 160.1)

- * March 28, 2023
Budget 2023

Personal income tax measures

- The Grocery Rebate
- Employee Ownership Trusts
- Deduction for Tradespeople's Tool Expenses
- Registered Education Savings Plans (RESP)
- Retirement Compensation Arrangements (RCA)
- Registered Disability Savings Plans (RDSP)
- Taxpayer Information Sharing for the Canadian Dental Care Plan
- Alternative Minimum Tax on High-Income Individuals
- Strengthening the Intergenerational Business Transfer Framework

Business income tax measures

- Investment Tax Credit for Clean Hydrogen
- Clean Technology Investment Tax Credit - Geothermal Energy
- Labour Requirements Related to Certain Investments Tax Credits
- Investment Tax Credit for Clean Technology Manufacturing
- Zero-Emission Technology Manufacturers
- Investment Tax Credit for Carbon Capture, Utilization, and Storage
- Flow-Through Shares and Critical Mineral Exploration Tax Credit - Lithium from Brines
- Tax on Repurchases of Equity
- General Anti-Avoidance Rule (GAAR)
- Dividend Received Deduction by Financial Institutions
- Income Tax and GST/HST Treatment of Credit Unions

International tax measures

- International Tax Reform
 - Pillar One - Reallocation of Taxing Rights
 - Pillar Two - Global Minimum Tax

Sales and Excise tax measures

- GST/HST Treatment of Payment Card Clearing Service
- Alcohol Excise Duty
- Cannabis Taxation - Quarterly Duty Remittances
- Air Travellers Security Charge

- * November 2022
Legislative Proposals Relating to Amendments to the *Income Tax Act* and Explanatory Notes
 - excessive interest and financing expenses (EIFEL BEPS G20 OECD) (ITA 12, 18.2, 18.21)
 - part II reporting rules for digital platform operators (ITA 282-295)

- * September 2022
Explanatory Notes Relating to Amendments to the *Income Tax Act*, *Excise Tax Act* and the *Excise Act, 2001*
 - GST/HST payment (ITA 122.5)
 - dental benefit (Bill C-30 + Bill C-31)

- * April 2022
Legislative Proposals Relating to the *Income Tax Act* - Hybrid Mismatch Arrangements and Explanatory Notes
 - implementing the recommendations in the Action 2 Report of the Organization for Economic Cooperation and Development (OECD / G20 Base Erosion and Profit Sharing (BEPS) project on 'Neutralizing the Effects of Hybrid Mismatch Arrangements'

- * December 20, 2019
Legislative Proposal Relating to the *Income Tax Act* (Amateur Athlete Trust) and Explanatory Notes
 - introducing ITA 143.1(3.1) to ensure that amounts held by amateur athlete trusts are included in a individual's income within a reasonable period of time
(if an individual has not competed in an international sporting event as a Canadian national team member for eight years)