Federal Budget 2025: Bold ambition on spending, targeted changes to tax rules

November 04, 2025

On Nov. 4, 2025 (Budget Day), the Honourable François-Philippe Champagne tabled the first federal budget in over a year and a half, titled: “Canada Strong: Budget 2025” (Budget 2025). The title alludes to the Government’s plans to increase defence spending, deal with the U.S. tariff threat, and give a shot in the arm to the Canadian economy.

Budget 2025 proposes measures that show a clear shift as compared to the last decade, such as “right-sizing” the federal public service to pre-COVID numbers, increasing defence spending significantly, and potentially removing the oil and gas emissions cap. At the same time, spending remains at a high level to allow the Government to make targeted investments in infrastructure, home-building, and tax incentives, such as enhanced capital cost allowance (CCA) deductions and enhancing SR&ED tax incentives.

Budget 2025 also proposes new tax measures aimed at protecting the integrity and improving the efficiency of Canada’s tax system, including expanding and harmonizing the qualified investment rules for registered plans, expanding the anti-avoidance provisions relating to the 21-year rule applicable to trusts, limiting the tax deferral on investment income using tiered corporate structures, and eliminating the Underused Housing Tax and the luxury tax on aircraft and vessels. Budget 2025 confirms the Government’s intention to proceed with many previously announced tax measures, with a few notable exceptions.

Personal income tax measures

Reporting by bare trusts

Budget 2025 proposes to defer the reporting obligations for bare trusts to apply only to taxation years ending on or after Dec. 31, 2026.

21-year rule

Personal trusts are generally deemed to dispose of their capital property, and certain other specified property, on every 21st anniversary of the trust, so that trusts cannot be used to indefinitely postpone capital gains tax on the trust's property. In addition, an established anti-avoidance rule will apply to prevent a trust from avoiding this 21-year deemed disposition by transferring its property on a tax-deferred basis to a new trust (trust-to-trust anti-avoidance rule).

Avoiding the trust-to-trust anti-avoidance rule has been a target of the Canada Revenue Agency (CRA), previously threatening to apply the general anti-avoidance rule to such avoidance transactions. In addition, the notifiable transactions regime, which came into effect on Nov. 1, 2023, designated indirect transfers of trust property to another trust as a transaction that required enhanced reporting to the CRA. This includes, for example, transferring property of a trust (old trust) on a rollover basis to a corporation resident in Canada, the shareholder of which is a newly established trust (new trust), thus deferring capital gains further by avoiding both the 21-year deemed disposition of the old trust and the trust-to-trust anti-avoidance rule.

Budget 2025 proposes to expand on the trust-to-trust anti-avoidance rule to include indirect transfers to another trust (such as a transfer to a corporation owned by a new trust, as described above), with the result that the new trust will be subject to the 21-year deemed disposition on the same date as the old trust. This measure applies in respect of transfers of property that occur on or after Budget Day.

Qualified investments for registered plans

Budget 2024 initiated a consultation on ways to improve the clarity and coherence of the qualified investments regime for registered plans (Consultation). The Consultation resulted in several proposed changes to the qualified investment regime as announced in Budget 2025, including the following:

1. Simplifying the rules applicable to holding investments in small businesses through a registered plan;
2. Adding new categories of qualified investments for units of a trust;
3. Ending the registered investment regime; and
4. Consolidating the list of qualified investments for registered plans.

To learn more about these proposed changes, please see our additional Insight on the topic.

Interdepartmental information sharing to tackle worker misclassification

Bolstering the current data-sharing agreements between Employment and Social Development Canada (ESDC) and the CRA to address the misclassification of employees as independent contractors (which is especially prevalent in the trucking industry), Budget 2025 proposes to amend tax legislation to authorize the CRA to share taxpayer information (under the *Income Tax Act*) and confidential information (under the *Excise Tax Act*) with ESDC for the purposes of the administration and enforcement of the *Canada Labour Code* as it relates to such misclassifications.

The new legislative amendments for tackling worker misclassifications would come into force on royal assent of the enacting legislation.

Corporate tax measures

Tax deferral through tiered corporate structures

Budget 2025 proposes to eliminate the planning opportunity of deferring Part IV tax through multi-tiered corporate structures.

Inter-corporate dividends can be paid generally tax-free. However, sometimes the recipient must pay tax under Part IV of the *Income Tax Act*, which is refundable when the recipient subsequently pays dividends to its shareholders. This Part IV tax is due by the recipient's balance-due day for the taxation year when the dividend is received, which may be later than the payer's year-end. That timing gap has been used in planning structures to defer the Part IV tax, sometimes indefinitely through multi-tiered corporate structures with mismatching year-ends.

Budget 2025 proposes to limit the deferral of the Part IV tax through multi-tiered corporate structures with mismatched year-ends. In broad terms, the proposal would suspend the dividend refund available to a payer corporation when it pays a taxable dividend to an "affiliated" (as currently defined under the *Income Tax Act*) recipient, if the recipient's balance-due day for the recipient's current taxation year falls after the payer's balance-due day for the current taxation year.

This rule would not apply where:

- Each corporate dividend recipient in the chain of affiliated corporations pays a subsequent dividend on or before the payer's balance-due day, such that no deferral is achieved by the affiliated corporate group; or
- A dividend payer is subject to an acquisition of control where it pays a dividend within 30 days before the acquisition of control.

The payer corporation would generally be entitled to claim the suspended dividend refund in a subsequent taxation year when the recipient corporation pays a taxable dividend to a non-affiliated corporation or an individual shareholder.

This measure would apply to taxation years that begin on or after Budget Day.

Immediate expensing for manufacturing and processing buildings

Budget 2025 provides a temporary enhanced CCA deduction for buildings used in the manufacturing and processing of goods in Canada for sale or lease. Prior to the incentive, such a building would have qualified for the 4 per cent CCA rate under Class 1, and an additional 6 per cent for buildings elected to be placed in a separate CCA class and where 90 per cent of its floor space is used to manufacture or process goods for sale or lease. For buildings acquired after Budget Day, the proposed incentive will increase the CCA rate in the first year the building is used for manufacturing and processing as follows:

- 100 per cent for buildings first used before 2030;
- 75 per cent for buildings first used in 2030 or 2031; and
- 55 per cent for buildings first used in 2032 and 2033.

The incentive will be no longer available for buildings first used after 2033.

If the building was used or acquired for use for any purpose before being acquired by the taxpayer for manufacturing and processing, the incentive remains available if the taxpayer (or a non-arm's-length person) did not previously own the property, and the taxpayer did not acquire the property on a rollover basis.

Enhanced reporting by non-profit organizations (NPOs)

In the 2024 Fall Economic Statement, the Government proposed several changes to the reporting requirements for NPOs in order to improve transparency in this sector. Namely, it broadened the requirement for NPOs to file the annual information return (Form T1044) and announced new reporting requirements for NPOs who do not meet the thresholds for filing the annual NPO information return.

Budget 2025 confirms the Government's intention to proceed with these changes subject to a deferred application date for taxation years beginning Jan. 1, 2027, or later. The Government is reviewing the feedback it received from consultations with stakeholders, and will release final proposals that minimize any additional administrative burden as well as clarify which organizations are, or are not, subject to the new requirement.

Tax incentives

1. Scientific research and experimental development (SR&ED) tax incentive program. Budget 2025 proposes to enhance the SR&ED regime in various ways, including increasing the annual expenditure limit on which the SR&ED program's enhanced credit can be earned from $4.5 million to $6 million, and the implementation of the following previously proposed measures:

- increasing the prior-year taxable capital phase-out thresholds for the SR&ED program's enhanced 35 per cent tax credit;
- increasing the annual expenditure limit on which the enhanced credit can be earned, from $3 million to $4.5 million and increasing the lower and upper prior-year taxable capital phase-out boundaries to $15 million and $75 million, respectively;
- extending the enhanced credit to eligible Canadian public corporations; and
- restoring the eligibility of SR&ED capital expenditures for both the deduction against income and investment tax credit components of the SR&ED program.

2. Critical mineral exploration tax credit (CMETC). The CMETC provides an income tax benefit for individuals who invest in eligible flow-through shares. Budget 2025 proposes to expand the eligibility of the CMETC to include the following additional critical minerals: bismuth, cesium, chromium, fluorspar, germanium, indium, manganese, molybdenum, niobium, tantalum, tin, and tungsten. This measure would only apply to expenditures renounced under eligible flow-through share agreements entered into after Budget Day, and on or before March 31, 2027.

3. Clean technology manufacturing investment tax credit. This refundable tax credit is equal to 30 per cent of the cost of investments in new machinery and equipment used in clean technology processes. Budget 2025 proposes to expand the list of critical minerals eligible for this tax credit to include antimony, indium, gallium, germanium, and scandium. This measure would only apply in respect of property that is acquired and becomes available for use on or after Budget Day.

4. Investment tax credit for carbon capture, utilization, and storage (CCUS). The CCUS is a refundable tax credit that provides support for eligible expenditures relating to CCUS. Budget 2025 proposes to extend the availability of full credit rates by five years, so that the full rates apply to eligible expenditures incurred from the start of 2022 to the end of 2035, and that eligible expenditures incurred from 2036 to the end of 2040 be subject to the lower credit rates.

5. Clean electricity investment tax credit and Canada Growth Fund. This refundable tax credit is equal to 15 per cent of the capital cost of eligible investments in equipment related to low-emitting electricity generation, electricity storage, and the transmission of electricity between provinces and territories. This credit is currently only available to taxable Canadian corporations, Crown corporations, and a select list of other corporations. Budget 2025 proposes to add the Canada Growth Fund (a $15 billion independent investment fund) to the list of persons eligible for this tax credit. This proposed measure includes an exception so that financing provided by the Canada Growth Fund would not reduce the cost of eligible property for the purpose of computing this tax credit. This measure would apply to eligible property that is acquired and that becomes available for use on or after Budget Day.

International tax measures

Transfer pricing

Following stakeholder feedback from the post-Budget 2021 consultation, Budget 2025 proposes to modernize Canada's transfer pricing rules to better align with international standards regarding the arm's-length principle, namely the Organization for Economic Co-operation and Development (OECD) Transfer Pricing Guidelines (Transfer Pricing Guidelines).

The arm's-length principle generally requires that the conditions included in a transaction or series between non-arm's-length parties in a cross-border context are those that would have been included had the participants been dealing at arm's length in comparable circumstances, taking into account the options realistically available to them at the time of the transaction or series. The new rules would require that the method of determining whether the conditions of a transaction or series are consistent with the arm's-length principle must be selected and applied in accordance with the Transfer Pricing Guidelines.

The new rules would also introduce two new definitions (economically relevant characteristics and arm's-length conditions), new provisions outlining when the new transfer pricing adjustment application rule would apply, and the new adjustment application rule.

Budget 2025 also includes other measures to streamline the administration and compliance with transfer pricing rules.

New transfer pricing adjustment application rule

Conditions to apply

The two conditions that must be met before the new transfer pricing adjustment application rule would apply are:

- A transaction or series occurs between a taxpayer and a non-arm's-length non-resident; and
- The actual conditions differ from those that would have applied at arm's length.

Actual conditions and economically relevant characteristics

Relevant characteristics to determining the actual conditions include not only contractual terms, but also other "economically relevant characteristics," including the conduct of the parties, such that the factual substance of the transaction or series is considered (not only legal form).

The new rules would also provide that a transaction or series will be considered to include conditions that differ from arm's-length conditions where:

1. A condition is absent but would have existed at arm's length in comparable circumstances; or
2. The parties would have entered into a different transaction, or none at all, under arm's-length terms.

Arm's-length conditions

The new definition of "arm's-length conditions" focuses on assessing what the actual parties to the relevant transaction or series would have done had they been dealing at arm's length, rather than relying on hypothetical conduct of unrelated third parties.

The new definition also reflects the possibility that arm's-length parties would have entered into a different transaction or series, or would not have entered into a transaction or series at all.

New transfer pricing adjustment application rule

Where the conditions above are met, the amounts reported for tax purposes are to be adjusted in quantum or in nature to align with the arm's-length conditions determined in accordance with the OECD Transfer Pricing Guidelines, taking into consideration the economically relevant characteristics.

Existing transfer pricing rules generally allow for the substitution of the actual transaction for the arm's-length transaction as assessed. The new rules allow for the replacement of the actual transaction with a different transaction or series, or no transaction or series at all. However, Budget 2025 notes that replacement with alternative transactions or no transactions at all would occur only in exceptional circumstances.

Administrative measures

The following administrative measures are intended to allow the CRA to obtain timely and accurate information while not imposing excessive compliance burdens on taxpayers:

- Taxpayer relief through increasing the penalty threshold from a $5 million transfer pricing adjustment to a $10 million adjustment;
- Clarifying transfer pricing documentation requirements, and aligning them with the revised definitions and method selection rules;
- Simplifying documentation requirements when prescribed conditions are met; and
- Shortening the deadline to submit transfer pricing documentation from 3 months to 30 days, while retaining the requirement to prepare records by the original documentation-due date.

This measure would apply to taxation years that begin after Budget Day.

Investment income derived from assets supporting Canadian insurance risks

To ensure that Canadian insurers with foreign affiliates do not avoid tax on their insurance business, Budget 2025 proposes to clarify that investment income derived from assets held by a foreign affiliate to back Canadian risks is included in Foreign Accrual Property Income (FAPI) regardless of which entity holds those assets. Investment income derived from assets backing Canadian risks encompasses both income from assets held to back such risks and assets included in regulatory surplus backing those risks. This measure would apply to taxation years that begin after Budget Day.

Common Reporting Standard and Crypto-Asset Reporting Framework

Earlier this year, the Department of Finance released for consultation draft legislation which proposes to (i) amend Canada's implementation of the Common Reporting Standard (as discussed in a separate BLG Insight), and (ii) introduce Canada's implementation of the Crypto-Asset Reporting Framework.

The draft legislation indicated that the proposals would generally be effective beginning in 2026. Fortunately, Budget 2025 proposes to defer the effective date further to Jan. 1, 2027, giving financial institutions and crypto-asset service providers more time to prepare their IT systems and compliance processes for these upcoming changes.

Sales and excise tax measures

Elimination of Underused Housing Tax (UHT)

Budget 2025 proposes to eliminate the UHT as of the 2025 calendar year. As a result, no UHT returns will be required for 2025, and no UHT will be payable for 2025 or any subsequent year. However, all UHT requirements for 2022 through 2024 remain applicable, including any associated penalties and interest.

Amending luxury tax

Budget 2025 proposes to amend the *Select Luxury Items Tax Act* such that luxury tax will no longer apply to “subject aircraft” and “subject vessels,” effective as of Nov. 5, 2025. As a result, luxury tax returns for these items would not be required, and no amount would be payable after Budget Day.

Registered vendors for these items must file final returns for any reporting periods up to and including Budget Day. Registrations will otherwise remain active and effective until they are automatically cancelled on Feb. 1, 2028.

Reverse charge mechanism on certain supplies in telecommunications sector

Budget 2025 announces proposed changes to the *Excise Tax Act* aimed at combatting “carousel fraud,” a scheme whereby Goods and Services Tax/Harmonized Sales Tax (GST/HST) is collected on a supply (that typically forms part of a series of transactions) but is never remitted to the CRA. This measure is subject to a consultation period ending Jan. 12, 2026.

The intended approach is a “reverse charge mechanism” (RCM) that will first apply to specific supplies in the telecommunications sector. This is essentially analogous to self-assessment mechanisms that currently exist under the *Excise Tax Act* for particular situations, which require recipients (that is, purchasers) of a taxable supply to self-assess and report the applicable GST/HST on the same return that they may also claim, if eligible, a corresponding input tax credit (ITC). The RCM effectively eliminates potential tax leakage by imposing a remittance obligation on the same taxpayer seeking to claim the corresponding ITC and has been successfully utilized by other value-added tax jurisdictions.

Although the use of regulations will be relied on to administer the RCM, it is foreseeable that existing section 221 of the *Excise Tax Act* may be amended to include a new exception for specified telecommunication services, in addition to a corresponding amendment to subsection 228(4) of the *Excise Tax Act*. These provisions are currently used to administer GST/HST self-assessment obligations for certain transactions.

Noticeably absent: Expansion of joint venture election for GST/HST purposes

The long-awaited expansion of activities eligible for simplified GST/HST treatment under the joint venture election were not included in Budget 2025. While legislative proposals were released in 2023, Budget 2025 does not affirm the Government’s intention to move forward with the proposals at this time.

Other measures

1. Cancellation of the proposed Canadian Entrepreneurs' Incentive: Accompanying the confirmed cancellation of the proposed increase of inclusion rate on the taxable capital gains, Budget 2025 indicates that the previously announced Canadian Entrepreneurs' Incentive will be also cancelled. The Canadian Entrepreneurs' Incentive was announced in Budget 2024, which was to allow a Canadian-resident individual meeting certain criteria to claim a reduced rate (33.33 per cent) of taxation on up to $2 million of capital gains from dispositions of qualifying small business corporations.

2. Cancellation of the proposed full deduction of resource expense under the Alternative Minimum Tax: Budget 2025 indicates that the proposed full deduction of resource expense under the Alternative Minimum Tax will be cancelled. The allowance for the full deduction of resource expense under the Alternative Minimum Tax, which would be achieved by repealing the current paragraphs 127.52(1)(e) and (e.1) of the *Income Tax Act*, was proposed in 2024.

3. Automatic federal benefits for lower-income individuals: Budget 2025 proposes to allow the CRA to file a tax return on behalf of certain individuals who meet specific criteria, including earning income below a certain threshold and having not filed a return at least once in the preceding three years. This automatic filing would apply starting with the 2025 tax year and individuals can opt out of automatic tax filing.

4. Personal Support Workers Tax Credit: Budget 2025 proposes to introduce a temporary tax credit for eligible personal support workers that would apply for the 2026 to 2030 taxation years. Eligible personal support workers that work for eligible health care establishments will be provided with a refundable tax credit equal to 5 per cent of their eligible earnings, up to a maximum of $1,100.

5. Top-Up Tax Credit: Budget 2025 proposes to introduce a new, non-refundable tax credit to ensure that the middle-class tax cut included in Bill C-4 (which would reduce the first marginal personal income tax rate from 15 per cent to 14.5 per cent for 2025, and to 14 per cent for 2026 onward) does not inadvertently increase the tax liability of individuals claiming a large amount of non-refundable tax credits reliant on this rate. The Top-Up Tax Credit would effectively maintain the current 15 per cent rate for non-refundable tax credit amounts claimed in excess of the first income tax bracket threshold ($57,375 in 2025).

6. Restriction on Home Accessibility Tax Credit: Budget 2025 proposes to modify the Home Accessibility Tax Credit such that an expense could not be claimed if it had already been claimed under the Medical Expense Tax Credit. Currently, taxpayers can claim both credits in respect of the same expense (e.g. home renovations to improve accessibility for persons with disabilities). This restriction on the Home Accessibility Tax Credit would apply from 2026 onward.

7. Phasing out the Canada Carbon Rebate (CCR). To phase out the CCR payments, the final quarterly payment of which was made to eligible households by the government in April 2025, Budget 2025 proposes that the Income Tax Act be amended to provide that no CCR payments will be made in respect of tax returns, or adjustment requests, filed after Oct. 30, 2026. The CCR is being phased out because the federal fuel charge, the proceeds from which were returned to eligible households as CCR payments, has been eliminated as of April 1, 2025.

8. Agricultural cooperatives: Patronage dividends paid in shares. In 2005, the tax rules were amended to allow for the temporary deferral of income taxes and withholding obligations on patronage dividends received as 'eligible shares' until the disposition (including a deemed disposition) of the shares. The current measure is set to expire at the end of 2025. Budget 2025 proposes to extend this measure to apply in respect of eligible shares issued before the end of 2030.

9. Eligible activities under the Canadian exploration expense. Budget 2025 proposes to amend the *Income Tax Act* to clarify that expenses incurred for the purpose of determining the quality of a mineral resource in Canada *do not* include (contrary to the recent Supreme Court of British Columbia decision in *Seabridge Gold Inc. v. British Columbia*, 2025 BCSC 558) expenses related to determining the economic viability or engineering feasibility of the mineral resource. This amendment would apply as of Budget Day.

10. Department of Justice. Budget 2025 announces the intention for the Department of Justice to realize a 15 per cent saving in targets over the next three years. It is suggested this target could be reached in various ways, including leaner management and leveraging AI. Budget 2025 also states that the Department of Justice will "explore" changes to the informal procedure rules at the Tax Court of Canada as a way to "effectively deliver legal services."

11. Manual osteopathic services. Budget 2025 clarifies that osteopathic services provided by individuals who are not osteopathic physicians will be subject to GST/HST. This rule takes effect for supplies made after June 5, 2025. However, for osteopathic services delivered after June 5, 2025, and on or before Nov. 4, 2025, GST/HST will not apply if the supplier did not charge, collect, or remit any tax for those services.

12. GST/HST rules for the redemption of coupons. The Budget confirms the government's intention to proceed with legislative proposals released on Aug. 15, 2025, to limit the ITC entitlement of a person that makes a payment in relation to the redemption of coupons. The legislative proposals clarify that ITCs will only be available when the payment is made exclusively in the course of commercial activities.

13. Rebate of GST for first-time home buyers, enhanced GST rental rebate to cooperative housing corporations. As previously announced on May 27, 2025, Budget 2025 confirms the Government's intention to eliminate the GST for first-time home buyers on new homes up to $1 million and reducing the GST for first-time home buyers on new homes between $1 million and $1.5 million. The removal of the GST for first-time home buyers is currently before Parliament as part of Bill C-4. The legislative proposal for the Enhanced GST Rental Rebate to cooperative housing corporations was released on Aug. 12, 2024.

Previously announced measures

Budget 2025 confirms that the Government has considered each of the outstanding tax measures announced by the previous Government and confirms that it intends to proceed with the following measures (in addition to the previously announced measures noted above):

- Legislative and regulatory proposals released on Aug. 15, 2025, including with respect to the following measures:
  - Capital gains rollover on small business investments;
  - Scientific Research and Experimental Development Tax Incentive Program;
  - Tax exemption for sales to employee ownership trusts;
  - Tax exemption for sales to worker cooperatives;
  - Non-compliance with information requests;
  - Excessive interest and financing expenses limitation rules;
  - Substantive CCPCs;
  - Technical tax amendments to the *Income Tax Act* and the *Income Tax Regulations*;
  - Technical amendments to the *Global Minimum Tax Act*; and
  - Technical amendments relating to the GST/HST and excise levies.
- Legislative proposals released on June 30, 2025, to ensure that all Canada Carbon Rebates for Small Businesses are provided tax-free, and to extend the filing deadline for the 2019 to 2023 calendar years.
- The extension of the Mineral Exploration Tax Credit announced on March 3, 2025.
- Legislative proposals released on Jan. 23, 2025, to extend the 2024 charitable donations deadline.
- Legislative and regulatory proposals announced in the 2024 Fall Economic Statement, including with respect to the following measures:
  - Exempting the Canada disability benefit from income;
  - Expanding eligibility under the Clean Electricity Investment Tax Credit to the Canada Infrastructure Bank;
  - Modifying the small nuclear energy eligibility under the Clean Technology Investment Tax Credit;
  - Expanding eligibility under the Clean Hydrogen Investment Tax Credit to methane pyrolysis; and
  - Extension of the accelerated investment incentive and immediate expensing measures.
  - Legislative and regulatory proposals to remove the GST on the construction of new student residences released on Nov. 19, 2024.
- Legislative amendments to give effect to the suspension of the Agreement Between the Government of Canada and the Government of the Russian Federation for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital under domestic law as of Nov. 18, 2024.
- Legislative and regulatory proposals released on Aug. 12, 2024, including with respect to the following measures:
  - Alternative minimum tax;
  - Disability supports deduction;
  - Charities and qualified donees;
  - Registered education savings plans;
  - Avoidance of tax debts;
  - Mutual fund corporations;
  - Synthetic equity arrangements;
  - Manipulation of bankrupt status;

    - Accelerated CCA for productivity-enhancing assets;
    - Accelerated CCA for purpose-built rental housing;
    - Withholding for non-resident service providers;
    - Regulations related to the application of the enhanced (100 per cent) GST rental rebate to cooperative housing corporations;
    - Clean Electricity Investment Tax Credit;
    - Expanding eligibility under the Clean Technology Investment Tax Credit to support generation of electricity and heat from waste biomass;
    - Proposed expansion of eligibility for clean technology
    - Manufacturing Investment Tax Credit to support polymetallic
    - Extraction and processing;
    - Amendments to the *Global Minimum Tax Act* and the *Income Tax Conventions Interpretation Act*;
    - Technical tax amendments to the *Income Tax Act* and the *Income Tax Regulations*; and
    - Technical amendments relating to the GST/HST, excise levies and other taxes and charges.
- Legislative proposals released on July 12, 2024, related to implementing an opt-in fuel, alcohol, cannabis, tobacco and vaping (FACT) value-added sales tax framework for interested Indigenous governments.
- The proposed exemption from the Alternative Minimum Tax for certain trusts for the benefit of Indigenous groups announced in Budget 2024.
- The proposed increase in the Lifetime Capital Gains Exemption to apply to up to $1.25 million of eligible capital gains announced in Budget 2024.
- Legislative and regulatory proposals announced in Budget 2024 with respect to a new importation limit for packaged raw leaf tobacco for personal use.
- Tax measures to amend the *Excise Tax Act*, the *Air Travellers Security Charge Act*, the *Excise Act, 2001* and the *Select Luxury Items Tax Act* to give effect to the proposals relating to non-compliance with information requests and to avoidance of tax debts announced in Budget 2024.
- Legislative and regulatory proposals released on Aug. 4, 2023, including with respect to the following measures:
    - Technical amendments to GST/HST rules for financial institutions;
    - Tax-exempt sales of motive fuels for export; and
    - Revised luxury tax draft regulations to provide greater clarity on the tax treatment of luxury items.
- Legislative and regulatory proposals released on Aug. 9, 2022, including with respect to the following measures:
    - Technical amendments to the *Income Tax Act* and *Income Tax Regulations*; and
    - Remaining legislative and regulatory proposals relating to the GST/HST, excise levies, and other taxes and charges.
- Legislative amendments to implement the Hybrid Mismatch Arrangements rules announced in Budget 2021.
- The income tax measure announced on Dec. 20, 2019, to extend the maturation period of amateur athlete trusts maturing in 2019 by one year, from eight years to nine years.

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