

TaxMatters@EY

TaxMatters@EY is an update on recent Canadian tax news, case developments, publications and more.

Gifts to adult children: tax considerations to keep in mind

Krista Fox and Lucie Champagne, Toronto, and Gael Melville, Vancouver

As the cost of living continues to rise and housing affordability remains a challenge, many parents and caregivers are seeking ways to support their adult children on the road to financial security.

In Canada, gifts to adult children are generally received tax free, but there may be tax implications for the parent, depending on how a gift is structured.¹ Before making a gift, it's important to consider all the implications to structure it in the most tax-efficient manner.

The gift's purpose and amount can vary greatly. The gift may be intended to help finance the purchase of a home or an automobile, or to pay for a post-secondary degree or diploma. Or it may enable the child to earn sufficient income to absorb their tax deductions and tax credits and to pay for certain expenses that a parent would normally pay out of after-tax dollars. A gift can also be used to make the maximum deductible contributions to an RRSP or FHSA, or contribute to a TFSA.

For many reasons, parents often decide to gift cash or property to their adult children during the parents' lifetime, rather than wait for their children to receive their inheritance. Not surprisingly, with the rising cost of housing and education, the gifts may allow the younger generation to get ahead, and the parents can witness firsthand how their gift is used.

Making a financial gift can also help you manage your tax liability during your lifetime and on your death.

Let's explore the general rules around making tax-free gifts to adult children, as well as some practical considerations to help guide your next steps.

¹ In this article, the reference to adult children refers to children aged 18 or older, as well as adult relatives.

Before you make a gift

Assess whether your current assets and projected income are sufficient to satisfy your retirement goals and financial commitments. Projections should consider changes in your health and fluctuations in market conditions. Discuss your financial situation with your professional advisor to evaluate different options and determine whether it may be more prudent to make smaller, more frequent gifts, rather than a larger one-time gift.

As explained below, gifting property may trigger an income tax liability at the time the gift is made, so this additional liability must be taken into consideration.

You also need to consider nonfinancial factors. Every family is different, and each family member may not necessarily have the same needs or risks.

For example, one child may be married with young children, while another child may be single and starting a new business venture with multiple business partners. The relationship between siblings may also be a factor. Protecting your gift may impact how you structure the gift, and in some cases you may wish to retain a certain level of control over the gifted assets.

Making a financial gift during your lifetime may also reduce the probate taxes on your estate. All provinces except Manitoba and Québec impose probate tax on the value of property that forms part of the deceased individual's estate at the time of death.² Since most jurisdictions compute probate tax based on a percentage of the estate's value, the liability can be substantial for large estates.³

You should consider all these factors before you make a gift. In some cases, the tax savings from gifting property during your lifetime may be overshadowed by nonfinancial considerations, such as risk, control, contingencies and family conflict.

The type of gift makes a difference

You may gift cash to your adult children on a tax-free basis.

You can also gift property.⁴ It's important to note that, for income tax purposes, a gift of property is considered a disposition of the property at fair market value, and any accrued capital gain or capital loss on the property is realized at the time you make the gift. The recipient's adjusted cost base will also be the property's fair market value at the time of the gift, so any future gains will accrue in the adult child's hands.

The income tax liability resulting from the disposition can be significant. For 2025, the combined maximum marginal income tax rates on capital gains range from 22.25% to 27.40%, since only 50% of the capital gain is subject to income tax. Consequently, unless capital loss carryforwards from prior years are available to shelter the capital gain triggered, or you have incurred a capital loss in the year from disposing of another property, assets with minimal accrued capital gains should be gifted first.

It may also be beneficial to gift an asset with an accrued capital gain in a taxation year when your taxable income is lower to take advantage of the lower marginal income tax rates.

² Québec imposes a nominal administration fee. Manitoba eliminated its probate tax in November 2020.

³ This is not the case in all jurisdictions that impose probate fees on an estate's value. In particular, Alberta and all three territories place a fairly low cap on probate fees (e.g., \$525 in Alberta).

⁴ Section 160 of the *Income Tax Act* could apply to a gift in certain circumstances. This provision prevents an individual from avoiding the payment of income tax through the transfer of property, including cash, to a non-arm's-length person, including an adult child, by imposing joint and several liability on both parties. For more information, consult with your EY tax advisor.

A capital loss realized from the disposition of personal-use property is generally deemed to be nil. Essentially, a personal-use property is a property owned by an individual that is used primarily for the personal use or enjoyment of the individual or a person related to the individual, such as a principal residence or a cottage. If the family home is gifted to an adult child and the home qualifies for the principal residence exemption, no income tax liability should result from the disposition as long as the property does not exceed one-half hectare.⁵

The lifetime capital gains exemption may also apply to eliminate the tax on capital gains realized in respect of qualified farm and fishing property and small business corporation shares. If shares of a private corporation are gifted, there may also be legal and income tax implications for the corporation or for the individual gift recipient.⁶

To satisfy the disposition requirements under the Income Tax Act, there must be a transfer of beneficial ownership of the property – meaning it entails all the risks and rewards of ownership – and a change in legal ownership, such as a legal transfer of title.

The concept of beneficial ownership is not relevant under Québec’s civil law. However, for income tax purposes, an individual may be deemed to be the beneficial owner of a property that is subject to Québec’s laws.⁷

You may need to seek out professional advice to ensure all the legal requirements are met, including ensuring the gift is a valid gift at law, and that any income tax reporting obligations are completed in a timely manner.

What’s the difference between a loan and a gift?

When you gift cash or property outright to an adult child, you lose control over the property and the gifts become exposed to matrimonial claims and creditor risk. In some cases, these risks may not be a concern, but in other cases they can create a significant hurdle for a family to overcome.

Structuring a gift as an interest-free loan may be an effective way to protect assets from these risks. You can demand repayment of the loan if the gift is considered to be at risk. In some circumstances, a special attribution rule may apply to treat income arising from the loaned cash or property – or from income-earning assets the adult child buys using that cash or property – as income of the parent rather than of the child.

Consult with your EY advisor if you’re considering making an interest-free or low-interest loan to your adult child.

You can use a loan secured by an interest-free mortgage if the gift is used to purchase a home. The loan can be forgiven at any time during your lifetime or forgiven on death under your will. Alternatively, the child’s inheritance can be offset against the loan.

⁵ The land on which a home is located may be included as part of an individual’s principal residence. Usually, the amount of land considered to be part of a principal residence is limited to one-half hectare (1.24 acres). However, if an individual can show that more land is needed to use and enjoy the home, land in excess of one-half hectare may be considered part of the principal residence. Note that gifting a home to an adult child may impact their ability to qualify for an FHSA. For more information on the FHSA, see Chapter 9, **Families**, in [EY’s Managing Your Personal Taxes 2024-25](#).

⁶ Gifts of property, or funds used to acquire property, that produces income for the gift recipient may be subject to the tax on split income (TOSI) rules. For more information on TOSI, see Chapter 9, **Families**, in [EY’s Managing Your Personal Taxes 2024-25](#).

⁷ Under subsection 248(3) of the *Income Tax Act*.

You can use a promissory note if the gift is not specifically used to purchase real estate. By creating an enforceable contract between you and your adult child – and the child's spouse, depending on the circumstances – you can demand repayment of the loan if needed. Just like a mortgage, the loan can be forgiven at any time or settled as part of your will.

If you plan to use the proceeds from the sale of an asset to fund the loan, a capital gain or loss may be triggered on the disposition of the asset. Therefore, it's important to assess which property should be disposed of first to reduce any potential income tax liability and optimize the use of any capital loss carryforwards.

You should consult a legal professional to check if the loan agreement provides the right level of protection in the circumstances and that any other legal documents, such as a will, are updated accordingly.

Control of the gifted property

You may wish to retain some degree of control over the gifted property. Control may be required to protect the gift from spousal or creditor claims, or to restrict your child's ability to transfer the property to another person. You may also wish to retain control over the property so that money or assets are distributed over time, rather than all at once.

If the transfer of gifted property is properly structured, transferring the assets to a discretionary trust and designating adult children as the sole beneficiaries ensures the children do not have control over the property. Control of the property will rest with the trustee(s), who are responsible for administering the trust in accordance with the terms of the trust agreement.

This gifting structure is more complex to implement and administer. Legal and tax assistance are necessary so the trust agreement accurately reflects your intentions and complies with statutory requirements over the life of the trust.

Generally, a transfer of property to this type of trust is considered a disposition at fair market value at the time of the transfer. Consequently, the income tax implications to the parent are similar to that of an outright gift, so planning may be required to minimize the tax liability.

The transferred property will not form part of your estate on death, so it will not be subject to probate tax. However, a trust is generally deemed to dispose of its capital property at fair market value every 21 years and to reacquire the properties immediately after that day for the same amount. This rule is intended to prevent the use of trusts to indefinitely defer the recognition of gains accruing on capital property. This means accrued capital gains or losses on capital property are recognized and subject to tax every 21 years.

In light of the additional costs and tax compliance obligations of using a discretionary trust, you should conduct a cost-benefit analysis to determine if this option is right for you.

Conclusion

If you're considering gifting cash or assets to your adult children as part of your financial plan, we recommend you seek advice from a professional advisor so that all legal requirements are satisfied, any income tax liabilities are minimized, and tax reporting obligations are complied with in a timely manner.

Also, if any member of the family is a citizen of or resides in another country, there may be foreign legal and tax implications.

Seeking professional advice before making a gift can help you avoid unforeseen issues during your lifetime and avoid conflicts with your estate.

CRA releases findings from its consultation on the requirement to report fees for services on Form T4A

Caitlin Morin and Maureen De Lisser, Toronto

The CRA recently published the results of its [consultation](#) on the requirement for businesses and organizations to report fees paid to other businesses for services provided.

The CRA launched the consultation in May 2024 to better understand the challenges businesses and organizations face in reporting fees paid to other businesses for services provided.⁸

With this consultation, the CRA sought to identify ways it could support businesses and organizations in understanding and meeting their tax obligations, including by clarifying the reporting requirements.

The consultation consisted of an online [questionnaire](#) that was open from May 22 to July 22, 2024, and an external stakeholder [working group](#) that met between March and November 2024. The working group included representatives from the National Payroll Institute, CPA Canada and the Tax Executives Institute, among other organizations.

Legislative background

A person who pays fees, commissions or other amounts for services described in paragraph 153(1)(g) of the *Income Tax Act* is required under subsection 200(1) of the *Income Tax Regulations* to make an information return in Form T4A, *Statement of Pension, Retirement, Annuity, and Other Income*.

The CRA's current administrative policy provides that Form T4A must be issued if the total fees, commissions or other amounts paid for services exceed \$500 in a calendar year.

In 2011, the CRA introduced a temporary moratorium on penalties for failing to complete box 048, "Fees for services," on Form T4A.⁹ Although this was meant to be a temporary measure to give businesses and organizations time to adjust to the requirement to complete box 048, it remains in place.¹⁰

Findings from the consultation

The CRA found that businesses and organizations require support to better understand and comply with the requirement to report fees for services on Form T4A. In particular, they need guidance on which services they need to report.

Stakeholders also indicated that future decisions regarding the requirement to report fees for services must consider options to minimize the potential administrative burden and compliance cost.

⁸ For these purposes, businesses and organizations include sole proprietors, corporations, trusts, charities and nonprofit organizations.

⁹ In CRA document 2017-0709001C6, the CRA clarified that this measure does not relieve taxpayers of their responsibility to report these payments. Therefore, a penalty under subsection 162(7) of the *Income Tax Act* may apply for failure to file Form T4A in respect of fees, commissions or other amounts.

¹⁰ Previously, fees paid for services were reported in box 028, "Other income," on Form T4A, along with several other types of income. To make it easier to identify these payments, Form T4A was redesigned in 2010 to include a separate box 048 to report fees paid for services.

Additional findings from the consultation include:

- **Form T4A may not be appropriate:** Approximately half of questionnaire respondents indicated they do not consider Form T4A to be the appropriate method for reporting fees for services. This view was shared by participants in the working group, who noted that reporting fees for services on Form T4A could cause confusion and administrative difficulties, as this slip is typically associated with payroll.
- **Threshold concerns:** The working group and the majority of questionnaire respondents said the current \$500 reporting threshold may be too low. Approximately one-third of questionnaire respondents stated that a threshold between \$10,000 and \$30,000 would be more appropriate.
- **Phased implementation approach:** The working group proposed a phased rollout of any modifications to the reporting requirement, targeting specific sectors initially to raise awareness and support compliance.
- **Exemptions from the reporting requirement:** The working group supported reducing the administrative compliance burden by creating exemptions based on business size and type.

The CRA will draw on these findings, as well as insights from other stakeholder engagement efforts, to guide future decisions regarding reporting fees for services.

We will continue to monitor further developments around the reporting of fees for services, including the release of any additional CRA guidance.

Understanding RRSP trust units and reassessment timelines

Grenon et al v The King, 2025 FCA 129

Caitlin Morin, Toronto, and Gael Melville, Vancouver

In *Grenon et al v The King*, the Federal Court of Appeal (FCA) considered whether trust units acquired by an RRSP were qualified investments, and whether a “trust notice of assessment” issued in response to the T3GR return the trustee filed started the normal reassessment period for the RRSP.

Background

If an RRSP holds investments that are not qualified investments under the *Income Tax Act* (the Act), it may be subject to tax on both the income generated from those investments and any gains realized upon their sale.¹¹

For a mutual fund trust unit to be a qualified investment, the Act and Income Tax Regulations require certain conditions to be met, including the “minimum beneficiary” and “distribution” conditions:

- The minimum beneficiary condition requires the trust to have at least 150 beneficiaries, each holding a block of units with a minimum aggregate value of \$500.
- The distribution condition requires a lawful distribution of units to the public, in accordance with relevant provincial securities law.¹²

Additionally, before 2011, an RRSP holding nonqualified investments could incur a 1% monthly penalty tax, calculated based on the value of the investment at the time of acquisition.¹³ However, where the

¹¹ Subsections 146(1) and (10.1) of the Act.

¹² Paragraph 132(6)(c) of the Act and sections 4801 and 4900 of the Regulations.

¹³ Subsection 207.1(1) of the Act was repealed in respect of any investment acquired after March 22, 2011 (or that first became a nonqualified investment after that date), consequential on the extension to RRSP annuitants of the nonqualified investment tax that applies under s. 207.04 of the Act (effective as of March 23, 2011).

acquisition date value was included in the annuitant's income under former subsection 146(10) of the Act, this penalty tax would not apply.

Facts

The annuitant of an RRSP trust established six income funds. The annuitant intended that each income fund would qualify as a "mutual fund trust" under the Act, meaning the trust units would be qualified investments for RRSP purposes.¹⁴

Each income fund prepared an offering memorandum (OM) and relied on the offering memorandum exemption (OME) from the prospectus requirement under provincial securities laws. To satisfy the minimum beneficiary condition under paragraph 4801(b) of the Regulations, each OM stated that the income fund sought subscriptions from a minimum of 160 investors.

Under each OM, 171 investors subscribed for 100 units at \$7.50 per unit, resulting in each fund raising \$128,250. Contrary to the terms of the OMs, each income fund accepted subscriptions from more than 30 minors and subscriptions signed by an adult on behalf of another individual. Between 2003 and 2009, the RRSP trust invested more than \$310 million in the income funds. The income funds distributed income to the unitholders, including the RRSP trust.

The RRSP trust was one of a large group of RRSPs governed by the same specimen plan. For the 2004 to 2009 taxation years, the trustee filed a T3GR return for the group that included the RRSP trust, reporting certain information on an aggregate basis; however, no individual T3 tax return was filed for the RRSP trust.¹⁵ The Minister of National Revenue sent trust notices of assessment to the trustee.

In 2013, the Minister issued a Part I notice of assessment to the RRSP trust for its 2004 to 2009 taxation years, assessing tax on the income it earned from the income funds. The Minister also assessed the RRSP trust under Part XI.1, imposing the 1% monthly penalty tax for holding nonqualified investments. The Minister asserted that the trust units were nonqualified investments and relied on the general anti-avoidance rule (GAAR) in support of the assessments.

The RRSP trust appealed the assessments to the Tax Court of Canada, arguing that the 2004 to 2008 assessments were statute barred since the normal reassessment period commenced when the trust notices of assessment were issued.

Tax Court of Canada decision¹⁶

The Tax Court concluded that none of the assessments were statute barred. It noted that T3GR returns are not intended to replace the trustee's obligation to file a T3 tax return for any RRSP in the group with taxable income.

The Tax Court also held that the income funds were not mutual fund trusts because they failed to satisfy the conditions in section 4801 of the Regulations, and consequently the trust units were nonqualified investments at the time the RRSP trust acquired them. The Court emphasized that subscriptions by minors and those signed by an adult on behalf of another individual did not comply with the OMs or the OME. In the alternative, it found that, if the trust units were qualified investments, the GAAR would apply.

¹⁴ Paragraph 4900(1)(d) of the Regulations.

¹⁵ Form T3GR, *Group Income Tax and Information Return for RRSP, RRIF, RESP, or RDSP Trusts*.

¹⁶ *Grenon et al v The Queen*, 2021 TCC 30.

In addition, the Tax Court dismissed the appeal of the Part XI.1 assessments, reasoning that the Minister had not assessed the annuitant under former subsection 146(10) of the Act, and therefore the exception to Part XI.1 tax did not apply.

The RRSP trust appealed the decision to the FCA.

Federal Court of Appeal decision

The FCA allowed the appeal in part. The FCA found that the Tax Court of Canada did not err in concluding that none of the income funds qualified as mutual fund trusts, and that their units were nonqualified investments. Because certain units were not issued in compliance with the OME and the OMs, the Tax Court was entitled to find that the income funds had not completed a lawful distribution to the public.

In addition, the FCA found that the Tax Court did not err in finding that the Part I assessments were not statute barred. By failing to file a T3 tax return, the RRSP trust exposed itself to the risk that the Minister would not issue a Part I assessment to start the RRSP trust's normal reassessment period.

However, the FCA found that the Tax Court erred in dismissing the RRSP trust's appeal of the Part XI.1 assessments. Having concluded that the RRSP trust acquired nonqualified investments, the acquisition date value of the investments should have been included in the annuitant's income under former subsection 146(10) of the Act, and it was irrelevant that the annuitant had failed to report those amounts. The RRSP trust was therefore able to claim the exception to Part XI.1 tax.

As this was sufficient to dispose of the appeal, the FCA concluded that it was unnecessary to consider the Tax Court's GAAR analysis.

Lessons learned

This decision reinforces the need for careful compliance with both tax and securities law requirements when structuring investments to be held in RRSPs. Moreover, the decision makes clear that an RRSP trust with taxable income under the rules in section 146 must generally file a T3 tax return to trigger the start of the normal reassessment period.

Publications and articles

Tax Alerts - Canada

[Tax Alert 2025 No. 33 - G7 releases statement on Global Minimum Tax \(Pillar Two\) and Canada rescinds the digital services tax](#)

[Tax Alert 2025 No. 34 - What you need to know about the CRA's transition to online mail for most business correspondence](#)

[Tax Alert 2025 No. 35 - Canada: Surtax on steel, short supply consultations and DST rescinded](#)

[Tax Alert 2025 No. 36 - CBSA issues its July 2025 trade compliance verification list update](#)

[Tax Alert 2025 No. 37 - Canada announces additional support for the Canadian steel sector](#)

[Tax Alert 2025 No. 38 - Canada imposes additional surtaxes on certain steel and aluminum goods](#)

[Tax Alert 2025 No. 39 - CRA extends administrative relief relating to Regulation 105 withholding tax on subcontractor fees](#)

[Tax Alert 2025 No. 40 - Finance releases draft legislation for various previously announced measures and technical amendments](#)

[Tax Alert 2025 No. 41 - Updated proposals to modify the enhanced trust reporting requirements](#)

[Tax Alert 2025 No. 42 - Distributed investment plans required to request certain investor information by 15 October 2025](#)

[Tax Alert 2025 No. 43 - Canada removing tariffs on certain US goods; Canadian business support measures announced](#)

[Tax Alert 2025 No. 44 - Canada proposes amendments to the *Global Minimum Tax Act* and the *Income Tax Act*](#)

[Tax Alert 2025 No. 45 - CBSA releases notice of preliminary determination with respect to certain carbon and alloy steel wire](#)

[Tax Alert 2025 No. 46 - CRA announces streamlined Voluntary Disclosures Program](#)

[Tax Alert 2025 No. 47 - Updated proposed legislation for expanded CRA audit powers](#)

[Tax Alert 2025 No. 48 - CBSA releases notice of preliminary determinations with respect to steel strapping](#)

Additional resources

[Digital services tax jurisdiction activity summary](#)

An updated version of EY's DST jurisdiction activity summary is now available. The summary outlines the status, scope, rate, thresholds, exclusions and effective dates for 32 jurisdictions. It also includes links to relevant EY Global Tax Alerts and EY contact details.

EY's activity summary provides the latest information correct as of February 1, 2025.

[Expanded Green Tax Tracker now available](#)

The EY [Green Tax Tracker](#) can help you discover, research, monitor and act on sustainability tax policies worldwide with details on sustainability incentives, carbon regimes, green taxes and exemptions.

[EY's Worldwide Personal Tax and Immigration Guide 2024-25](#)

Governments worldwide continue to reform their tax codes at a historically rapid rate. Taxpayers need a current guide, such as the Worldwide Personal Tax and Immigration Guide, in such a shifting tax landscape, especially if they are contemplating new markets. The content is straightforward. Chapter by chapter, from Albania to Zimbabwe, we summarize personal tax systems and immigration rules in more than 150 jurisdictions. The content is current as of October 1, 2024, with exceptions noted.

[EY's Worldwide Capital and Fixed Assets Guide 2025](#)

Capital expenditures represent one of the largest items on a company's balance sheet. This guide helps you reference key tax factors needed to better understand the complex rules relating to tax relief on capital expenditures in 42 jurisdictions and territories.

[EY's Worldwide Estate and Inheritance Tax Guide 2025](#)

This guide summarizes the gift, estate and inheritance tax systems and describes wealth transfer planning considerations in 44 jurisdictions and territories.

[Worldwide Corporate Tax Guide 2024](#)

Governments worldwide continue to reform their tax codes at a historically rapid rate. Chapter by chapter, from Albania to Zimbabwe, this EY guide summarizes corporate tax systems in more than 150 jurisdictions.

[Worldwide VAT, GST and Sales Tax Guide 2025](#)

This guide summarizes the value-added tax (VAT), goods and services tax (GST) and sales tax systems in 150 jurisdictions, including the European Union.

[Worldwide R&D Incentives Reference Guide 2024](#)

The Worldwide R&D Incentives Reference Guide offers taxpayers the information necessary to identify and leverage opportunities to benefit from available incentives, especially relevant if they are contemplating new or expanded investments in R&D, innovation and sustainability.

[Worldwide Transfer Pricing Reference Guide 2025](#)

This publication is designed to help international tax executives identify transfer pricing rules, practices and approaches.

The information included in the guide covers 121 jurisdictions. It is meant to provide an overview for the covered jurisdictions regarding their transfer pricing tax laws, regulations and rulings; OECD Guidelines treatment; documentation requirements; transfer pricing returns and related-party disclosures; transfer pricing documentation and disclosure timelines; BEPS Action 13 requirements; transfer pricing methods; benchmarking requirements; transfer pricing penalties and relief from penalties; statutes of limitations on transfer pricing assessments; likelihood of transfer pricing scrutiny and related audits by the tax authorities; and opportunities for advance pricing agreements (APAs).

The content for the guide is updated as of April 30, 2025.

[EY Center for Board Matters](#)

The EY Center for Board Matters supports board members in their oversight role by helping them address complex boardroom issues.

[EY TradeFlash](#)

Welcome to EY's latest edition of TradeFlash, a companion to EY TradeWatch. This new publication provides a roundup of the latest developments in global trade around the world.

[EY TradeWatch Issue 1, 2025](#)

EY *TradeWatch* provides information about customs and international trade developments to help you develop strategies to manage duty costs and the risks of global trade, to improve trade compliance and to increase the operational effectiveness of international supply chains.

Websites

[EY Law LLP](#)

Our national team of highly qualified lawyers and professionals offers comprehensive tax law services, business immigration services and business law services. Serving you across borders, our sector-focused, multidisciplinary approach means we offer integrated and comprehensive advice you can trust. Visit eylaw.ca.

[General counsel agenda](#)

Our insights can help general counsels improve operations and better mitigate risk, by fostering a culture of integrity and supporting business priorities.

Focus on private business

Because we believe in the power of private mid-market companies, we invest in people, knowledge and services to help you address the unique challenges and opportunities you face in the private mid-market space.

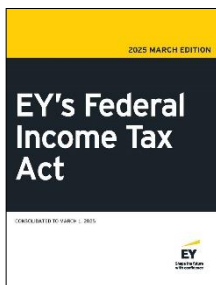
Focus on family enterprise

Family enterprise owners face unique challenges as they balance their ambition to grow with the effort to build the family legacy. Our experience, authority and global leadership platforms such as EY NextGen support families as they grow from generation to generation.

Online tax calculators and rates

Frequently referred to by financial planning columnists, our mobile-friendly calculators on ey.com/ca let you compare the combined federal and provincial 2024 and 2025 personal tax bills in each province and territory. The site also includes an RRSP savings calculator and personal tax rates and credits for all income levels. Our corporate tax-planning tools include federal and provincial tax rates for small business rate income, manufacturing and processing rate income, general rate income and investment income.

EY Knotia Store

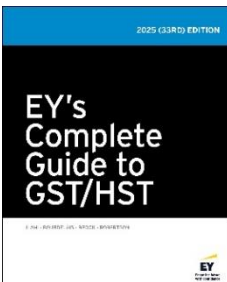


EY's Federal Income Tax Act, 2025 Edition

Editors: Albert Anelli, Janette Pantry, and Linda Tang

Now available 2025

Included with this edition: interactive online features and purpose notes for selected provisions. Purchase of a print book includes access to an online updated and searchable copy of the federal *Income Tax Act* as well as the pdf eBook. Consolidated to March 1, 2025, this edition contains amendments and proposals, including Bill C-59 (2024, c. 15), *Fall Economic Statement Implementation Act, 2023*, Bill C-69 (2024, c. 17), *Budget Implementation Act, 2024, No. 1*, August 12, 2024 legislative proposals [Technical amendments], August 12, 2024 legislative proposals [Budget 2024 and other proposals], September 23, 2024 notice of ways and means motion [Capital gains inclusion rate increase], December 16, 2024 Fall Economic Statement 2024, January 23, 2025 legislative proposals [Charitable donations], and February 21, 2025 legislative proposals [EV supply chain investment tax credit].



EY's Complete Guide to GST/HST, 2025 (33rd) Edition

Editors: Jadys Bourdelais, Thomas Brook, Sania Ilahi, and David Douglas Robertson

Available October 2025

Canada's leading guide on GST/HST, including GST/HST commentary and legislation, as well as a GST-QST comparison. Written in plain language by a team of EY indirect tax professionals, the guide is consolidated to July 1, 2025 and updated to reflect the latest changes to legislation and CRA policy.

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

About EY's Tax Services

EY's tax professionals across Canada provide you with deep EY's tax professionals across Canada provide you with deep technical knowledge, both global and local, combined with practical, commercial and industry experience. We offer a range of tax-saving services backed by in-depth industry knowledge. Our talented people, consistent methodologies and unwavering commitment to quality service help you build the strong compliance and reporting foundations and sustainable tax strategies that help your business achieve its potential. It's how we make a difference.

For more information, visit ey.com/ca/tax.

About EY Law LLP

EY Law LLP is a national law firm affiliated with EY in Canada, specializing in tax law services, business immigration services and business law services.

For more information, visit eylaw.ca.

About EY Law's Tax Law Services

EY Law has one of the largest practices dedicated to tax planning and tax controversy in the country. EY Law has experience in all areas of tax, including corporate tax, human capital, international tax, transaction tax, sales tax, customs and excise.

For more information, visit https://www.eylaw.ca/en_ca/services/tax-law-services

© 2025 Ernst & Young LLP. All Rights Reserved.

A member firm of Ernst & Young Global Limited.

This publication contains information in summary form, current as of the date of publication, and is intended for general guidance only. It should not be regarded as comprehensive or a substitute for professional advice. Before taking any particular course of action, contact EY or another professional advisor to discuss these matters in the context of your particular circumstances. We accept no responsibility for any loss or damage occasioned by your reliance on information contained in this publication.