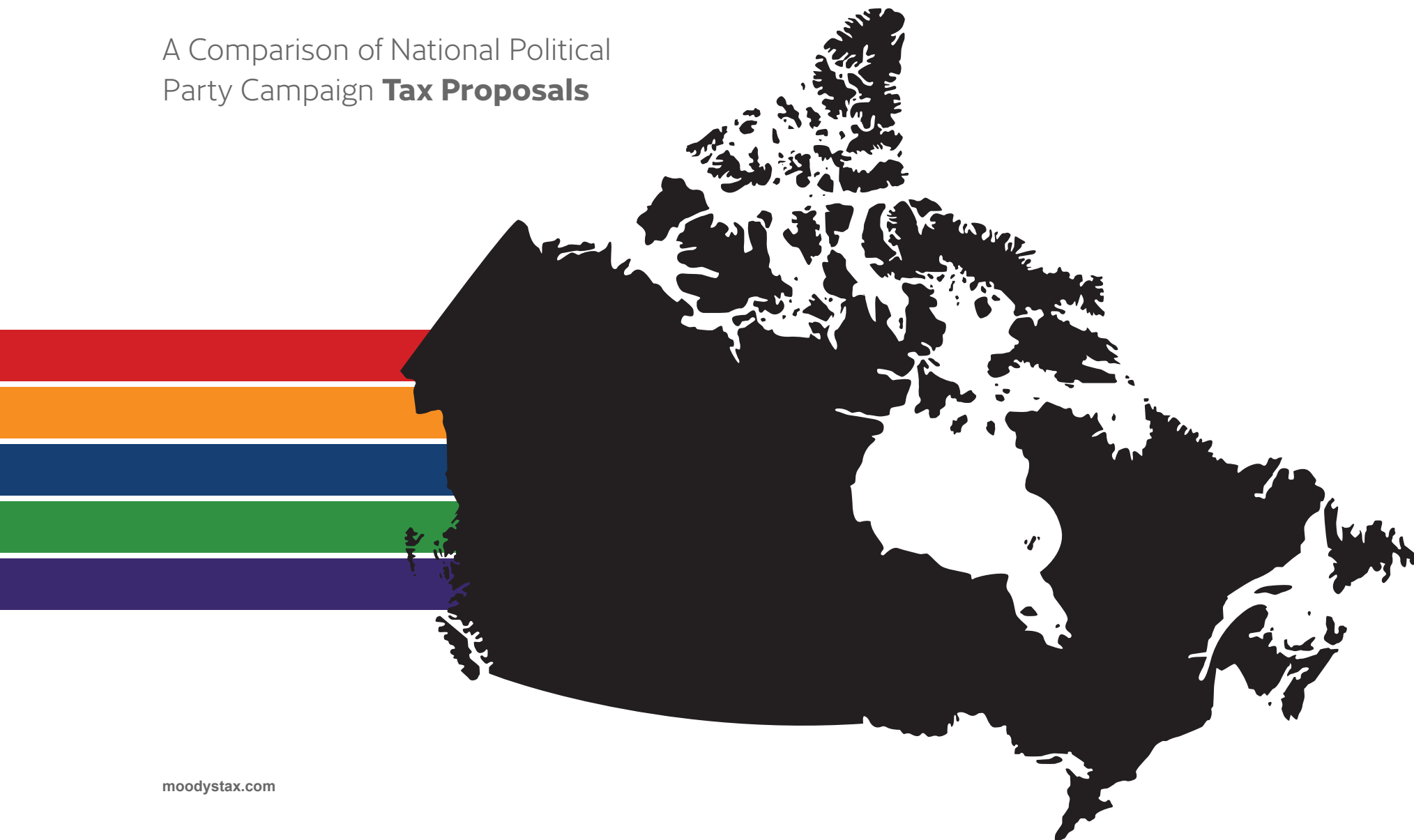




A Comparison of National Political Party Campaign **Tax Proposals**



- 1st year 2020 (cost) revenue / aggregate 4 years (cost) revenue, in \$millions as estimated by the Office of the Parliamentary Budget Officer ("PBO").
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Business Taxation	Liberals	PBO 1/4 yrs	NDP	PBO 1/4 yrs	Conservative	PBO 1/4 yrs	Green	PBO 1/4 yrs	People's Party	PBO 1/4 yrs						
Corporate Tax Rate	Halve corporate tax of companies that develop and manufacture zero-emissions technology (Small business rate from 9% to 4.5%, and general rate from 15% to 7.5%).	\$(17)* / \$(174)	Increase corporate tax rate from 15% to 18% (what it was in 2010), while maintaining the small business tax rate.	\$6,298 / \$27,645	Restore pre-2019 full access to small-business tax rate for corporate groups earning more than \$50,000 in passive investment income. Equates to \$30,000 max corporate tax savings. (more if provinces follow)	\$(500)/\$(2,182) (includes cost of refundable tax proposal below)	Increase corporate tax rate from 15% to 21%, while maintaining the small business tax rate.	\$15,775* / \$58,689	Reduce the corporate tax rate from 15% to 10%.	No PBO Info.						
					New Green Patent Credit will lower corporate tax rate from 15% to 5% for income generated from green tech developed and patented in Canada.	\$(7) / \$(31)	New 0.5% financial transactions tax.	\$18,655* / \$68,108								
					Cancel Budget 2019 business incentive for zero-emissions vehicles.	\$196 / \$1,094 (includes CTC credit cancellation below)	New 5% surtax on bank profits (credit unions, caisses populaires and co-ops are exempt).	\$3,897* / \$15,008								
							End preferential tax treatment for capital gains (i.e. 50% inclusion) for corporations.	Included with individual CG change below.								
						New tax for large corporations to replace income tax that would have been paid by employees laid off due to AI (small businesses are exempt).	No PBO Info.									
Misc. Business Tax Measures	For corporations with net interest expenses of more than \$250,000, interest deduction limited to 30% of EBITDA.	\$2,073* / \$6,447	For Corporations with net interest expenses of more than \$150,000 interest deduction limited to 20% of EBITDA.	\$2,477 / \$9,081	Restore pre-2019 ability to recover refundable taxes on corporate investment income with preferential rate dividends (i.e. eligible dividends).	PBO cost included with small business tax rate above.	Eliminate the 50% deduction for corporate meals and entertainment (self-employed, sole proprietor, partnership exempt).	\$1,007* / \$3,273	Eliminate corporate subsidies and government intervention (bailouts, regional development grants, tax credits etc.).	No PBO Info.						
					Eliminate the 50% deduction for corporate meals and entertainment for corporations with more than \$500,000 revenue (self-employed and sole proprietorship exempted).	\$468 / \$1,951	Introduce immediate expensing for sectors to support the reduction of global emissions.	\$(500) / \$(1,100)			Eliminate accelerated capital cost allowance for LNG.	\$230* / \$1,059				
					Eliminate the accelerated investment incentive for Oil & Gas companies (reintroduce the 1/2 year rule on certain CCA classes).	\$909* / \$1,955					Prohibit Canadian businesses from deducting the cost of internet advertising on foreign-owned sites.	No PBO Info.				
								Restore tax incentives for building purpose-built rental housing.			No PBO Info.					
International Tax	Implement OECD's recommendations to limit hybrid debt mismatch arrangements.	\$124* / 386	Eliminate bearer shares.	No PBO Info.	New 3% tax on digital corporate revenue (Social media platforms, online marketplaces, search engines) where revenue earned in Canada is in excess of \$50M and worldwide revenue is in excess of \$1000M.	\$410 / \$1,920	Require proof that a foreign subsidiary is carrying out economic activity in order to deduct payments to subsidiary.	\$4,071* / \$13,277								
					Tech companies with \$1 billion annual revenue and at least \$40 million in Canadian revenue will pay a 3% value-added tax on Canadian targeted advertising and digital intermediation services.	\$540 / \$2,530	Compelling companies to prove economic substance of offshore transactions.	\$2,314 / \$8,890	Other measures will be reviewed as part of the comprehensive tax reform described below.	See below	Deduction for interest paid to foreign affiliate capped at 10% of earnings.	\$2,039* / \$6,340				
											Transparency on taxes paid by large corporations.	No PBO Info.	1% tax on value of business assets in listed tax havens.	\$2,166* / \$6,499		
											Foreign digital media companies to "play by the same rules" as Canadian broadcasters (including on taxation). new 3% Value-added tax on advertising services and digital intermediation services with Canadian revenues of \$40M and worldwide revenue of \$1B.	\$2,421* / \$8,772	Corporate income tax on transnational e-commerce companies doing business in Canada.	\$321* / \$1,172		
Intergenerational Transfer of Business	Tax measures to facilitate the intergenerational transfer of farms.	No PBO Info.	New legislation to support succession planning and end the unfair tax treatment of family transfers of small businesses and farms.	No PBO Info.												

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Individual Taxation	Liberals	PBO 1/4 yrs	NDP	PBO 1/4 yrs	Conservative	PBO 1/4 yrs	Green	PBO 1/4 yrs	People's Party	PBO 1/4 yrs
Personal Tax Rates and Basic Personal Credit Amount	Increase the 15% basic personal amount, phased in over 4 years. Benefit clawed back between earning of \$147,000 and \$214,556. For an eligible taxpayer, equates to: - \$138 max savings in 2020 - \$186 max savings in 2021 - \$232 max savings in 2022 - \$287 max savings in 2023 & beyond	\$(3,552)* / \$(17,932)	Increase tax rate from 33% to 35% for the top income bracket (>\$210,372).	\$824 / \$3,529	Reduce tax rate from 15% to 13.75% for bottom income bracket (<\$47,630) for all taxpayers over 3 years, starting 2021: - \$185 max savings in 2021 - \$379 max savings in 2022 - \$482 max savings in 2023	\$(548) / \$(14,076)	End preferential tax treatment for capital gain (i.e. 50% inclusion) for individual with net worth >\$3 million.	\$21,024* / \$62,016 (includes revenue from change to individual CG above)	Reduce capital gains inclusion rate from 50% to 0%.	No PBO Info.
			Increase capital gains inclusion rate from 50% to 75%.	\$7,757 / \$33,366	Restore pre-2018 ability to income split with a lower tax bracket spouse using small business dividends. Equates to approx \$37,000 max savings per family (less for some provinces).	\$(32) / \$(131)	New 1% annual Wealth Tax on Canadian resident "economic family" wealth over \$20 million (lottery winnings are exempt).	\$7,732* / \$26,783	After extinguishing the deficit, increase the personal exemption to \$15,000 from \$12,069 and reduce the personal tax brackets from five to two; A 15% bracket for Income of \$15,001 to \$100,000 and a 25% bracket for income over \$100,000.	
			New 1% annual Wealth Tax on Canadian resident "economic family" wealth over \$20 million (lottery winnings are exempt).	\$7,732* / \$26,783						
Targeted Tax Credit Changes	Enhanced Northern residents deduction.	\$(27)* / \$(94)	Expand the \$450 Volunteer Firefighters Tax Credit.	No PBO Info.	New 15% non-refundable credit for all income received under EI maternity and EI paternal benefits.	\$(622) / \$(3,764)	Increase the tax credit for volunteer firefighters and search and rescue volunteers (currently \$450).	No PBO Info.		
	New 15% non-refundable credit for all income received under EI maternity and EI paternal benefits.	\$(522) / \$(2,789)	Canada Caregiver Tax Credit to become refundable.		New 20% refundable credit on green home improvements between \$1,000 to \$20,000 in 2020 and 2021 (i.e. max benefit of \$3,800 each yr).	\$(1,116)* / \$(1,803)	Tax credits for gifts of lands, or of land and buildings, to community land trusts to provide affordable housing.			
			New tax credit for graduates to work in designated rural and Northern communities.		Reinstate 15% non-refundable credit on monthly and weekly transit passes, and electronic fare cards used for an "extended period".	\$(284)* / \$(975)	New federal income tax credit for Canadian heritage restoration expenditures.			
					Reinstate refundable Children's Fitness Tax Credit of up to \$150 per child for eligible activities (additional \$75 for disabled child).	\$(301)* / \$(1,021)	Charitable tax credits for the private donation of easements on heritage properties to charitable organizations or local governments.			
					Reinstate refundable Children's Arts and Learning Tax Credit of up to \$75 per child for eligible activities (additional \$75 for disabled child).	\$(70)* / \$(238)				
					Increase Age Credit by \$150.	\$(553) / \$(2,302)				
					Expand eligibility criteria to access Disability Tax Credit, Volunteer Firefighters' and Search & Rescue Volunteers' tax credits.	\$(43) / \$(189)				
					Increase adoption expense credit maximum to \$20,000 from \$15,905 beginning in 2020, make credit refundable.	Nominal and not quantified as a result.				
	Cancel 2019 budget measure - Canada Training Credit.	Revenue included above with corporate measure								

Individual Taxation continued on next page.

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Individual Taxation	Liberals	PBO 1/4 yrs	NDP	PBO 1/4 yrs	Conservative	PBO 1/4 yrs	Green	PBO 1/4 yrs	People's Party	PBO 1/4 yrs
Misc. Income Tax Measures	Enhance Canada Child Benefit for children under 1. Equates to around \$1,000 for the family.	\$(252) / \$(1,316)	Income tax averaging for artists and cultural workers.	No PBO Info.	Increase government's contribution to an RESP from 20% to 30% for every dollar invested up to \$2,500 a year.	\$0 / \$(1,397)	Eliminating the RESP program along with the CESG grants and CLB (part of the promise to provide free post-secondary education).	\$665 / \$5,089		
	Increase OAS by 10% at age 75.	\$(1,626) / \$(8,797)	Eliminate employee stock option deduction.	\$46 / \$908	Extend parental leave for adoptive parents with an "Adoption Leave" of 15 weeks bringing total leave to 50 weeks. Measure is meant to mirror Maternity Leave of 17 weeks which is only available to birth mothers.	\$(12) / \$(52)	End preferential tax treatment for all employee stock options.	\$49* / \$857		
	New career income benefit when laid off after 5 years of continuous work. Increase to EI benefits of 20% in year 1 and 10% in year 2.	\$(22) / \$(173)								
	Extend EI Sickness benefits from 15 weeks to 26 weeks.	\$(306) / \$(1,722)					Increase Income replacement rate for CPP beneficiaries from 33% to 50%.	\$(2,297)* / \$(12,361)		
Housing Taxation	1% annual property tax on vacant residential properties owned by non-Canadian entities residing outside Canada. Exemption for principal residences and properties rented for >6 months.	\$217 / \$943	15% Foreign Buyer's tax on properties purchased by a foreign national, foreign corporation or trustee.	\$460* / \$1,504						
			Increase First-Time Home Buyer's Tax Credit from \$750 to \$1,500.	No PBO Info.						

Sales and Use Tax	Liberals	PBO 1/4 yrs	NDP	PBO 1/4 yrs	Conservative	PBO 1/4 yrs	Green	PBO 1/4 yrs	People's Party	PBO 1/4 yrs
	New 10% tax on luxury cars, boats and personal aircraft over \$100,000. Commercial vehicles exempted.	\$585 / \$2,412	New 12% tax on luxury cars, boats and personal aircraft over \$100,000. Commercial vehicles exempted.	\$668 / \$2,754	Repeal carbon tax.	\$222 / \$759	Requiring E-commerce companies to remit GST on Canadian sales.	\$975 / \$3,470		
	Work with OECD to ensure international digital corporations are subject to same level of sales taxation as domestic companies on products consumed in Canada.	No PBO Info	Waive GST / federal portion of HST on construction of new affordable rental units.	No PBO Info.	Remove GST from home heating and energy bills.	\$(1,348) / \$(5,387)	Exempt new and used electric and zero-emission vehicles from GST / federal portion of HST.	No PBO Info.		
							Exempt medical cannabis from GST / federal portion of HST.	\$(37)* / \$(133)		
							New 10% tax on sugary drinks.	\$555* / \$1,735		
							Repeal deemed GST on developers placing empty condo units on rental market.	No PBO Info.		
							Eliminate exemption for social media platforms from collecting taxes on advertising.	No PBO Info.		
							Lead international effort to introduce an "international tax" for aviation/shipping fuels earmarked for the Global Climate Fund.	No PBO Info.		

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Other Tax Related Proposals	Liberals	PBO 1/4 yrs	NDP	PBO 1/4 yrs	Conservative	PBO 1/4 yrs	Green	PBO 1/4 yrs	People's Party	PBO 1/4 yrs	
Comprehensive Review of the Tax System	No - but will undertake a comprehensive review of tax expenditures to ensure that wealthy Canadians do not benefit from unfair tax breaks.	No PBO Info.	No - but will review and re-profile tax expenditures that do not benefit everyday Canadians.	No PBO Info.	Yes - an expert panel to undertake a comprehensive, system-wide review and to make tax system modern, simple and fair, and to improve Canada's international competitiveness. Will also reduce the complexity of rules the CRA enforces .	\$(10) / \$(20)	Partial yes - an arm's length Federal Tax Commission to analyze the tax system for fairness and accessibility, based on principle of progressive taxation (including cryptocurrency taxation, and enhancing tax incentives for Canadian film industry).	No PBO Info.			
Other	Eliminate credit card swipe fees on HST and GST.		Increased investment in tax compliance and enforcement (CRA)	\$85 / \$1,248	Create new, helpful information packages for small businesses to help them navigate Canada's tax system.	No PBO Info.	Provide adequate funding to the CRA to collect tax revenue hiding in offshore tax havens.	No PBO Info.			
	Enhance whistleblower program based on best practices from other countries, e.g. U.S.				Increased investment in tax compliance and enforcement (CRA)	\$176 / \$6,024					Allocate 1% of GST to housing and other municipal infrastructure on an ongoing basis.
					Make the taxpayer ombudsman an officer of parliament to give taxpayers a voice and hold CRA accountable	No PBO Info.					
					Introduce a single tax return for Quebec taxpayers administered by the province.						
					Legislate a balanced budget and tie minister's salaries to the balancing of the budget.						



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