



Department of Finance
Canada

Ministère des Finances
Canada

Deputy Minister

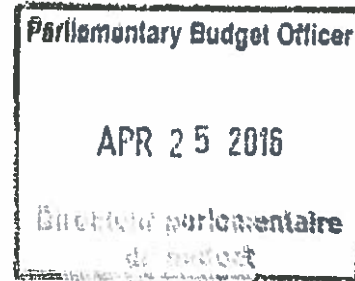
Sous-ministre

Ottawa, Canada
K1A 0G5

2016FIN437053

APR 22 2016

Mr. Jean-Denis Fréchette
Parliamentary Budget Officer
50 O'Connor St.
Ottawa, ON K1A 0A9



Dear Mr. Fréchette:

Re: Information Request IR0219

Thank you for your request dated April 14, 2016. As you are aware, the Government of Canada has placed great importance on openness and transparency, and welcomes the Parliamentary Budget Officer's review of Budget 2016. Please find attached the data in respect of tax measures requested in your letter.

Yours sincerely,

Paul Rochon

Enclosures

- c. Douglas Nevison, Assistant Secretary to Cabinet,
Privy Council Office, Liason Secretariat for Macroeconomic Policy

Budget 2016: Cost of Proposed Tax Measures¹

Fiscal Costs (millions of dollars)

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	Total
Personal Income Tax							
Canada Child Benefit ²	-	17,355	22,875	22,495	22,150	21,815	106,690
Canada Child Tax Benefit and National Child Benefit supplement	-	-7,920	-10,740	-10,900	-11,055	-11,220	-51,835
Universal Child Care Benefit ³	-	-4,925	-6,765	-6,840	-6,920	-7,000	-32,450
Income Splitting Credit	-475	-1,920	-1,980	-2,040	-2,090	-2,145	-10,650
Northern Residents Deductions	10	45	50	50	50	50	255
Labour-Sponsored Venture Capital Corporations Tax Credit	25	115	160	165	170	180	815
Teacher and Early Childhood Educator School Supply Tax Credit	5	25	25	25	30	30	140
Ontario Electricity Support Program	-	2	2	2	3	3	12
Mineral Exploration Tax Credit for Flow-Through Share Investors	-	30	-10	-	-	-	20
Education and Textbook Tax Credits	-	-105	-445	-555	-670	-785	-2,560
Children's Fitness and Arts Tax Credits	-20	-120	-245	-250	-255	-260	-1,150
Top Marginal Tax Rate – Consequential Amendments	-	-	-	-	-	-	-
Taxation of Switch Fund Shares	-	-	-75	-145	-145	-145	-510
Sales of Linked Notes	-	-65	20	-	-45	-45	-135
Business Income Tax							
Expanding Tax Support for Clean Energy Emissions Trading Regimes	-	1	3	4	5	6	19
Small Business Taxation							
Small Business Tax Rate	-	50	-125	-475	-770	-825	-2,145
- Corporate Income Tax	-	-	-360	-865	-1290	-1375	-3890
- Adjustment to Dividend Tax Credit	-	50	235	390	520	550	1745
Multiplication of the Small Business Deduction	-	5	-60	-55	-45	-40	-195
Avoidance of the Business Limit and Taxable Capital Limit	-	1	-10	-10	-10	-10	-39
Consultation on Active versus Investment Business	-	-	-	-	-	-	-

Budget 2016: Cost of Proposed Tax Measures¹

Fiscal Costs (millions of dollars)

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	Total
Life Insurance Policies	-	-30	-35	-35	-35	-40	-175
Debt-Parking to Avoid Foreign Exchange Gains	-	-	-	-	-	-	-
Valuation for Derivatives	-	-	-	-	-	-	-
Eligible Capital Property	-	-30	-190	-255	-260	-265	-1,000
International Tax	-	-	-	-	-	-	-
Base Erosion and Profit-Shifting	-	-	-	-	-	-	-
Cross-Border Surplus Stripping	-	-	-	-	-	-	-
Extension of Back-to-Back Rules	-	-	-	-	-	-	-
Sales and Excise Tax Measures	-	-	-	-	-	-	-
Health Measures	-	-	-	-	-	-	-
Exported Call Centre Services	-	-	-	-	-	-	-
Reporting of Grandparented Housing Sales	-	-	-	-	-	-	-
GST/HST on Donations to Charities	-	-	-	-	-	-	-
De Minimis Financial Institutions	-	4	4	4	5	5	22
Application of GST/HST to Cross-Border Reinsurance	-	16	-	-	-	-	16
Closely Related Test	-	-	-	-	-	-	-
Restricting the Relief of Excise Tax on Diesel and Aviation Fuel	-	-35	-45	-45	-40	-40	-205
Enhancing Certain Security and Collection Provisions in the Excise Act, 2001	-	-	-	-	-	-	-
Other Measures	-	-	-	-	-	-	-
Aboriginal Tax Policy	-	-	-	-	-	-	-
Status of Outstanding Tax Measures	-	-	-	-	-	-	-
Donations Involving Private Shares or Real Estate	-	-5	-75	-95	-90	-100	-365

¹ A "-" indicates a nil amount, a small amount (less than \$500,000) or an amount that cannot be determined in respect of a measure that is intended to protect the tax base.

² This includes the cost of the proposed increase in the Children's Special Allowance. The Canada Child Benefit, like the Canada Child Tax Benefit/National Child Benefit supplement, is proposed to be legislated in the Income Tax Act, but will be considered an expenditure for government financial reporting purposes.

³ The cost of the Universal Child Care Benefit is presented after federal taxes.