





2017 2018 CANADA'S BUDGET

The Liberal government's second budget on March 22, 2017 provided little for investors to get excited over. However, there were a few items that could affect your personal finances.

REFLECTIONS SINCE THE LAST BUDGET*

Canadian Dollar vs. the U.S. Dollar	 76.62¢ 22 Mar 2016 @2016 BUDGET	Oil Price per barrel in \$USD	 \$41.45 22 Mar 2016 @2016 BUDGET
	 74.85¢ 22 Mar 2017 @2017 BUDGET		 \$48.27 22 Mar 2017 @2017 BUDGET
S&P/TSX Composite	13,493.49 22 Mar 2016 @2016 BUDGET	Canada Unemployment Rate	7.3% Feb 2016 @2016 BUDGET
	15,348.46 22 Mar 2017 @2017 BUDGET		6.6% Feb 2017 @2017 BUDGET










* Period between 22 Mar 2016 - 22 Mar 2017

PROJECTED DEFICIT

-\$23.0	-\$28.5	-\$27.4	-\$23.4	-\$21.7	-\$18.8
2016-17	2017-18	2018-19	2019-20	2020-21	2021-22

Deficit measured in billions.

HIGHLIGHTS

 <p>NO INCREASE TO PERSONAL INCOME TAX RATES</p>	 <p>NO INCREASE TO CORPORATE INCOME TAX RATES</p>	 <p>NO CHANGE TO CAPITAL GAINS INCLUSION RATE The capital gains inclusion rate remains at 50%.</p>
 <p>CANADA SAVINGS BONDS ELIMINATED The Canada Savings Bonds program is being eliminated after 2017. All outstanding bonds will continue to be honoured.</p>	 <p>TAX MINIMIZATION THROUGH PRIVATE CORPORATIONS The government is reviewing the use of private corporations by high income earners to minimize tax. They are looking to close loopholes that currently benefit high earners.</p>	 <p>BILLED-BASED ACCOUNTING Professionals (doctors, accountants, lawyers) will be required to include the value of work in progress as income when filing their taxes.</p>
 <p>ENHANCED STUDENT LOANS AND GRANTS To help adults wishing to return to school after several years in the workforce, the eligibility for part-time grants will be expanded starting in the 2018-19 academic year.</p>	 <p>TUITION TAX CREDIT Tuition fees paid to a post-secondary school for occupational skills courses that are not at the post-secondary level are now eligible for a tax credit.</p>	 <p>EI & SELF-FUNDED TRAINING New flexibilities in the Employment Insurance program will allow individuals to pursue self-funded training without losing EI benefits.</p>

NOTABLE BUDGET ITEMS

The 2017 Canadian Budget has applied new measures that may affect your financial planning and your lifestyle.



Parental leave can be extended to 18 months at a lower EI rate.



Expectant mothers can access EI maternity benefits at 12 weeks before her due date.



New EI benefit to help care for an adult family member.



New 15% non-refundable Canada caregiver credit.



GST to be collected on ride-sharing services such as Uber.



The Public Transit tax credit will be eliminated after June 30, 2017.



Tax on liquor will increase 1¢ more on a bottle of wine, and 5¢ on a case of beer.



Interest on home relocation loans will no longer be deductible after 2017.

Contact us to discuss how these changes may impact your financial plan.

 **Investment Planning Counsel**[®]
FINANCIAL SOLUTIONS FOR LIFE

Sources: Budget highlights: www.budget.gc.ca. Bank of Canada Exchange Rates: <http://www.bankofcanada.ca/rates/exchange>
Crude oil prices: <http://ca.investing.com/commodities/crude-oil-historical-data> |
S&P/TSX Composite Index: http://web.tmxmoney.com/pricehistory.php?qm_symbol=%5ETSX
Unemployment Rate February 2016: <http://www.statcan.gc.ca/daily-quotidien/160311/dq160311a-eng.htm>
Unemployment Rate February 2017: <http://www.statcan.gc.ca/daily-quotidien/170310/dq170310a-eng.htm>
Federal Deficit: <http://www.budget.gc.ca/2017/docs/plan/overview-apercu-en.html#Toc477707294>

This is a general guide only and not intended to replace professional financial and tax advice in any form. Please consult a professional financial advisor on how it relates to your situation. The information provided here is accurate as of the date of publication, March 22, 2017.

Trademarks owned by Investment Planning Counsel Inc. and licensed to its subsidiary corporations. Investment Planning Counsel is a fully integrated Wealth Management Company. Mutual Funds available through IPC Investment Corporation and IPC Securities Corporation. Securities available through IPC Securities Corporation, a member of the Canadian Investor Protection Fund. Insurance products available through IPC Estate Services Inc. & PPI Solutions. Infographic designed by Ativa Interactive © Copyright 2017. All Rights Reserved.