

Fact Sheet Tax Changes for 2018

- New rules for **Capital Cost Allowance (CCA)** for any capital expenditure for the period **November 20, 2018 to December 31, 2026**:
 - For purchases **between November 20, 2018 and December 31, 2023**, CCA claims are tripled
 - For purchases **between January 01, 2024 and December 31, 2026**, the half-year-rule will be suspended.

- New **Climate Action Incentive** - a fully refundable credit on Schedule 14 which is payable to a resident of Ontario in the amounts of:
 - \$154 per single Taxpayer
 - \$77 per spouse
 - \$38 for a dependent child

- The **Education and Textbook** tax credit amounts are eliminated. Students will still be able to carry forward amounts from 2013 to 2017.

- **Tax on Split Income**
 - Comes into effect as of January 1, 2018. In addition to salary, it also applies to dividends, interest and certain taxable gains.

Exclusions:

 - Taxpayers between the age of 25 and 64 who own 10% or more of the voting shares of a corporation or,
 - Taxpayers who pass a “Reasonable Test” regarding:
 - Actual work performed within the corporation
 - Contribution of property
 - Risk taken by the individual