Human Resources Legislative Update

Tax Measures from Federal Budget 2012 to be Implemented

Date: October 16, 2012

On October 15, 2012, the federal government tabled a Notice of Ways and Means Motion to implement certain tax measures contained in the government's March 2012 budget, the Economic Action Plan, 2012 – A Plan for Jobs, Growth and Long-Term Prosperity. Among other things, the Notice of Ways and Means Motion includes implementation of the following:

- tax changes in respect of the inclusion of employer contributions made to certain types of group sickness or accident insurance plans in the income of employees;
- amendments to retirement compensation arrangements to prevent certain schemes designed to inappropriately reduce tax liabilities;
- amendments to Employees Profit Sharing Plans rules;
- improvements to the Registered Disability Savings Plans; and
- tax measures related to the introduction of Pooled Registered Pension Plans.

For more information about the March 2012 budget, see our *FTR Now*, "Federal Budget 2012 – Highlights for Employers." As previously reported, the federal government passed omnibus legislation, Jobs, Growth and Long-term Prosperity Act, intended to give effect to certain key initiatives outlined in its Budget 2012. For more information about the proposed tax rules relating to Pooled Registered Pension Plans, see our prior post describing the proposals first released in December 2011. As previously reported, the Pooled Registered Pension Plans Act received Royal Assent on June 28, 2012.