

VIDEO TAX NEWS

Monthly Tax Update Newsletter

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1 Government Releases

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FINANCE RELEASES

1. **Late-Breaking News: March 26, 2026** – The Department of Finance issued a News Release (**Legislation passes to implement Budget 2025: Canada Strong**) announcing that **Bill C-15, Budget 2025 Implementation Act, No. 1**, received **Royal Assent**. Numerous **tax and other measures** from both **Budget 2025** and **previous announcements** were included (see VTN [532\(8470\)](#)).
2. **March 12, 2026** – The Department of Finance issued a News Release (Legislation to make life more affordable receives Royal Assent) announcing that **Bill C-4, Making Life More Affordable for Canadians Act**, received Royal Assent. Bill C-4 included provisions to **reduce the lowest marginal tax rate** from 15% to 14% effective July 1, 2025, **enhance the first-time home buyers' GST rebate** on new homes valued at up to \$1.5 million (see VTN [527\(8310\)](#)) and repeal the consumer carbon tax (see VTN [526\(8216\)](#)).
3. **March 11, 2026** – The Department of Finance announced measures to **reduce banking costs** including **capping non-sufficient fund charges at \$10**, reduced from as high as \$50. Only **one charge** within a period of **two business days** will be permitted for the same deposit account, and **no fee** will be permitted when the **overdraft amount** on

reduction in lowest marginal tax rate now enacted

the account is **less than \$10**. These rules are **effective March 12, 2026**.

4. **February 26, 2026** – The Department of Finance released its **annual report on federal tax expenditures**. The report provided the fiscal cost of federal tax measures, including several recently announced measures such as **immediate expensing for manufacturing or processing buildings**, the **reaccelerated investment incentive** (including reinstating immediate expensing of manufacturing and processing machinery and equipment, zero emission vehicles and clean energy generation and energy conservation equipment), **enhancement of the scientific research and experimental development investment tax credit**, the **first-time home buyers' GST rebate** and the **top-up tax credit**.

CRA RELEASES

1. **Late-Breaking News: March 27, 2026** – CRA updated the Canada Carbon Rebate for Small Businesses webpage to note that legislation to make the **carbon rebate for small businesses non-taxable** has passed ([Bill C-15](#)). CRA is **now reviewing the T2** Corporation Income Tax Returns for businesses that may have included the rebate in their taxable income for the year it was received. CRA noted that if there is **clear indication** the rebate amount was reported at **line 295 of Schedule 1**, they will **automatically remove** the amount from taxable income. If there is **no clear indication** the rebate was included, CRA will **request additional information** to determine if an adjustment is needed.
2. **March 19, 2026** – CRA released a Tax Tip (CRA drop boxes to **permanently close** after 2026 tax filing season) announcing that they will permanently close **all drop boxes** currently available at 45 locations across Canada on **May 29, 2026**.
3. **March 18, 2026** – CRA updated the Contact the Charities Directorate webpage to announce that the **charities directorate fax line is no longer in operation** (as of April 1, 2026). Charities must now communicate with and submit documents to CRA by phone or mail, or by using CRA's online services.
4. **March 16, 2026** – CRA updated their supplemental instructions and **guidance** for filing under the **excessive interest and financing expenses limitation rules** webpage regarding **election forms** when **group members** use different tax reporting currencies, or when those currencies differ from the presentation currency used in the consolidated financial statements.

CRA's plan to adjust past filings for rebate inclusions

charities directorate fax line is no longer in operation

updated EIFEL guidance

5. **March 13, 2026** – CRA updated their **first-time home buyers' (FTHB) GST/HST rebate webpage** to indicate that **applications** for the rebate can now be **submitted** as the provisions have been **enacted into law** in **Bill C-4**. CRA noted that while the rebate is **effective** for **purchase agreements signed March 20, 2025** and onwards, they are still **updating** their **filing systems** in respect of agreements signed **between March 20 and May 26, 2025**. CRA will begin processing these applications once their system has finished being updated.

applications for first-time home buyers' GST/HST rebate can now be submitted

CRA also **discussed** the **rebate** in a Tax Tip ([First-time buyers can save more on new homes – the First-time home buyers' GST/HST rebate is available now!](#)) released on March 17, 2026.

6. **March 13, 2026** – CRA released a Tax Tip (What you need to know about **protecting yourself** from **AI-generated tax scams**) highlighting the **growing use** of **generative AI** (GenAI) by fraudsters to create increasingly sophisticated and convincing **tax scams**. CRA noted that GenAI enables scammers to **produce realistic text, images and communications**, making it easier to replicate official correspondence and target individuals using publicly available information. While some scams may still contain errors (e.g. typos or formatting issues), others can closely mimic legitimate CRA communications. **Traditional warning signs** of scams **continue to apply**. CRA recommended that taxpayers **verify information** through **official government sources**.
7. **March 5, 2026** – CRA issued a Tax Tip (Important **updates to the trust reporting requirements** for the **2025** taxation year: What you need to know) confirming that while taxpayers can still choose to file under currently enacted legislation in respect of trust filing requirements, CRA will **administer the proposed changes** to the **trust reporting rules** contained in **Bill C-15, Budget 2025 Implementation Act, No. 1**. CRA also updated the following webpages to incorporate the proposed changes:

increasingly sophisticated and targeted tax scams

- [filing a trust's T3 return](#);
- [what has changed](#); and
- [enhanced reporting rules for trusts and bare trusts: frequently asked questions](#).

Late-Breaking News – March 26, 2026: Bill C-15, Budget 2025 Implementation Act, No. 1, which included these provisions, received **Royal Assent** (see VTN [532\(8470\)](#)).

8. **March 3, 2026** – CRA updated the **get a GST/HST access code** webpage to state that business owners can view their **access code** through their **My Business Account** only. Representatives who are accessing accounts through their **representative account cannot see access codes, regardless** of their **authorization level**. This access code is needed for NETFILE, TELEFILE or GST/HST internet file

transfer but is not needed for filing a return through My Business Account or Represent a Client.

9. **February 20, 2026** – CRA posted a 26-minute **webinar** (originally presented on January 28, 2026) discussing the **requirements for reporting fees for services** in the **trucking** industry. The webinar discussed the **general requirements for reporting fees for services**, the **specific changes** implemented for the **trucking sector** for 2025 and subsequent years (see VTN [533\(8522\)](#) and [532\(8494\)](#)) and the implications of the **personal services business rules** within the trucking industry.
10. **February 12, 2026** – CRA posted a 33-minute **webinar** (originally presented on January 22, 2026) discussing the requirement that **registered charities** must **annually spend a minimum amount** on charitable activities or qualifying disbursements. It also discussed how to **calculate** and **report** the **disbursement quota** (DQ) amounts, as well as how to understand the **accumulation of property** and **DQ excesses and shortfalls**.

directing clients in the trucking industry to this resource

See Appendix A (VTN [536\(8715\)](#)) for a listing of **resources prepared by Video Tax News** that are available on the Video Tax News portal and for recently released/updated **CRA publications and forms**.

OTHER RELEASES

1. **March 11, 2026** – Employment and Social Development Canada issued a News Release (Government of Canada **extends Work-Sharing temporary flexibilities** to help employers and workers avoid mass layoffs) extending temporary work-sharing flexibilities related to increasing access to and lengthening the maximum duration of agreements **until March 31, 2027**. The program provides **EI benefits** to **employees** who **agree** with their employer to **work reduced hours** due to a decrease in business activity beyond their employer's control, allowing employers to retain experienced workers and avoid layoffs, and helping workers maintain their employment and skills.

broader access to work-sharing arrangements

A [work-sharing program statistics](#) webpage noted that from March 30, 2025 to March 14, 2026, **1,440 work-sharing agreements** were **approved** for businesses affected by tariffs, covering 47,647 workers. The **average processing time** was **eight business days**.

The release also noted that the government is launching the **new worker retention grant for work-sharing employers**. The grant enables employers to provide **training opportunities** so workers can **upskill** while maintaining up to 70% of their regular income during work-sharing.

support to assist workers in upskilling

2 Canada's COVID-19 Response

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CEWS – CLAIMS FOR DOMESTIC HELP

In a February 23, 2026 **Tax Court of Canada** case ([Ratti vs. HMK, 2023-2517\(IT\)I](#)), the **taxpayer** and his wife were 50% **shareholders** of a **professional corporation**, of which he was an **employee since 2020**. The taxpayer received **employment income, taxable dividends** and other income from the corporation in **2020**. The taxpayer also **employed a domestic worker** to assist with personal child care and cleaning services in 2020. The taxpayer had a **payroll account** for the worker and **issued a T4** to them. The taxpayer did **not deduct** the worker's **salary** when computing his own income. There was no mention of any potential child care expense deductions.

The taxpayer made a **CEWS** claim in respect of the **worker** for periods one through five. The taxpayer also **jointly elected** with the **non-arm's length corporation** from which he derived all or substantially all of his revenues to essentially **use the corporation's revenue decline as his own** (Paragraph 125.7(4)(d); see VTN [465\(5249\)](#)). In addition, the taxpayer elected to use the January and February 2020 periods as the prior reference period (Clause (b)(ii)(A) of the definition of prior reference period in Subsection 125.7(1)).

CRA **denied CEWS** for these periods on the basis that the taxpayer's **employment income** and **dividends** from the **corporation** were **not qualifying revenue** and thus the revenue decline test could not be met. CRA argued that qualifying revenue must be business income. In addition, CRA argued that the **wages** paid to the **domestic worker** were **personal expenses** and **not eligible for CEWS**.

The parties agreed that the **qualifying revenue decline test** would be **met** if **either the dividend or employment** income from the corporation was **qualifying revenue**.

Taxpayer wins

The court **rejected CRA's argument** that **qualifying revenue must be business income**, as the legislation does not limit CEWS to only entities that carry on a business. If Parliament had intended it, they could have specifically stated it in the legislation. The court further stated that the definition of **qualifying revenue** should be **read broadly**. The reference in the definition of qualifying revenue to **consideration from rendering services** seems to **include** services under an **employment contract**. The court further noted that while a press release, a frequently asked question document published by CRA and Hansard (debate from April 11, 2020) all refer to CEWS helping businesses, **neither the legislation nor the technical guidance refers to businesses**, and such **"lay" contexts** should **not override unambiguous legislative language**.

CEWS is not limited to claims by businesses

As the taxpayer's **employment income** from the corporation constituted **consideration for providing medical services**, the court ruled that such amounts **were qualifying revenue**. Dividends received from the corporation were not qualifying revenue as they were not received for services rendered. As the court found that the taxpayer **earned qualifying revenue**, the **prerequisite** for the **joint election** was **met**, and thus the **revenue decline test** was met.

CEWS could be claimed by those earning employment income

The court further opined that CRA's argument that **CEWS** was **not intended to subsidize personal expenses** was **not supported by the actual legislation**. The personal nature of the services provided by the domestic worker to the taxpayer did not preclude access to CEWS.

personal nature of wages paid does not preclude access to CEWS

As the taxpayer **met the revenue decline test** and there was **no prohibition** against claiming CEWS in respect of **personal expenses**, CEWS for periods one through five was allowed.

COVID-19 BENEFIT ELIGIBILITY ROUND-UP

As CRA continues their **post-payment reviews** related to the **Canada Emergency Response Benefit (CERB)**, **Canada Recovery Benefit (CRB)**, **Canada Recovery Caregiving Benefit (CRCB)** and related programs, the Federal Court also continues to consider applications for judicial review of the reasonableness of CRA's decisions to deny benefits.

Not attending daycare pre-pandemic

A March 3, 2026 **Federal Court** case ([Zeng vs. AGC, T-2532-23](#)) found that CRA's **denial of CRCB** was **reasonable** as the taxpayer was the child's **primary caregiver** both **before and during the pandemic**. The child did **not normally attend** a **daycare** or facility **prior to the pandemic** and therefore did not meet the requirement of a COVID-related disruption to existing child care arrangements.

whether the child normally attended daycare before the pandemic

\$1,000 income threshold – slight excess

A February 6, 2026 **Federal Court** case ([Mukta vs. AGC, T-2371-25](#)) found that **CRA's denial of CERB** was **reasonable** on the basis that the taxpayer **earned more** than **\$1,000** in employment or self-employment earnings in each of the **relevant periods**. The taxpayer argued that she **exceeded the threshold** by **only \$31** in one period and **\$44** in another. She also argued that CRA should not have included additional "pandemic pay" received as a **temporary supplement** for the extraordinary risk she assumed in her employment in their income calculation. The court found that **any earnings in excess of \$1,000**, regardless of how minor, result in ineligibility and that CRA's inclusion of pandemic pay was not unreasonable.

no wiggle room on income thresholds

Sickness and vacation pay

A February 2, 2026 **Federal Court** case ([Di Lello vs. AGC, T-2391-24](#)) found that **CRA's denial of CERB** was **reasonable** on the basis that the taxpayer **earned more** than \$1,000 for the relevant period. The court found that CRA **reasonably** included **sickness and vacation pay** in this computation.

Inconsistent CRA reasoning

A February 27, 2026 **Federal Court** case ([Piscitelli vs. AGC, T-2750-23](#)) reviewed CRA's **denial of CERB** for periods 2, 5, 6 and 7. In both **period 1 (fully allowed) and 2 (denied)**, the individual had a **14-day consecutive period with no earnings**; CRA used this as a basis for allowing the benefit for period 1 but still denied the benefit for period 2. While the court did not rule on the correctness of CRA's interpretation, the **inconsistency** rendered the decision **unreasonable**.

inconsistent application of the law across periods is unreasonable

The opportunity to provide evidence

A March 4, 2026 **Federal Court** case ([Angst vs. AGC, T-2648-25](#)) found that **CRA's denial of CERB and CRB** was **unreasonable** as they did **not** give the taxpayer a **fair opportunity to provide evidence after** clarifying that **certain income did not qualify** for the **\$5,000 prior period income test**. The taxpayer received \$12,500 from the Nova Scotia government under a self-employment agreement, which would not be included in the \$5,000 prior-period earnings calculation. While maternity and parental EI benefits qualified, **other EI-type benefits did not**. The decision was set aside and returned to CRA for reconsideration.

maternity and parental benefits qualify for prior period earnings test

CRA not considering the key argument

A March 2, 2026 **Federal Court** case ([Kafshgarsouteh vs. AGC, T-976-24](#)) found that CRA's **denial of CRB** was **unreasonable** as it did **not address** the taxpayer's **key explanations** of her income decline. The taxpayer argued that due to the **border closures** resulting from the pandemic, the **demand** for her **immigration consultation and translation services significantly dropped**. CRA inappropriately concluded that her drop in income was due to her caring for children during the pandemic. Further, the fact that an **individual provided care** for their **children** during the **pandemic** does not mean her income dropped due to the child care duties.

whether CRA properly considered the taxpayer's argument

Recurring errors

A January 21, 2026 **Federal Court** case ([Armatowicz vs. AGC, T-845-25](#)) addressed a taxpayer's **third application** for judicial review. The first two had been **settled** by CRA agreeing to provide an **additional review**, and they had **conceded** that the **latest decision** was also **unreasonable** and a **new review** should be granted. While acknowledging that the taxpayer was **understandably skeptical**, the court **refused** to grant a **substituted decision**, instead ordering a **redetermination** as expeditiously as possible. The court noted that further unreasonable decisions may merit cost awards against CRA, or even a substituted decision.

the high bar before the court will remove decision-making power from CRA

3 Personal Tax

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GOVERNMENT SUPPORTED TAX RETURN FILINGS

On March 3, 2026, CRA released a Tax Tip ([Putting the “simple” in tax filing](#)) that noted that individuals with **lower income** and a **simple tax situation** may be invited by paper mail or through their CRA My Account to participate in **SimpleFile**. Those individuals can use the service and file by **paper**, by **phone** or **digitally**. Those wishing to **participate without an invitation** may be able to participate using the digital option. There is an **interactive questionnaire** that can be used to determine eligibility.

even those not invited can participate

The **SimpleFile Digital** webpage lists the various **reasons** why individuals may **not be eligible**, such as having sold their **principal residence** in the year or having **specified foreign property** costing \$100,000 or more in the year. Also, the taxpayer's **income** must generally only include **certain types** of receipts already reported to CRA on slips such as the **T4, T4AOAS, T4A(P), T4E and T5007**. The income **cannot exceed** certain **maximum levels** (ranging from \$11,067 to \$35,295), which represent the highest levels at which no tax would be owed, taking into account the age amount, disability tax credit and provincial/territorial residency. Finally, the taxpayer must **use this service on their own** behalf and cannot have another person doing it for them.

eligibility is tied to low levels of certain types of income

Future initiatives

CRA noted that it intends to conduct a **pilot project** to **automatically file** returns on behalf of certain individuals in the fall of 2026 if supporting legislation receives Royal Assent by then (see VTN [532\(8487\)](#)).

CRA also noted that it intends to launch a **pre-filled return** service through CRA portals in March 2027 whereby individuals could review and approve a pre-filled tax return.

MEDICAL EXPENSE ROUND-UP

Medical expenses eligible for a **tax credit** are limited to those specified by law (Subsection 118.2(2)), many of which are detailed in Folio [S1-F1-C1](#), **Medical Expense Tax Credit (METC)**. Eligibility of medical expenses related to the following was recently considered:

- **Psychotherapy services** provided by **registered social service workers in Ontario may qualify** as medical services for METC purposes when performed within their scope of practice, as provincial legislation regulates their profession and authorizes them to perform the controlled act of psychotherapy (November 6, 2025, Technical Interpretation [2025-1078851E5](#), Tahirah Massop).

eligibility of services varies based on the province in which the services were received

- **Medical radiation technologists** in **Newfoundland and Labrador** are authorized medical practitioners for METC purposes as provincial legislation regulates their profession under the Health Professions Act and related regulations (July 24, 2025, Technical Interpretation [2025-1065521E5](#), Randa El-Kadi).

4 Employment Income

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RETIRING ALLOWANCE OR NON-TAXABLE DAMAGES

A December 16, 2025 French **Court of Quebec** case ([Leduc vs. QRA, 2025 QCCQ 9207](#)) reviewed whether a **payment** from the taxpayer's **former employer** was a **taxable retiring allowance** or **non-taxable damages** for suffering caused by harassment and discrimination.

Taxpayer loses

The court noted the following in reviewing the **appropriate classification** of the payment:

- the **legal documents** settling the taxpayer's claims contained **no allocation** of the damages and **no indication** of the **moral damages** alleged by the taxpayer;
- historical **Tax Court of Canada** cases ([Jolivet vs. HMQ, 98-1176\(IT\)](#) and [Fawkes vs. HMQ, 2004-1107\(IT\)](#)) demonstrate that **damages** for the infringement of **fundamental rights** must be **clear** from the relevant documentation;
- the **legal documentation** specifically indicated **no admission of wrongful conduct** by the former employer; and
- the taxpayer **did not contest** the **withholding of source deductions** provided for in the legal document, whether prior to signing the documents, when source deductions were withheld or when the T4 reflecting the payment and source deductions was issued.

the wording of the settlement agreement must support any non-taxable damages

Due to the **lack of evidence** that any portion of the payment related to non-taxable **moral damages rather than loss of employment**, the court ruled that the entire payment was **taxable** as a **retiring allowance**.

CRA DEBT COLLECTION PRIORITY

A February 9, 2026 **Federal Court of Appeal** case ([The Toronto-Dominion Bank \(TD Canada Trust\), A-144-24](#)) reviewed whether CRA's entitlement to **unremitted source deductions** took priority over a **bank's claim to unsecured** overdrafts on the taxpayer's accounts. While carrying on a restaurant business, the debtor failed to remit over \$36,000 of source deductions withheld from its employees. While indebted to CRA, the debtor **sold its business** and used a portion of the **proceeds** to repay **unsecured**

the priority for payment of Crown funds held in trust

overdrafts on its accounts with the bank. The bank was unaware of the debt to CRA. CRA sought to collect the unremitted source deductions from the bank, arguing that it had priority over the funds by virtue of the **deemed trust rules** (Subsection 227(4)) under which source deductions are held in trust for the Crown by the employer. GST/HST collected by a registrant is similarly held in trust for the Crown (Excise Tax Act Subsection 222(1)).

Unsecured creditor wins

The court noted that a **secured creditor** would be **subject** to the **deemed trust rules** based on past case law (see VTN 445(4266)) under the substantially similar deemed trust rules for GST/HST. The **debtor** was **required to pay CRA first**, prior to any other creditor, secured or unsecured. However, the **question** here was whether an **unsecured creditor** would be **required to repay funds received** from a debtor subject to the deemed trust rules **or** could avail themselves of the “**bona fide purchaser for value**” defence (a defence that the courts held in the case referenced above would not protect a secured creditor).

Generally, this equitable defence under common law applies to a purchaser who is unaware of the funds held in trust (i.e. does not know that the vendor is liable for unremitted source deductions or GST/HST) and paid fair market value for the property acquired. In such a case, the tax debtor's assets have not been reduced. However, the courts have held that this defence can apply to the repayment of a debt, despite the fact that this would reduce the assets of the tax debtor available to satisfy their trust debt.

referring credit law issues to experienced legal counsel to assess possible defences

The court undertook a **textual, contextual and purposive** review of the **deemed trust provisions**, noting the following:

- the **legislation** clearly **prevented** a **secured creditor** from benefiting from this defence;
- a **secured creditor** has a **greater ability** to manage the risk by **requiring evidence** that the **debtor** has **complied** with its **source deduction obligations**;
- an **employee** would be an **unsecured creditor** with respect to **unpaid wages** and, if this defence is not available, could be **taxable** on the wages received, with **no deduction** available for a **later payment** of those amounts **to CRA**; and
- **situations** where these **trust amounts** are **not recoverable** from either assets **paid to secured creditors** or **retained by the debtor** are **likely** to be **rare**.

leveraging this ability when advancing secured credit

Taking all of the above into account, the **court concluded** that **Parliament intended** that the bona fide purchaser for value **defence** be **denied** only to **secured creditors** and that it be **available** to **unsecured creditors**. The bank, as an unsecured creditor, was **not required** to **remit** the **funds received** from the debtor **to CRA**.

no requirement for unsecured creditors to pay the debtor's unremitted source deductions

5 Business/Property Income

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COSTS OF APPLICATIONS TO A GOVERNMENT BODY

A taxpayer may **deduct** an amount **paid** in the year as or on account of **expenses incurred** by the taxpayer in making any **representation** to any **level of government in Canada**, provided that the representation **relates** to a **business carried on** by the taxpayer (Paragraph 20(1)(cc)).

An October 31, 2025 **Technical Interpretation** ([2025-106773117](#), Troy Neave) reviewed this provision in the context of a **patent application** and an **application** to a municipality for a **zoning by-law amendment**.

CRA previously opined that the term “**in making any representation**” is **broad enough** to include making an **application to a government** or public body, such as for **patents** (December 4, 2001 Technical Interpretation 2001-0109617). The **deductible expenses** include not only those of **presenting** and **monitoring** the **application** but **also** those of **obtaining** and **preparing** the **information** on which it is based.

However, **expenses incurred** as a **consequence of a successful representation** are **not deductible** under this provision. For example, the portion of the **legal fees** that do **not relate** to the **application of a patent**, such as reimbursements of registration fees paid by the law firm to the applicable patent issuing authorities, would **not be deductible**. Similarly, a **fee** charged by a municipality for a **building permit** is **not deductible** because the **cost** of obtaining a permit generally does **not relate** to a **representation**.

deductibility depends on whether costs directly related to making the application

Relevant to the **zoning by-law amendment** question, CRA opined that where the **representation** relates to the taxpayer's business, the **cost of applying** to a municipality for a zoning by-law amendment would **likely be deductible** under this provision.

NON-ARM'S LENGTH (NAL) TRANSFER OF PROPERTY – CCA

A **depreciable asset** that is acquired for **income-earning activities** but is **not currently being used** as such is considered to be **available for use** in the **first taxation year** that **begins more than 357 days after** the **end of the taxation year** in which the **property is acquired** (referred to as the “two-year test”; Paragraph 13(27)(b)). If a taxpayer **acquires** a depreciable asset from a NAL person and is subject to this provision, they are deemed to have acquired the property at the time it was **acquired** by the **transferor**.

A February 19, 2026 **Federal Court of Appeal** (FCA) case ([Suncor Energy Inc. vs. HMK, A-132-24](#)) reviewed the interaction of these provisions when the **property** was **transferred** to an entity that did **not exist** as of the **date** that the **transferor originally acquired the property**.

when an asset is considered to be acquired

The Tax Court of Canada (TCC) found that **if** the transferee did **not exist** at the time it was **considered to acquire the property**, the two-year **test** did **not commence at that time**. The asset would have become available for use after the end of the second year of the transferee.

However, the **FCA** found that the **deemed acquisition** of property by the **transferee occurred** in what **would have been the taxation year** of the transferee if the transferee had in fact existed at that time (the time the asset was originally acquired by the transferor). Such a finding allowed for the **two-year test to commence** at the time the asset was **originally acquired by the transferor**.

LOAN RESTRUCTURING – GAAR

A December 2, 2025 **Technical Interpretation** ([2025-1080681C6](#), Laurence Gagné) confirmed that CRA's longstanding position on a particular **loan restructuring** strategy in which **non-deductible mortgage interest** is **converted into deductible interest** remains unchanged following the amendments to GAAR (see VTN [505\(7279\)](#)).

Consistent with its 2013 position (see VTN [382\(575\)](#)), CRA indicated that **GAAR would not generally apply** where an individual **sells** income-earning publicly traded **shares**, uses the proceeds to **pay down a mortgage** on a personal residence and then **borrow to repurchase** identical shares. In such cases, **interest** on the new borrowing would **generally be deductible**, provided there is a direct link between the borrowed funds and an income-earning purpose.

The CRA was specifically asked whether the **expanded GAAR rules** would alter this conclusion and indicated that they **do not**, in and of themselves, **change the analysis** for this basic structure.

planning possibility to effectively convert non-deductible interest into deductible interest

CRA cautioned that applying the **expanded GAAR rules** requires a full analysis of all the **facts and circumstances** and that their position may differ from prior statements depending on the situation.

CLEAN ECONOMY CREDITS – LABOUR REQUIREMENTS

Accessing the **regular rate** for **specified clean economy investment tax credits** requires that the claimant **meet certain labour requirements**, including prevailing wage and apprenticeship conditions, and that they **make a valid election and attestation** to that effect (Section 127.46). Where these labour requirements are **not met** or cannot be supported, the **reduced rate applies**, and an improper election or attestation may expose the claimant to a **gross negligence penalty** (Subsection 127.46(9)) specific to clean economy investment tax credits.

In a December 2, 2025 **Technical Interpretation** ([2025-1080811C6](#), Simon Morin), CRA stated that, in general, a claimant's **inability to substantiate** that **covered workers employed by others** were **compensated** in accordance with the **wage requirements** (component of the labour requirements) should **not**, in and of itself, lead CRA to determine that the claimant, knowingly or with **gross negligence**, **failed** to meet the labour requirements. However, where **no reasonable steps** have been taken, the claimant should **limit** their **claim** to the **reduced tax credit** rate. Doing otherwise may **support a determination** that the claimant made a claim amounting to **gross negligence**, and as such, CRA opined that the gross negligence penalty should generally apply.

determining whether the wage requirements are met before filing

6 Capital Gains/Losses

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SMALL BUSINESS CORPORATION – DEPOSITS HELD IN TRUST

A November 20, 2025 French **Technical Interpretation** ([2022-0940101E5](#), Lucie Allaire) considered whether amounts received under prearranged funeral contracts and **held in trust** qualify as corporate assets for **small business corporation** (SBC; defined in Subsection 248(1)) and **qualified small business corporation share** (QSBCS; defined in Subsection 110.6(1)) purposes.

CRA confirmed its long-standing position that amounts **required to be held in trust** under Quebec's funeral services and burial act are not assets of the corporation for SBC and QSBCS purposes. Only amounts that are **not required** to be held **in trust** could be considered **assets of the corporation** for these purposes.

whether the assets were required to be held in trust

Editors' comment

While CRA's comments were limited to assets held by these particular trusts, it is likely that the same concept would apply to similar trusts in other provinces and/or business operations.

7 Partnerships

536(7)

CONTINUATION AS A PROPRIETORSHIP

The **general rule** that **assets** transferred **from a partnership to a partner** are deemed disposed of and acquired for **fair market value** (Subsection 98(2)) does not apply where all of the following criteria are met (Subsection 98(5); see VTN [399\(966\)](#)):

- the **partnership ceases to exist**;
- **assets** are **transferred to** a person who was **previously a partner**;
- and
- the **assets continue** to be **used in the business** by the sole proprietor **within three months** of the partnership ceasing to exist.

these requirements for a rollover from partnership to sole proprietor

Provided these criteria are met, **assets automatically roll** out to the partner continuing the business **at** their income **tax cost**. The original cost of depreciable property flows through as well for purposes of future recapture or capital gains calculations. The total tax cost of assets received, less liabilities assumed, becomes the proceeds of disposal of the partnership interest and **can result in a capital gain**, but **not a capital loss**, to the former partner.

If the adjusted cost base (ACB) of the former partner's interest in the partnership exceeds the tax cost of the assets, net of liabilities, it **may be possible to increase the ACB of non-depreciable capital property** received from the partnership to the extent its fair market value exceeds its ACB.

this possible bump

In a December 2, 2025 **Technical Interpretation** ([2025-1080761C6](#), Anna Flisfeder), CRA confirmed that the **business is not required** to continue **throughout the three-month period**. The rollover will apply as long as the **sole proprietor** recommences the **partnership business within three months** of the partnership ceasing to exist.

CRA noted that it is a **question of fact** whether the **same business** is continued by the **sole proprietor** who acquired the assets.

evidence tracing the continuity of the business

Editors' comment

This provision is commonly used to incorporate a partnership by having each partner transfer their partnership interests to a corporation, allowing a period during which the corporation carries on the business as a member of the partnership. When all partnership interests have been transferred to the corporation, the partnership ceases to exist as a partnership cannot have only one partner.

8 Purchase/Sale of a Business

536(8)

INTERGENERATIONAL BUSINESS TRANSFER (IBT) – DIVORCE

The **IBT rules** permit an **exception** from **deemed dividends** when parents transfer shares of their corporation (Opco) to a corporation controlled by their children (Subsections 84.1(2.3), (2.31) and (2.32)). The requirements for both the **immediate** and **gradual** IBT rules include numerous detailed criteria that must be met both at the **transaction date** and for as many as **ten years** afterwards (see VTN [520\(7954\)](#)).

One requirement is that the **purchaser corporation** must be **controlled by one or more children** of the taxpayer both at the time of disposition and throughout the applicable post-transfer period. A December 2, 2025 **Technical Interpretation** ([2025-1080691C6](#), Daryl Boychuk) considered whether **divorce** or separation affects the **requirement** that the child maintain control of the purchaser corporations in IBTs. CRA noted that the definition of **child** is extended to **include** the **spouse or common-law partner** of the child (Subsections 70(10) and 252(1)).

CRA noted that, **upon divorce** or termination of a common-law partnership, an individual who **previously qualified as a child** (by virtue of being a spouse of the taxpayer's child) may **cease** to meet that definition. However, CRA opined that the **relevant child** or group of children for purposes of this control test is the **person** or group that controlled the purchaser corporation immediately after **the time of the disposition**. Therefore, if the **same person** or **group of persons** who controlled the purchaser corporation immediately after the disposition, **controls** the purchaser corporation **throughout the specified time period**, the control **requirement** will be **met** (Subparagraphs 84.1(2.31)(f)(i) and 84.1(2.32)(g)(i)). This would be the case **even if** a person or a member of a group of persons that controlled the purchaser corporation immediately after the disposition **ceases to be a child** of the taxpayer within the specified time period by reason of **divorce** or the **termination** of a common-law partnership.

whether the person met the definition of child at the time of the transaction

9 Corporate Tax

536(9)

AVOIDING CCPC STATUS – GAAR?

A March 11, 2026 **Federal Court of Appeal** (FCA) case ([HMK vs. DAC Investment Holdings Inc. \(DAC\)](#), A-197-24) **overturned** a previous Tax Court of Canada (TCC) decision (see VTN [515\(7724\)](#)) in which two specific

GAAR may apply to these tax regime moves

avoidance transactions undertaken to **lose CCPC status** while **maintaining Canadian residency** by continuing the corporation into a foreign jurisdiction (the British Virgin Islands (BVI)) were found **not** to be subject to **GAAR**.

The FCA **rejected** the TCC's view that DAC **merely moved from one legislated tax regime** to another with different "pluses and minuses." DAC **remained resident** in Canada because its central management and control stayed in Ontario and the **continuance** to the BVI had **no meaningful business function** apart from obtaining the tax result. The FCA noted that allowing the continuance to **strip DAC of CCPC status** just before a gain would make the **anti-deferral rules effectively optional**, which Parliament could not have intended. Therefore, the court found that GAAR applied and the RDTOH regime would apply.

Editors' comment

The proposed substantive CCPC measures would deny the tax benefits realized by taxpayers with similar planning structures with respect to taxation years ending after April 7, 2022 (see VTN [489\(6543\)](#) and [493\(6719\)](#)). The FCA ruling indicates that transactions undertaken prior to the legislative change would be ineffective under GAAR.

DRAFT LEGISLATION – SUSPENDED DIVIDEND REFUNDS

[Budget 2025](#) proposed to **limit the deferral of tax in corporate structures with mismatched year-ends** by introducing **complex measures** that would delay a payer corporation from receiving a dividend refund in certain cases (see VTN [532\(8491\)](#)). **Draft legislation** released on January 29, 2026 included these provisions with targeted modifications (see VTN [535\(8622\)](#)).

On February 27, 2026, the **Joint Committee on Taxation of the Canadian Bar Association and CPA Canada** made a [submission](#) to the Department of Finance characterizing the legislation as **overly broad** and **disproportionately complex**, with a **risk of unintended punitive outcomes and uncertainty**.

these overall challenges with the proposals

The submission identified various issues, such as the following:

- the need to **track each suspended dividend separately over multiple years**, along with subsequent dividends throughout the corporate chain;
- the lack of a clear **mechanism for allocating dividends** to release suspended refunds when multiple entities could use them;
- the impact on corporations with **non-tax motivated reasons** for having different year-ends;
- the existence of multiple scenarios in which **RDTOH may become permanently trapped**;

these specific issues with the rules

- the expanded **anti-avoidance provisions** may apply in a **broad and uncertain manner**, potentially **overriding the mechanical rules** and making it unclear when otherwise ordinary transactions could be subject to the regime; and
- multiple **mechanical issues** could apply (e.g. the rule that prevents double counting of dividends for suspension release could restrict a refund even when no duplication arises).

10 CRA

536(10)

TAXPAYER RELIEF – LATE ELECTIONS

In a March 5, 2026 **Tax Court of Canada** case ([Sechelt Holdings Inc. vs. HMK, 2025-693\(IT\)G](#)), the taxpayer had filed a **notice of objection** in respect of CRA's **refusal to reassess** the taxpayer's return to **allow a late-filed election** (Subsection 220(3.2)) to apply the replacement property rules (Subsection 44(1)). After the request was filed, CRA **initiated an audit** during which they **reviewed the taxpayer relief request**.

the possibility of an audit arising when an amendment request is submitted

CRA later issued a **proposal letter** setting out **several adjustments**. The proposal letter also **denied the late election**, providing **reasons** why the **election was not available**. The taxpayer was ultimately **reassessed** for other adjustments and filed a **notice of objection** after the 90-day objection period had expired. CRA **refused** to allow the **late objection**, leading to the **Tax Court appeal**. The **only issue** under dispute was the **late election**. CRA indicated that the **wrong template letter** had been used in **correspondence** communicating the **rejection** of the request for a **late election**, but the **reasons provided** would have been **the same**.

Taxpayer loses

The court noted that CRA's **exercise of discretion** falls **outside the Tax Court's jurisdiction**, although the **assessment** of an **accepted late election** could be the subject of an objection and **Tax Court appeal**. The court concluded that CRA had **not accepted the late election**, as they had **not assessed the penalty** of \$100 per month **required to be paid** in order for a late election to be accepted nor had they waived this penalty. The **taxpayer's only recourse** was **limited** to applying for **judicial review** by the Federal Court.

the lack of a penalty assessment or waiver means a late election has not been allowed

TAXPAYER RELIEF – OBJECTIONS

A January 15, 2026 **Tax Court of Canada** case ([Tolley vs. HMK, 2019-979\(IT\)APP](#)) considered a situation where a taxpayer (T) performing services for the province of Saskatchewan was **reclassified** from a contractor to an **employee** several years after T had reported the income as on account of business.

T had been reclassified as an employee following a **CRA ruling**. T4 slips for 2011-13 were issued in January 2017, after the normal reassessment periods for 2011 and 2012 had expired. T filed **T1 adjustment requests** to replace business income with employment income and **recover excess CPP contributions** (the employer had agreed to pay the employee portion). CRA reassessed all three years on July 31, 2017. The 2013 refund was paid as it was within the four-year refund period applicable to CPP refunds (CPP Act Paragraph 38(4)(b)); however, **refunds for 2011 and 2012 were not issued** as they were **outside the refund window**. The income tax reassessments for 2011 and 2012 were issued under the **taxpayer relief provision** (Subsection 152(4.2)).

the 4-year CPP refund window

Taxpayer loses

The taxpayer wished to file **notices of objection**; however, **no objection is permitted** to assessments made under the taxpayer relief provisions (Subsection 165(1.2)). The court found that the provision allowing an **extension of the period** in which a taxpayer could file a notice of objection was **not applicable**.

no objection to taxpayer relief assessments

TAXPAYER RELIEF – FINANCIAL HARDSHIP

A February 27, 2026 **Federal Court** case ([6857559 Manitoba Ltd. vs. AGC, T-690-25](#)) reviewed an application for **judicial review** of CRA's refusal to **waive interest and penalties** (Subsection 220(3.1) and Excise Tax Act Section 281.1) in respect of various **tax obligations** not fulfilled by the taxpayer in timely fashion. The taxpayer's **difficulties** began in **August 2015** when an **officer and director resigned** and began providing **similar services** in competition with the taxpayer. The **loss of revenue** resulted in **loss of its treasurer**. The taxpayer began **legal proceedings** alleging that the **former director** had **appropriated its client list** to **illegitimately compete** with the taxpayer.

Due to the **sole remaining director** and employee's **lack of tax expertise**, various **payroll and GST filings and remittances** were **missed or filed late** commencing in the **2016 taxation year**, resulting in the **penalties and interest** in question. In the subsequent years, CRA issued various **legal warnings** and assessed **further penalties and interest**.

The taxpayer **applied for taxpayer relief** in 2023 on the basis that the **diversion of its revenues** due to the actions of the former director had led to **financial hardship preventing remittances**. They were **hopeful** that their **legal battle** that had been ongoing since 2016 would **recover funds** enabling **full payment** of the **obligations**, and that they had been **paying what they could** in the interim. This relief request, and a subsequent request for a **second review**, were **denied** on the basis that the **court documents** related to the **claim** against the **former director** were **filed in 2020**, indicating that this was **not related** to the **obligations from 2016** that resulted in the **interest and penalties**. Further, CRA indicated that **lawsuits or legal claims** are **not generally grounds for taxpayer relief** as they are within the taxpayer's control.

clearly spelling out how the issues relied on caused the failure to meet tax obligations

Taxpayer wins

The court held that this decision was **not reasonable** for **one key reason**. CRA had **failed to consider** the **specific nature** of the **legal proceeding** in which the taxpayer was embroiled, and its **connection** to the **inability to meet its tax obligations**. The **sole reason** provided for **rejecting relief** was the **date** of the **statement of claim**. The statement of claim and other **documents provided to CRA** disclosed the **full history** of the matter, which should have been **considered in the decision**. The Court **granted judicial review**, ordering a further review by CRA including the **opportunity** for the taxpayer to provide **updated submissions and documentation**.

whether CRA considered how the taxpayer's situation frustrated compliance with its tax obligations

TYPE OF TAXPAYER RELIEF REQUESTED

A February 12, 2026 **Federal Court** case ([Rawlings vs. AGC, T-2750-24](#)) reviewed an application for **judicial review** of CRA's denial of **taxpayer relief** in respect of an individual's **2004 income tax return**. The taxpayer had **amended the return** in **2005** believing his income was **significantly larger** than he had reported, **markedly increasing** his **taxes payable**. The taxpayer later determined that the **additional earnings reported** were **erroneous** and, in 2011, he filed a **further amendment to restore the original 2004 return**. The request was **denied** and the file closed **without notice or reasons** in 2012.

The taxpayer had been **communicating with CRA** since that time, including making a **successful request** for **penalty and interest relief** (Subsection 220(3.1)) for filing his **2006 return late**. He argued that he had **never received a reasoned decision** addressing his request to **amend his 2004 return**. He appealed to the Tax Court which held that it had no jurisdiction over the exercise of discretion by CRA in 2022 and **repeated his request** for an amendment in **early 2023**, **filed** on CRA's **form** for requesting relief from **penalties and interest**, as initially requested in 2011. He provided **medical records** of treatment following a catastrophic automobile accident in 1998 and brain cancer treatment from 2013 onwards. **CRA issued a decision denying further interest relief** and noting that the late filing penalty for 2004 had previously been cancelled.

the issues caused when erroneous processes or forms are used

Taxpayer wins

The court found that **CRA's decision was unreasonable** and granted judicial review. Specifically, although the **wrong form** was used, the **submission** was clear that the taxpayer was **requesting an amendment of his 2004 return** (Subsection 152(4.2)) and a continuation of the **original request in 2011**, not a waiver of penalties and interest. The court ordered a **redetermination** of the request to **amend the taxpayer's 2004 return** be completed on an **expedited basis**. The court further ordered that, if a **specific form** existed for such applications, **CRA provide copies** of that form, and the process for filing it, **to the taxpayer**.

whether CRA addressed the actual relief requested

TAX DISPUTES – USE OF AI

In a March 5, 2026 **Federal Court** case ([Gray vs. AGC, T-1649-24](#)), a self-represented **taxpayer** referenced **several court cases** in documents submitted to the court related to her denied Canada Emergency Response Benefits (CERB); however, **two** of the **court cases** referenced did **not exist**. The taxpayer had used an **AI** (artificial intelligence) **app** to assist with **drafting her materials**, and the **AI app hallucinated** the court case references.

caution with AI hallucination in supporting materials

The court noted that taxpayers **must disclose** the **use of AI** in materials provided to the court under the Federal Court Practice Direction entitled "The Use of Artificial Intelligence in Court." The court noted that this **direction exists** to **protect the integrity** of judicial proceedings, **safeguard public confidence** in the justice system and **uphold the rule of law**. While the taxpayer may have believed her reliance was innocuous, it was not.

ensuring familiarity with relevant rules of court if involved in an appeal

SECTION 160 – ROUND-UP

Where a person who owes taxes transfers property to a current or future spouse (or common-law partner), a minor (under age 18) or a **non-arm's length person**, the recipient can become jointly and severally **liable** for the **transferor's tax** debts (Section 160). This liability is limited to the **excess** of the **fair market value** (FMV) of the property received **over the consideration** provided for the property.

Computation of interest

A December 11, 2025 **Tax Court of Canada** case ([Brown vs. HMK, 2022-1285\(IT\)G](#)) reviewed the **computation of interest** relevant to the assessment of **joint and several liability** of tax (Subsection 160(1)).

The court stated that **interest commences** on the date of the **original notice of assessment** of **joint and several liability** under Section 160. This **continues** to be the case **even if** the taxpayer assessed with joint and several liability **objects** to the amount, the tax **liability** is subsequently **reduced** and a **reassessment is issued**. That is, **interest** would **begin** to accrue as of the **date** of the **first** Section 160 **assessment**, based on the

computation of interest begins on the date of the initial Section 160 assessment

reduced tax liability. The court further confirmed that interest does not begin at the time of the original transfer from the tax debtor. Such a transaction can expose the taxpayer to joint liability, but it does not commence the interest clock. **Interest accrues only from the balance due date**, which, in this case, is the **date** of the **original assessment** under Section 160.

The taxpayer's facts were as follows:

- **assessment #1 – \$105,000** assessed on September 17, **2010**, related to the receipt of real property from a tax debtor in 2006;
- **assessment #2 – \$61,840** assessed on November 22, **2010**, related to the receipt of cash from a tax debtor in 2005;
- **appealed both assessments** to court in October **2014**; and
- **settlement and consent judgement** filed in July and November **2019**, with reassessments for both of the following issued on December 15, 2020:
 - **assessment #1 reduced** to \$25,000; **interest** of \$16,519 (calculation **based** on the date of the **original assessment** on September 17, **2010**) assessed,
 - **assessment #2 reduced** to \$60,000; **interest of \$38,748** (calculation **based** on the date of the **original assessment** on November 22, **2010**) assessed.

paying the amount to stop the interest accruing, even if disputing the joint liability

The court found that **CRA** properly **charged interest**, based on the **reduced amounts** in the reassessments (\$25,000 and \$60,000), **commencing** on the **original assessment** dates of September 17 and November 22, **2010**, respectively. The court further stated that **CRA** is **required to charge interest** in this manner.

Multiple family gifts

A January 30, 2026 **Tax Court of Canada** case ([Gill et al. vs. HMK, 2015-5444\(IT\)G](#)) reviewed the application of Section 160 to the **transfer** of the **family's residence** from M, the tax debtor, **59% to his spouse, J, and 40% to their adult son, H. H subsequently transferred** his 40% interest **to J**. M's **tax debt** arose from **reassessments** of his 2004 and 2005 tax years issued in 2009. The **real estate was transferred** in **2010**. **J and H were assessed** on November 12, 2012 based on M's **total taxes, penalties and interest** payable outstanding on that date. M **appealed** his reassessments, resulting in **further reassessments** ordered by a **Tax Court** decision in 2015.

Section 160 assessments include the tax debtor's penalties and accrued interest, not just the taxes

Consideration

The court **rejected** the taxpayer's arguments that **consideration** in excess of an amount conceded by CRA had been **paid** due to a **lack of evidence of specific identifiable payments** or other consideration **directly linked** to the transfer of interests in the home. While the **passage of time** may have contributed to the **lack of evidence** and **unclear memories** of the parties, this **did not remove** the **requirement** for **solid evidence**. The court also

maintaining detailed documentation of consideration paid between family members

opined that J was the “**author of her own misfortune**,” having “dragged her heels” on the appeals, changing lawyers five times and seeking numerous adjournments.

No transfer of beneficial ownership

The court accepted that H had received **only legal title** and **no beneficial interest** in the home. The court noted that, unfortunately for H, the Federal Court of Appeal had previously ruled that a **transfer of legal title** alone is **sufficient** to engage Section 160. The later **transfer to J** also did **not protect H** – the initial transfer meant that Section 160 applied. The **transfer from H to J** with no consideration would **expose J** to liability for any **taxes payable** by H, **including** his **Section 160 assessment**.

Section 160 applies even if only legal title, not beneficial ownership, is transferred

Impact of tax debtor's reassessment

The court did not have details of the **2015 reassessments** issued to M. It therefore ordered that the **Section 160 assessments** against H and J be **reduced** to reflect the **reduced taxes owing** by M as at the date of the Section 160 assessments, **after considering** the reassessments resulting from M's Tax Court ruling.

a subsequent reassessment of the tax debtor can reduce liability under Section 160

Spousal gifts – blended families

In a September 19, 2025 **Tax Court of Canada** case ([Ballantyne vs. HMK, 2021-1174\(IT\)I](#)), a husband (H) **gifted his wife** (W) nearly **\$500,000** at a time when his **tax debt was \$29,936**. Both H and W had children from previous relationships, with W having separate assets to leave to her child as an inheritance. W used the \$500,000 to **purchase her home**. H and W agreed that W could live in the house for the rest of her life. Upon **W's death**, the **house would pass to H's two adult children**. The court found that **W was jointly liable for H's tax debt** of \$29,936.

spousal gifts where children from previous relationships are involved

If H had not gifted the cash to W, she would not have been liable for H's debt. This was particularly **problematic** as, essentially, the **beneficiary of W's estate** (her child from a previous marriage) and **not the beneficiaries of H's estate** (two children from his previous marriage) became **liable for H's tax debt**.

Consideration

In a January 30, 2026 French **Court of Quebec** case ([Belzius vs. QRA, 2026 QCCQ 313](#)), the taxpayer had received a **half interest** in a **real property** from her common-law **spouse** at a time when he was a tax debtor. The taxpayer was able to provide **evidence** that she had **transferred** a **half interest** in a **second property** to her common-law **spouse** as **consideration**, and received **none of the proceeds** when that property was sold. As that property had slightly more equity, she had **provided consideration** in excess of the **value received** and was **not subject to** Section 14.4 of the Quebec Taxation Act, analogous to **Section 160**.

well-documented consideration can defend against Section 160

DIGITAL PLATFORM OPERATORS – TICKET RESELLER

Commencing for 2024, **digital platforms** were required to file **information returns** related to **reportable sellers** (Part XX information returns; see VTN 489(6544)). CRA discusses these requirements on a [Reporting Rules for Digital Platforms](#) webpage.

these disclosure requirements for online platforms

In a February 5, 2026 **Technical Interpretation** (2025-1081961E5, Kate Li), CRA was asked whether an **online marketplace** (OM) for resale of **event tickets** was a **platform** (as defined in Subsection 282(1)) required to file these returns. OM provided the **infrastructure and services** to facilitate transactions but did **not own the tickets**.

CRA indicated that they could **not conclude** on whether OM was a platform required to file information returns, but could only provide general information for the platform to make this determination based on its specific facts.

Platform

CRA first advised that a **platform** (defined in Subsection 282(1)) must **connect sellers to other users** for the provision of **relevant services** or the **sale of goods**. OM clearly connected sellers to purchasers.

Relevant services

Relevant services (also defined in Subsection 282(1)) are limited to the **rental of real property**, a **personal service**, the **rental of a means of transport** and a **prescribed service** (none prescribed to date). A **personal service** (also defined in Subsection 282(1)) means a service involving **time- or task-based work performed by** one or more **individuals** at the request of a user, **unless** such work is **purely ancillary** to the overall transaction. CRA opined that work such as **fulfilling an order** by e-mailing an electronic ticket or physically mailing a paper ticket to the buyer would be **purely ancillary** to the overall transaction of selling the ticket. Therefore, OM **did not provide relevant services**.

whether services were ancillary to the overall transaction

CRA cautioned that an online marketplace that allows users to browse and **request professional ticket resellers to search their networks** for tickets to a particular rare or sold-out event **may be providing a personal service** because it is carried out at a user's request. As a result, this would be a **relevant service**.

Goods

Goods (also defined in Subsection 282(1)) are **tangible property**, or, for civil law, corporeal property. CRA opined that a **ticket in electronic form** lacks physical existence and therefore is **not tangible property**. A **paper ticket** (including an electronic ticket printed on paper) is a **physical object**; however, it is only **evidence** of an underlying **contractual right** to attend an event. Such an **intangible right** is **not a good**.

whether the underlying asset is a tangible good or an intangible right

CRA cautioned that **physical tickets** for **past events** sold for their **collectible value** as memorabilia rather than the underlying right to attend the event might be viewed as **tangible properties** and therefore goods.

Applying all of the above, CRA opined that it was **unlikely** that OM was a **platform**, but that this was a **question of fact**.

11 Estate Planning

536(11)

TFSA EXCESS CONTRIBUTIONS – DECLINE IN VALUE

A February 5, 2026 **Federal Court** case ([Khan vs. AGC, T-1356-25](#)) found that CRA's **denial** of **penalty tax relief** on **excess TFSA** contributions was **reasonable**. The taxpayer could **not withdraw** the full amount of his excess contribution **due to the loss of value** in the TFSA. CRA denied relief on the basis that the **excess amount** was **not corrected without delay** as is required by law (Subsection 207.06(1)). See VTN [530\(8413\)](#) for a similar case.

no relief if you cannot withdraw the excess due to loss in value

TRANSFER OF PRINCIPAL RESIDENCE TO LIFE INTEREST TRUST

A June 17, 2025 **Technical Interpretation** ([2025-1054541C6](#), Christina Foggia) considered whether a taxpayer **transferring qualifying properties** to a **life interest trust** on a tax-deferred basis (Subsection 73(1)) must make the **principal residence designation** with income tax returns filed for the year of **transfer** or the year of **final disposal**.

CRA's stated that the principal residence **designation** for pre-transfer years must be **made** in the taxpayer's return for the **year** in which the **transfer occurs** as the transfer constitutes a disposition, even though it occurs on a rollover basis.

principal residence designations must be made with income tax returns filed for the year of transfer

Editors' comment

This differs from the rules applicable to transfers to testamentary spouse or common-law partner trusts where designation can be deferred until the time of final disposition (Subsection 70(6) and Subparagraph 40(4)(b)(i)).

NON-RESIDENT AND NON-EXPRESS TRUSTS – SCHEDULE 15

A December 2, 2025 **Technical Interpretation** ([2025-1080801C6](#), Dawn Dannehl) considered whether the **listed trust exceptions** (Subsection 150(1.2)) can exempt **non-express trusts** and **foreign trusts** from filing **Schedule 15**, Beneficial Ownership Information of a Trust (Regulations Subsection 204.2(1)). See the Video Tax News **T3 Trust Filing – Quick Reference Chart** for a **high-level framework** to assist in determining potential T3 filing obligations.

CRA noted that **any trust** with a **filing obligation** (e.g. had taxes payable) is potentially **required** to file **Schedule 15** with its **T3 return**. Similarly, CRA confirmed that the listed trust exception (Paragraphs 150(1.2)(a) to (r)) are applicable to all trusts, including non-express and non-resident trusts.

whether non-express or non-resident trusts meet an exception from filing Schedule 15

CORPORATION CONTROLLED BY TRUST – AFFILIATION

A December 2, 2025 **Technical Interpretation** ([2025-1080721C6](#), Laurence Gagné) considered whether the **majority-interest beneficiary** of a trust would be **affiliated** with a **corporation controlled** (de jure) by that trust in varying ownership and trustee scenarios. While de facto control should also be considered in these tests, CRA did not provide any comment in that regard as there was no indication of any such control.

A corporation is **affiliated** with the **person that controls it** and with each member of an affiliated group that controls it (Subparagraphs 251.1(1)(b)(i) and (ii)). CRA noted that where a **single person** (the trust) has **de jure control**, there is **no** basis to treat **control** as being exercised **by an affiliated group**. The beneficiary's affiliation with the trust (Subparagraph 251.1(1)(g)(i)) does **not convert** the **control** of the corporation **into group control**. As such, **only the trust** (and not the beneficiary) would **be affiliated** with the corporation.

who controls the corporation

CRA noted that this would hold true whether the trust owned 100% of the corporation or 80% (with the beneficiary owning the remaining 20% directly). CRA noted that this would also hold **true even if** the **beneficiary** was a **trustee** that had the ability to **control the trust's property** as there is a provision that deems references to a trust not to include trustees or persons controlling trust property (Paragraph 251.1(4)(c)).

whether the trust can control the corporation on its own

12 Relationship Breakdown

536(12)

CANADA CHILD BENEFIT (CCB) – SHARED CUSTODY

In a February 2, 2026 **Tax Court of Canada** case ([Ginevro vs. HMK, 2024-1966\(1T\)](#)), the taxpayer argued that she was a **shared-custody parent** entitled to **half** of the CCB (Subsection 122.61(1.1)). The court noted that there are **two approaches** under which parents can meet the **residency requirements** to be **shared-custody parents** (defined in Paragraph 122.6(1)(b)), as follows:

- the **child resides** with **each parent** at least **40% of the time**; or
- the **child resides** with the **parents** on an **approximately equal basis**.

The court noted that the **explanatory notes** to amendments implementing these approaches indicated that (ii) was **intended** to accommodate situations where the **40% test** is **generally met**, but the time **temporarily** falls **below 40%** for reasons such as illness or vacation.

one of these criteria must be met to access CCB

Taxpayer loses

The court noted that the **test** is **not parenting time** (that is, measuring waking hours during which the child is in the care and custody of each of the two parents), but where the **child resides**. The court opined that **residing** requires the **presence** of both the **parent and the child** carrying on their **normal routines of life** in or from a **physical structure to which they return** on a regularly recurring basis. Although the taxpayer **resided with the child** on **some weekends** (generally three weekends per month), periods of **three to four hours** at a time during the week spending time in **malls, movie theatres, restaurants** or attending the children's **recreational activities** were **not residing** but merely **visiting**. The children **did not reside with the taxpayer** for more than two days per week, well **below** the **40% threshold** for **shared custody**.

where the children reside, not just which parent they spend time with

13 International

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UNDERUSED HOUSING TAX (UHT) RETURNS – 2025 YEAR

[Bill C-15, Budget 2025 Implementation Act, No. 1](#) proposed that the **UHT** will be **eliminated** as of the **2025 calendar year**; no UHT will be payable and no UHT returns will be required in respect of the 2025 and subsequent calendar years (see VTN [532\(8470\)](#)). **Filing requirements**, penalties and interest in respect of **prior periods** will **not be removed**. Bill C-15 was in the Senate as of March 24, 2026.

CRA's **Underused Housing Tax** webpage states that **affected owners** are **not expected** to **file returns** or to **pay the tax** for **2025 and subsequent calendar years**. If the changes to the UHT Act in Bill C-15 are not enacted, CRA will provide directions at that time.

no UHT returns for 2025 and later years

Late-Breaking News: On **March 26, 2026**, **Bill C-15, Budget 2025 Implementation Act, No. 1**, which included these provisions, received **Royal Assent** (see VTN [532\(8470\)](#)).

WITHHOLDING ON RENT PAID TO NON-RESIDENTS

Bill C-15, Budget 2025 Implementation Act, No. 1, proposed that **individuals**, including **graduated rate estates** (GREs), would **not** have to **withhold** and **remit tax** in respect of an amount paid or credited to **non-resident persons** as **rent** for the use of a residential property (defined in Subsection 67.7(1)) in which an individual resides, whether or not that individual is the one paying the rent (Section 215; see VTN [533\(8555\)](#)). If the exception applies, the non-resident person would be required to remit and report (in prescribed form) the withholding, assuming that an agent of the non-resident was not already required to do so (Subsection 215(3)).

A February 2026 International Tax Highlights article (**Non-Residential Rentals: Bill C-15 and Commonly Missed Withholding Obligations**, Shriyah Sadana and Balaji (Bal) Katlai) discussed how this withholding tax **exception** would **not apply** where the **rent** was **paid** to an **agent** or **property manager** on behalf of the **non-resident owner**.

When rent is paid to an **agent** or **other person** on behalf of a non-resident, that person (agent or other person) **must withhold and remit the part XIII tax** (Subsection 215(3)). CRA has confirmed that this **obligation** arises solely because the **agent receives** the **payment**, regardless of the management agreement or expectation of the parties (June 20, 2023 Technical Interpretation ([2023-0971841C6](#), Pierre Girard)). Where an agent or property manager **fails** to withhold the required tax, the person may be subject to the following consequences (this has not been changed by Bill C-15):

ensuring that the property managers and agents continue to withhold tax

- liable for the **unremitted tax** (Subsection 215(6));
- liable for **penalties** of **10%** of the amount that should have been **withheld** and **20%** where failures were made **knowingly** or subject to **gross negligence** (Subsection 227(8));
- liable for **interest** on amounts not withheld (Subsection 227(8.1)); and
- **jointly and severally liable** with the non-resident person (Subsection 227(8.3)).

These consequences for failing to withhold and remit tax extend to all types of payments on which amounts are not properly withheld or remitted.

TAX-EXEMPT OR ADVANTAGED ACCOUNTS IN FRANCE

In an August 22, 2025 French **Technical Interpretation** ([2021-0904251E5](#), John Fowler), CRA confirmed that **interest** in the following **tax-exempt or tax-advantaged accounts** in **France** are still **taxable** in **Canada** for an individual residing in Canada: livret jeune, livret bleu, livre développement durable et solidaire (LDDS), compte épargne logement (CEL), and compte capital expansion.

CRA also confirmed that **specified foreign property** (defined in Subsection 233.3(1)) includes **funds deposited** or held **outside of Canada** and thus **includes assets** held within these accounts. As such, if the cost of all specified foreign property at any time in the year exceeds \$100,000, the taxpayer must file form [T1135, Foreign Income Verification Statement](#).

Finally, CRA reiterated that the Act does **not require** an **individual** (other than a trust) to **file** the **T1135** for the **year** in which the individual **first becomes a resident of Canada** (Section 233.7). However, this exception only applies once. If an individual is a resident, ceases to be a resident and then becomes a resident of Canada again in a subsequent year, they must file a form for the year that they become a resident again. These rules do not create an exception for deemed residents of Canada.

individuals do not generally need to file the T1135 in the year they immigrate

FORM T1134 – GROUP OF RELATED ENTITIES

Taxpayers must disclose information on **foreign affiliates** (FA) and **controlled foreign affiliates** (CFA) on form [T1134, Information Return Relating To Controlled and Non-Controlled Foreign Affiliates](#). Generally, a **foreign corporation** will be an FA if the **Canadian shareholder** owns **at least 10%** of any class of shares in a foreign corporation, **alone or with related parties**, and at least 1% directly (definition of foreign affiliate in Subsection 95(1)).

In a December 2, 2025 **Technical Interpretation** ([2025-1080661C6](#), Isabelle Sauvé), CRA opined that a **group of reporting entities that are related to each other** can **include a partnership**, such that under **CRA's administrative policy**, only a **single T1134** would need to be filed in respect of all foreign affiliates that were members of the related group. The question was asked as a related group is defined as a group of persons (Subsection 251(4)), but a **partnership is not a person** for income tax purposes.

To be part of a group of reporting entities that are related to each other, the reporting entities must **belong** to the **same related group** (defined in Subsection 251(4)), have the **same year-end** and report in Canadian currency or the same functional currency. A **partnership is a reporting entity** from the moment a partner who **resides in Canada** and is **not exempt from Part I tax holds at least a 10% interest** in the **partnership's** income or losses for the period. The **relief** applies **only** if at least **one** of its

reporting partnerships in the corporate group

partners (or, if another partnership is a partner, one of the partners of that other partnership) is **related to each** of the **other reporting entities** forming a related **group** in respect of that same foreign affiliate. CRA advised that if there is any doubt about the inclusion of a partnership, the reporting entity would benefit from including it on the T1134 for the group of reporting entities that are related to each other in order to ensure that the partnership's reporting obligations are met and that CRA will recognize them as such.

14 GST/HST

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GST/HST PAID IN ERROR – REBATE DEADLINE

A March 3, 2026 **Tax Court of Canada** case ([Heritage Square Retirement Living Inc. vs. HMK, 2024-1960\(GST\)](#)), considered whether **GST/HST paid in error** on residential rent could be refunded when the rebate application was **filed later than two years** from the day each amount of GST/HST was paid in error (Excise Tax Act Subsection 261(3)). The amounts paid outside of the two-year window totalled \$83,850.

CRA had **informed the taxpayer** in May 2022 (after an audit) that the rent was for exempt residential supplies, meaning **GST/HST had been paid in error** (see VTN [517\(7845\)](#)). The court acknowledged that CRA delays (including pandemic-related disruptions) effectively **caused the taxpayer to miss the application deadlines**.

The court found that **neither fairness nor administrative delay** can override the specific timing requirement (Subsection 261(3)). The result, though described as “unreasonable and unjust,” was legally unavoidable. However, the court raised the possibility of applying for a remission order (see VTN [475\(5811\)](#)).

application for a remission order

BUILDER – PERSONAL- USE EXCEPTION

A February 2, 2026 **Tax Court of Canada** case ([Caddell et al. vs. HMK, 2024-445\(GST\)](#)), considered whether spouses who **repeatedly built and sold houses** were builders and whether **GST was applicable** in the construction, use or disposition of multiple houses.

CRA had **reassessed** the taxpayers for GST of \$22,875 for the March 2016 reporting period after they **completed building** and **first occupied** a house in British Columbia. The taxpayers had **purchased seven houses** and **sold five** (including building several houses on bare land) **over an 11-year period** (2010-21).

The taxpayers **argued** that they were **not builders** (defined in Excise Tax Act Section 123), or alternatively, that the house was built **primarily for their family residence** and that they qualified for the **personal-use exception** (Excise Tax Act Subsection 191(5)). This exception applies for individual taxpayers who are builders where the complex is primarily used as a place of residence by the taxpayer (or relative). The house **cannot** have been **used primarily for any other purpose** between substantial completion and primary use as the builder's residence.

whether the home was used for any other purpose before use as the builder's residence

If the exception does **not apply**, the taxpayer **must remit GST** on the **self-supply** of the property when they first begin to use it.

Taxpayers lose – builder

Emphasizing the **frequency of similar transactions**, the relatively **short ownership** and **occupancy** period, and the **appellants' familiarity with building** and selling houses for profit, the court found that the **taxpayers were builders** (defined in Subsection 123(1)). Although the taxpayers argued that they sold the house because the bedroom layout was unsuitable for their toddler, the **court** found the **explanation unconvincing** given their involvement in the construction.

challenging to argue that there were problems with layout if you designed it yourself

Taxpayers lose – personal-use exception

The court then addressed the taxpayers' argument that they should still benefit from the **personal-use exception**. The court found that the **taxpayers' primary use** of the house was **resale inventory** rather than residential use. Their **occupancy lacked the enduring quality** associated with a **genuine family residence** and instead appeared incidental to a broader pattern of profitable development and sale. The court distinguished this situation from one in which **resale was only a secondary intention** and the taxpayer genuinely lived in the house. The **brief residential occupancy** did not overcome evidence that the houses were primarily held for resale. Therefore, the court **upheld CRA's assessment** of GST on their appraised valuation of \$915,000, based on comparable sales and professional appraisal methodology.

NEW HOUSING REBATE – DOCUMENTATION

A February 10, 2026 **Tax Court of Canada** case ([Talukdar vs. HMK, 2023-226\(GST\)](#)) considered whether a taxpayer met the **intention** and **first to occupy requirements** for the **GST/HST new housing rebate** on a condominium purchase. CRA denied the rebate of approximately \$23,000 primarily due to **insufficient documentary evidence** (e.g. address changes, utility bills, school records) suggesting the property was not the centre of the taxpayer's family life.

Taxpayer wins

The court stated that **credibility** and **surrounding circumstances** can **outweigh missing documentation**. The court accepted the taxpayer's testimony that, following a serious health event, he intended to secure a home for his family and did in fact live in the property for approximately 13 months. The **absence of typical indicia** of residence (address updates, utility records) was **not determinative**, particularly given **plausible explanations** (family ties to prior residence, informal move, spouse handling bills). The court also noted that the absence of **evidence of rental or speculative activity** and the relatively long holding period supported genuine residential use.

lack of documentation is not always fatal

The court **declined to draw adverse inferences** from **missing records**, highlighting that such documents are not necessarily required to prove rebate entitlement and may not be retained years later.

The appeal was allowed and the matter was referred back for reassessment on the basis that the **rebate was payable**.

COMMERCIAL ACTIVITY – NPO

A February 18, 2026 **Tax Court of Canada** case ([Alberta Peloton Association vs. HMK, 2022-2596\(GST\)G](#)) considered whether **race-related expenses** qualified for **input tax credits** (ITCs) when **no admission fees** were charged to race **spectators**. In particular, the court considered whether inputs used to stage the Tour of Alberta Road Race were acquired **in the course of commercial activities** (Excise Tax Act Subsection 169(1), limited by Paragraph 141.01(2)(b)).

CRA argued that the race was a **non-commercial** public-facing activity aligned with the organization's not-for-profit mission, with supplies (if any) made to spectators for no consideration. Fees were collected from sponsorship activities.

Taxpayer wins

The court found that the **sponsorship agreements** were **economically and contractually inseparable** from the race activity as a whole. The race existed to **deliver branding**, promotion and participation rights to sponsors, who paid consideration. The activities as a whole **constituted a commercial activity**. As such, the related inputs, including operational race costs, were **eligible for ITC claims**.

The court also characterized the **spectators** as effectively **part of the deliverable** to sponsors rather than recipients of a separate supply. Further, even if the spectators did receive a service, the court noted that **consideration can flow from a third party** (sponsors), preserving the taxable nature of the supply.

whether there was another source of income that constituted a taxable supply and was inseparable

15 Did You Know...

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USE OF AI ON PRIVILEGED INFORMATION

A February 26, 2026 STEP article (**US court withdraws attorney-client privilege** from documents produced by AI) discussed a recent court case ([United States vs. Heppner, 2026 No. 25-cr-00503-JSR \(SDNY\)](#)) that addressed **privilege claims** arising from a **non-lawyer's use** of a **consumer grade, insecure, non-enterprise AI tool** for legal research and analysis. The individual **entered information** obtained from his attorney into the **AI tool**, which **generated reports** outlining a **possible defense strategy** and **arguments**. These reports were later shared with the lawyers. The court held that the **documents** were **no longer protected** by attorney-client privilege, applying the principle that **disclosure** of privileged communications to a **third party** in circumstances that **undermine confidentiality** may result in a **waiver of privilege**. The **AI provider's terms permitted the disclosure of user data** to regulators and allowed prompts and outputs to be used for model **training**. As a result, using this **AI tool** was effectively equivalent to a **disclosure to a third party**.

whether using AI tools may result in loss of solicitor-client privilege

VIRTUAL ASSETS – INTERNATIONAL DISCLOSURE REQUIREMENTS

On February 10, 2026, the **Council of Europe's** Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) **announced** the release of a **report** on the use of **virtual assets** and virtual asset service providers in the **laundering of criminal property, financing of terrorism** and the **evasion of sanctions**.

The report found that there has been significant **progress** in developing **regulatory and supervisory frameworks** for virtual assets and virtual asset service providers, as well as in **international cooperation** to combat financial crimes. However, the report also noted that **challenges** remain. It indicated that **further action** is needed to **integrate** targeted financing sanctions and proliferation financing **risks** into **national assessments**, **improve** the quality of **suspicious activity reporting** from virtual asset service providers and **enhance investigatory capabilities** across all competent authorities and the private sector.

the international push for greater regulation related to virtual assets

ALBERTA BUDGET

On February 26, 2026, the **Alberta** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates**.

Some of the **proposals** included the following:

- **replace** the non-refundable caregiver and the infirm dependant credit with a new **caregiver credit** in the same amounts as the current caregiver credit, available for an adult relative who is dependent on the taxpayer due to a mental or physical infirmity, effective for **2027**;
- a new **6% vehicle rental tax** would apply commencing **January 1, 2027** for short-term passenger vehicle rentals;
- the **tourism levy** would be **increased to 6%** from 4% effective **April 1, 2026**; and
- the **education property tax** would **increase** for the 2026-2027 taxation year (to 0.284% from 0.272% for residential and farmland properties and 0.417% from 0.4% for non-residential properties).

no more credit for non-infirm parents or grandparents

NEW BRUNSWICK BUDGET

On March 17, 2026, the **New Brunswick** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates**.

no rate changes

Amendments to the **small business investment tax credit** were announced, with no details provided, and a **review of property tax exemptions** would be undertaken.

NOVA SCOTIA BUDGET

On February 23, 2026, the **Nova Scotia** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates**.

Some of the **proposals** included the following:

- the **capital investment tax credit** would be extended to **December 31, 2035**;
- a **provincial duty on vaping products** coordinated with the analogous federal tax would be introduced effective **April 1, 2026**; and
- an **electric and hybrid vehicle levy** would be implemented effective **October 1, 2026**, payable every two years, in the amount of \$500 for fully electric vehicles and \$250 for hybrid vehicles.

a new levy on electric and hybrid vehicles

QUEBEC BUDGET

On March 18, 2026, the **Quebec** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates**.

Some of the **proposals** included the following:

- various **tax credits** would be modified, including the following:
 - the **refundable tax credit** to support **print media** would be **expanded** to also include news agencies and media broadcasting news programs on **radio** and **television**;
 - the **refundable tax credit** for the **digital transformation of print media** would be **extended** to expenses incurred by **December 31, 2028** with the rate phasing out over 2027 and 2028;
 - some **eligibility criteria** for the **refundable tax credit** for Quebec **film or television productions** would be modified;
 - the tax credits for the development of **e-business integrating artificial intelligence** functionalities would be adjusted;
- an **automated** process for **income tax returns** for certain **low-income individuals** resident in Quebec, would be introduced for the 2026 tax year;
- various **mandatory** and **preventative disclosure mechanisms** would be adjusted;
- the federal proposal for **immediate expensing of greenhouse buildings** (see VTN [534\(8561\)](#)) would be adopted;
- **improvements** to the **voluntary retirement savings plan** would be implemented; and
- **government debt collection** would be optimized by enabling income tax refunds to be applied against balances owing to other public bodies.

modifications to these industry-specific credits

automated income tax filings for low-income Quebec residents

SASKATCHEWAN BUDGET

On March 18, 2026, the **Saskatchewan** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates**.

Some of the **proposals** included the following:

- the tax credits for **volunteer firefighters, search and rescue volunteers** and **volunteer emergency medical first responders** would be **doubled** to \$6,000 from \$3,000;
- the **expenditure limit** for the **refundable portion** of the **research and development tax credit** for CCPCs would be **increased to \$2 million** from \$1 million; and
- the **chemical fertilizer incentive** would be **extended by five years**, allowing corporations receiving conditional approval by December 31, 2026 to meet the minimum \$10 million capital investment threshold by December 31, 2031.

these proposed credit increases

YUKON BUDGET

On March 19, 2026, the **Yukon** government tabled its **2026 Budget**. There were **no proposed changes** to the **personal or corporate tax rates** or other tax measures proposed.

16 Appendix

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APPENDIX A

Additional Video Tax News Resources and Recently Released CRA Publications and Forms

Video Tax News Resources

- [Video Tax News Members Portal and Newsfeed](#)
- [Video Tax News Members Portal – A How To Use The Portal Video Tutorial](#) (6 mins)
- [Status of Recent Tax and Benefit Proposals](#)
- [Tax on Split Income \(TOSI\) – Quick Reference Chart](#)
- [Underused Housing Tax \(UHT\) – Quick Reference Chart](#)
- [Life in the Tax Lane – 10 Minute Monthly Podcast/Video](#)
- [Technical Interpretations](#)

CRA Guides/Publications

- [RC4028](#) GST/HST New Housing Rebate
- [EDN78](#) General Information – Vaping Products
- [EDN79](#) Obtaining and Renewing a Vaping Product Licence
- [EDN80](#) Overview of Vaping Excise Stamps
- [EDN81](#) Becoming a Vaping Prescribed Person
- [EDN82](#) Calculation of Vaping Duty
- [T4013](#) T3 Trust Guide 2025
- [RC4657](#) T3 Electronic Filers Manual
- [T4088](#) Scientific Research and Experimental Development (SR&ED) Expenditures Claim - Guide to Form T661
- [IC01-1R2](#) Third-Party Penalties

CRA Forms/Statements/Returns

- [RC243](#) Tax-Free Savings Account (TFSA) Return
- [E414](#) Notice of Objection - Purchaser
- [GST159](#) Notice of Objection (GST/HST)
- [GST190](#) GST/HST New Housing Rebate Application for Houses Purchased from a Builder
- [GST191](#) GST/HST New Housing Rebate Application for Owner-Built Houses
- [RC151](#) GST/HST Credit and Canada Carbon Rebate Application for Individuals Who Become Residents of Canada
- [T1172](#) Additional Tax on Accumulated Income Payments from RESPs
- [RC339](#) Individual Return for Certain Taxes for RRSPs, RRIFs, RESPs or RDSPs
- [T2157](#) Direct Transfer from a Registered Plan to Purchase an ALDA

- **T1-OVP-ALDA** 2025 Individual Tax Return for Excess Transfers to Purchase an ALDA
- **T24EOT** Joint Election for Capital Gains Deduction in Respect of a Qualifying Business Transfer
- **RC725** Request to Make a Qualifying Withdrawal from your FHSA
- **RC720** Transfer from your RRSP to your FHSA
- **RC724** Joint Designation for a Deemed Transfer or Distribution from an FHSA after the Death of the Holder
- **T3RET** T3 Trust Income Tax and Information Return
- **T1171** Tax Withholding Waiver on Accumulated Income Payments from RESPs
- **UHT-2900** Underused Housing Tax Return and Election Form
- **T1E-OVP** Individual Tax Return for RESP Excess Contributions



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