





2024 2025 Canada's Budget

The Federal government's budget on April 16, 2024 introduces changes that may affect your individual and family finances.

Reflections since the last budget*

 <p>Canadian Dollar vs. the U.S. Dollar</p> <p>72.35¢ April 16, 2024</p> <p>MARCH 28, 2023 BUDGET 73.39¢</p>	 <p>S&P/TSX Composite</p> <p>21,642.87 April 16, 2024</p> <p>MARCH 28, 2023 BUDGET 19,657.53</p>	 <p>Oil Price per Barrel in \$USD</p> <p>\$85.28 April 16, 2024</p> <p>MARCH 28, 2023 BUDGET \$73.37</p>	 <p>Unemployment Rate</p> <p>6.10% March 2024</p> <p>MARCH 28, 2023 BUDGET 5.00%</p>
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* PERIOD BETWEEN MARCH 28, 2023 - APRIL 16, 2024

Budget Highlights



Higher Capital Gains Inclusion Rate

"Inclusion rate" will increase from 50% to 66.7% on capital gains above \$250,000 per year for individuals, and on all capital gains realized by corporations and trusts.



Lifetime Capital Gains Exemption (LCGE)

Increases to \$1.25 million (from \$1,016,836), with indexation of the LCGE resuming in 2026. Applies to dispositions that occur on or after June 25, 2024.



Canadian Entrepreneurs' Incentive

Allows individuals to use a 33.3% capital gains inclusion rate for the disposition of qualifying shares, subject to a lifetime limit of up to \$2 million in capital gains – limit will be phased in by increments of \$200,000 annually.



Alternative Minimum Tax (AMT)

Allows individual to claim 80% of their Charitable Donations Tax Credit when calculating AMT.



Home Buyers' Plan

RRSP withdrawal limit increased to \$60,000 (from \$35,000) without tax for 2024 and subsequent calendar years, for eligible first home purchases (withdrawals after April 16, 2024). Start of the 15-year repayment period temporarily deferred to the fifth year following year of first withdrawal.



Canada Child Benefit (CCB)

CCB extended for six months after a child's death, starting in January 2025.



Canada Carbon Rebate for Small Businesses

A new Canada Carbon Rebate for Small Businesses in the form of an automatic refundable tax credit for eligible businesses. The tax credit would be available to Canadian-controlled private corporations with under 500 employees.



Disability Supports Deduction

Annual maximum benefit of \$2,400 with expanded list of recognized expenses under the Disability Supports Deduction, effective 2024 and subsequent taxation years.



Canada Learning Bond (CLB)

The government will open a CLB if a child does not have an RESP by age four. The CLB pays \$500 in the first year the child is eligible, plus \$100 for each additional year of eligibility, up to age 15, for a maximum of \$2,000.



Student Grants and Loans

The Government will continue extending the increase in full-time Canada Student Grants from \$3,000 to \$4,200 and interest-free Canada Student Loans from \$210 to \$300 per week.



CPP Benefits

The expansion of benefits include:

- Doubling the death benefit for some contributors.
- Introducing a partial child benefit for part-time students.
- Extending the eligibility for the disabled contributors children's benefit beyond a parent's 65th birthday.
- Ending eligibility for survivor pensions if a couple is legally separated.

Ask us how these changes may impact your finances.



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SOURCES:

Budget 2024: <https://budget.canada.ca/2024/home-accueil-en.html>

Canadian/US Dollar: <https://www.bankofcanada.ca/rates/exchange/currency-converter>

S&P/TSX Composites: <https://ca.investing.yahoo.com/quote/%5EGSPTSE/history?p=%5EGSPTSE>

Crude Oil Prices: <https://ca.investing.com/commodities/crude-oil-historical-data>

Unemployment Rate February 2024 (6.1.0%) : <https://www150.statcan.gc.ca/n1/daily-quotidien/240405/dq240405a-eng.htm>

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