

Federal Tax Changes

Are you a business owner?

If your business is incorporated, then you could be facing a larger tax bill and big compliance costs from the government's new proposals to change the way corporations are taxed.

Here are three things you need to know about the tax changes proposed by the federal government:

1. **Do you employ family members?** The government wants to scrutinize their compensation to apply a much higher tax rate on income they consider "unreasonable".
2. **Do you invest the profits from your business?** The federal government is proposing to tax that income at an effective rate of 70%.
3. **Do you want to pass your business on to your children?** Tough new rules make it difficult for younger kids to get the capital gains exemption. They could be double-taxed. Small and medium-sized businesses (SMEs) are the engine of the Canadian economy – estimates range from 85 to 90% of all businesses in Canada are SMEs.

What you can do.

The chamber network across Canada is using its collective voice on this issue; your voice as a business person needs to be heard as part of this initiative.

Send a message to your MP today. Government needs to know that this tax reform will harm businesses of all sizes.

A sample letter, developed with the Canadian Chamber of Commerce, can be found on squamishchamber.com.

Don't know where to send the message to your Member of Parliament? Look up their address using your postal code at:

<https://lop.parl.ca/ParlInfo/compilations/houseofcommons/memberbypostalcode.aspx?Menu=HOC>