

Answer FROM CHRYSTIA FREELAND Minister of Finance
about TAXING SENIORS PENSIONS. 2024-09-09

Dear Ghislain Bonneau:

Thank you for your correspondence of August 26, 2024, which was referred by the Office of the Prime Minister, the Right Honourable Justin Trudeau, to the Deputy Prime Minister and Minister of Finance, the Honourable Chrystia Freeland, regarding tax relief for seniors.

After a lifetime of hard work, Canadians have earned a secure and dignified retirement. The Government of Canada provides support to seniors and pensioners in a number of ways, including through tax relief measures. For example:

- * The Age Credit is a non-refundable credit targeted to individuals aged 65 and older, providing tax relief of up to \$1,319 for eligible seniors with incomes under \$102,925 in 2024;
- * The Pension Income Credit is a non-refundable credit on up to \$2,000 of eligible pension income from registered plans; and
- * Pension income splitting allows any Canadian resident receiving income that qualifies for the Pension Income Credit to allocate up to one-half of that income to their resident spouse or common-law partner for tax purposes.

Seniors, and those who support them, may also benefit from tax credits such as the Disability Tax Credit, the Medical Expense Tax Credit, the Home Accessibility Tax Credit and the Canada Caregiver Credit.

As well, they may benefit from changes recently introduced by the Government. For example, Budget 2022:

* Doubled the qualifying expense limit of the Home Accessibility Tax Credit to \$20,000 for the 2022 and subsequent tax years. This means a tax credit of up to \$3,000 – an increase from the previous tax credit of up to \$1,500 – for important accessibility renovations or alterations.

* Introduced a Multigenerational Home Renovation Tax Credit, which provides up to \$7,500 in support for constructing a secondary suite for a senior or an adult with a disability. Starting this year, this refundable credit allows families to claim 15 percent of up to \$50,000 in eligible renovation and construction costs incurred in order to construct a secondary suite.

Seniors may also benefit from general tax relief that the Government has introduced. For example, the amount of money that individuals can earn before paying federal income tax, known as the Basic Personal Amount, is increasing to \$15,000 by 2023 – due to indexation, this amount is \$15,705 for 2024.

Now that this increase has been fully implemented, about 4.6 million seniors are benefiting, including close to 400,000 whose federal income tax has been reduced to zero. These benefits are phased out for the wealthiest Canadians. This measure builds on other initiatives, including the middle-class tax cut announced in 2015 that is benefitting over nine million Canadians.

The tax relief available to seniors and pensioners allows a single senior to have at least \$26,495 in taxable income before paying any federal income tax in 2024, and for a senior couple to have at least \$52,990. This assumes at least \$2,000 per person in income eligible for the Pension Income Credit, and that each spouse in a couple is entitled to the maximum amount of the Age Credit.

Due in large part to these measures, about half of all Canadian seniors do not pay any federal income tax.

With regard to your suggestion that pensioners be exempt from paying tax, seniors, like all other Canadians, are taxed based on the

principle that all income an individual receives, regardless of its source, should be included in income for tax purposes. This ensures each person pays fairly, according to their ability to pay, rather than according to the type of income they receive.

The Department of Finance Canada is continually reviewing tax matters to ensure that the existing system is as fair and as current as possible. In this regard, your comments are welcomed and appreciated.

Thank you for writing.

Sincerely,

C. da Silva

Manager

Communications and Public Affairs Branch

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HERE IS MY ANSWER BACK TO HER ON THE SAME DAY 2024-09-09

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Hello there, C. da Silva,

Well, thank you for that, this is all very nice but all those exemptions are only a way around to say that you give Seniors relief, well I don't see that relief when I still have to pay tax on my pensions when I do my income tax. Ho ya I pay less but I still pay tax. Enough already with that taxing of elderly people and their only source of revenue. Most of them can't even afford rent and food, so your help does not help them at all.

Those measures that you talk about are mostly for Families and home owners and hide the simple truth that you still tax our pensions and those measures are more costly to implement that they would be to simply DROP the TAX on pensions once and for all and to forget about all the rest of the

bull shit that only try to make the Government look good and that DOES NOT HELP US AT ALL. Only HALF don't pay anymore tax, what about the other HALF. That proves that your system DOES NOT WORK. No Seniors should have to pay ANY TAX ON THEIR PENSIONS.

Without being too rude.....

A simple NO would have sufficed instead of that slap in the face. But thanks for trying to justify yourselves. I can read between the lines you know.

FURTHERMORE,

You say that the Government want to be fair and tax all revenues from all Canadians, **well this is EXACTLY MY POINT, PENSIONS ARE NOT REVENUE NOR INCOME THEY ARE JUST MONEY RETURNED TO SENIORS THAT WAS DEDUCTED FROM THEIR PAYCHECK AND TAX HAS ALREADY BEEN CHARGED ON THAT MONEY.**

So is it fair to tax that money again when it is returned to Seniors that desperately need it? NO IT'S NOT FAIR. You need to change the definition of pensions as NOT REVENUE AND NOT INCOME, Pensions are simply RETURNED MONEY THAT WAS ALREADY TAXED. **Why can't you understand that?**

Please forward this e-mail to the Honorable FINANCE MINISTER CHRYSTIA FREELAND. **YOU ARE OVER TAXING THE PENSIONS.**

Have a good day,.....Ghislain Bonneau.

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I WILL KEEP BANGING ON THAT DOOR UNTIL I GET THE ANSWER THAT I WANT, NO MORE TAXING ON SENIORS PENSIONS. WRITE TO YOUR P.M. AND ASK FOR IT.

at this link.....TRUDEAU. <https://www.pm.gc.ca/en/connect/contact>

and at this e-mail to the premier of B.C. DAVID EBY.... premier@gov.bc.ca

ASK AND YOU SHALL RECEIVE, IF NOBODY ASK. IT WILL NEVER HAPPEN.