Welcome to TAX ALERT, a weekly dispatch about the proposed federal tax changes.

CMA STATEMENT — INCOME SPRINKLING LEGISLATION

The CMA is disappointed that the federal government is moving ahead with income sprinkling changes in light of this week’s report by the Standing Senate Committee on National Finance, which calls for the proposed changes to be withdrawn and a comprehensive review of the overall tax system to be undertaken.

The CMA remains very concerned with the unintended consequences of the tax changes — the most significant in 45 years. Most recently, reports continue to point to a chronic shortage of physician resources to address patient care needs in Canada. A predictable and stable environment is critical to promote thriving medical practices.

The CMA recommended a full exemption for spousal income and dividends for the new income sprinkling rules, recognizing that spouses/partners are integral to the risk and development of a business enterprise, including a medical practice. Additionally, the CMA expressed concerns on the subjectivity of the reasonability criteria and the administrative burden these would impose. The CMA is disappointed that those recommendations were not adopted.

The CMA and its members will continue to work with the Coalition for Small Business Tax Fairness to advance the perspectives of medical and business operators, and to explore options that can achieve our shared objectives of tax fairness.

Dr. Laurent Marcoux
President

MD FINANCIAL MANAGEMENT: PRELIMINARY SUMMARY OF FINANCE ANNOUNCEMENTS

MD Financial Management has prepared a preliminary analysis of Minister Morneau’s announcement this week. Click here to read what’s changing and what you need to know as an incorporated physician.

MEMBERS TO VOICE CONTINUED CONCERN

Over the holidays, MPs will be in their ridings. We encourage physicians to give their offices a call to either schedule some time to sit down or to speak over the phone — find their contact info here.

You can also participate in the effort by:

- using our letter-writing tool to let your MP and Minister Morneau know where you stand;
- getting up to speed by reading our latest key messages, frequently asked questions and speaking points.

If you need any additional information, please don’t hesitate to contact us at yourvoice@cma.ca.

PROPOSED TWEET OF THE WEEK
The CMA remains concerned with the unintended consequences of the proposed tax changes and will continue to work with the Coalition for Small Business Tax Fairness http://ow.ly/61wt30hd00m #CndPoli

ADDITIONAL RESOURCES

- Visit the taxation page on cma.ca for more information and resources.

Unsubscribe from tax alerts.

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