

Notice of Ways and Means Motion to Amend The Income Tax Act



House of Commons
CANADA

That it is expedient to amend the Income Tax Act and to provide among other things:

Forward Averaging

(1) That for the 1982 and subsequent taxation years, the definition of taxable income be amended to include or any addition as provided in Division C of the Act.

Employment Expenses Deduction

(2) That for the 1983 and subsequent taxation years, the employment expenses deduction be increased from 3% of employment income, maximum \$500, to 20% of employment income up to \$500.

Overseas Employment Credit

(3) That for the 1982 and subsequent taxation years, the overseas employment credit be increased from 10% of the tax otherwise payable by an individual on up to \$100,000 of his employment income, that the credit not apply to individuals employed under a contract of employment that is not a contract of employment as defined in section 149(1)(b)(iii) of the Act and that the credit be made to the foreign tax credit.

Crown Royalties

(4) That for amounts that become receivable after April 10, 1983 in respect of the period after that date, subparagraph 12(1)(v) of the Act apply only to a taxpayer who has an interest in the mineral or petroleum or contractual rights.

WAYS AND MEANS

Repayment of Deposits

(5) That for the 1982 and subsequent taxation years, any repayment by a taxpayer of amounts included in his income under paragraph 12(1)(v) of the Act be allowed as a deduction.

Listed Personal Property Losses

(6) That listed personal property losses of a taxpayer for the 1984 and subsequent taxation years be deductible in computing his net gain from dispositions of listed personal property for the 3 years preceding and the 7 years following the loss year, except that the listed personal property loss for 1984 shall be carried back only to the two preceding taxation years.

Child Care Expenses

(7) That for the 1983 and subsequent taxation years, the provisions of section 63 of the Act relating to the deductibility of child care expenses be modified

(a) to increase the maximum amount deductible to the least of \$4,000, \$2,000 per eligible child and 10% of the claimant's earned income,

(b) to provide similar rules for men and women with respect to their eligibility to claim child care expenses,

(c) to extend the provisions to the parent or supporting individual having the lower income, except in respect of a period when that person is infirm, in prison or in full-time attendance at a designated educational institution.

Tuesday, April 19, 1983

Successor Corporation Rules

(8) That the provisions of the Act relating to the deduction of exploration, development and resource property expenses of a predecessor corporation by a success-