

## TAXATION CHANGES – 2015 BUDGET

The following taxation changes were announced by Manitoba Finance Minister Greg Dewar in his Budget Address on April 30, 2015.

### PERSONAL MEASURES

- Seniors' School Tax Rebate** Effective in 2015, Manitoba seniors who own their principal residence, or who are liable for paying the school taxes on their principal residence, in Manitoba will be eligible to apply for a rebate of up to \$470. The Rebate will be calculated based on school division special levy paid less the basic Education Property Tax Credit.
- Volunteer Firefighters' and Search and Rescue Volunteers' Tax Credits** Beginning in 2015, Manitobans who perform a combination of at least 200 hours volunteer firefighting and volunteer search and rescue services in a year can claim a 10.8% non-refundable credit on \$3,000. Individuals may claim either the Volunteer Firefighters' or Search and Rescue Volunteers' Tax Credit, but not both. The maximum annual benefit is \$324.
- Primary Caregiver Tax Credit** Beginning in 2015, the maximum annual Primary Caregiver Tax Credit is increased by 10% to \$1,400 from \$1,275 per person cared for.
- Introduced in 2009, the Primary Caregiver Tax Credit provides recognition and financial support to individuals who serve as voluntary primary caregivers for more than three continuous months, to a care recipient assessed at Care Level 2, 3, or 4, up to a maximum of three clients at any one time. This is claimable on the caregiver's personal income tax return.

Further information on the **Seniors' School Tax Rebate** and the **Primary Caregiver Tax Credit** contact:

**Manitoba Tax Assistance Office**  
**Seniors' School Tax Rebate**  
Telephone 204-945-7555 in Winnipeg  
Toll-free 1-855-893-8266  
Fax 204-948-1515

E-mail: [tao@gov.mb.ca](mailto:tao@gov.mb.ca)

**Manitoba Tax Assistance Office**  
**Primary Caregiver Tax Credit**  
Telephone 204-948-2115 in Winnipeg  
Toll-free 1-800-782-0771  
Fax 204-948-2263

E-mail: [tao@gov.mb.ca](mailto:tao@gov.mb.ca)

Further information on the **Volunteer Firefighters' and Search and Rescue Volunteers' Tax Credits**, contact:

**Fiscal Research Division**

Telephone 204-945-3757

Fax 204-945-5051

E-mail: [feedbackfin@gov.mb.ca](mailto:feedbackfin@gov.mb.ca)

## BUSINESS TAX MEASURES

**Small Business Income Limit** The small business limit for Canadian-controlled private corporations that qualify for the 0% small business rate, will be increased from \$425,000 to \$450,000 on January 1, 2016.

**Co-op Education and Apprenticeship Tax Credits** A new stream is introduced to this family of refundable income tax credits and existing elements are enhanced:

- The Co-op Students Hiring Incentive is expanded to include a high school vocational program component worth 25% of eligible wages and salaries, up to a lifetime maximum of \$5,000 per student.
- The benefit rate for post-secondary co-op students will be enhanced to 15% from 10% of wages and salaries, up to a maximum of \$5,000 per student.
- The benefit rate for co-op graduates will be enhanced to 15% from 5% of wages and salaries, up to a maximum of \$2,500 per graduate for the first two years of employment.
- The benefit for high school apprentices will be enhanced to 25% from 15% of wages and salaries, to a cap of \$5,000 per apprentice per year per level.

**Community Enterprise Development Tax Credit** Commencing January 1, 2015, the eligible investment period for the Tax Credit will be extended to the first 60 days following the end of the calendar year.

**Data Processing Investment Tax Credits** The Tax Credits will be extended to the end of 2018 and broadened to include new data processing centres built in Manitoba and leased to another Manitoba company that is not affiliated with the lessor. In addition, the definition of taxpayers eligible for the tax credit will be broadened to include those investing in data processing centres built using a business structure other than a corporation.

**Research and Development Tax Credit** The 20% Tax Credit is being amended to increase the period for which unused tax credit amounts can be carried forward to 20 years from 10 years.

## GREEN MEASURES

**Green Energy Equipment Tax Credit** The Green Energy Equipment Tax Credit is expanded to include biomass fuel energy equipment that is installed in Manitoba and used in a business. The tax credit rate will be 15%.

**TAX CREDIT EXTENSIONS**

- Film and Video Production Tax Credit** The refundable Tax Credit is extended to December 31, 2019.
- Rental Housing Construction Tax Credit** The 8% Tax Credit is extended three years to December 31, 2019.
- Cultural Industries Printing Tax Credit** The 15% refundable Tax Credit is extended to December 31, 2018.
- Interactive Digital Media Tax Credit** The 40% refundable Tax Credit is extended to December 31, 2019, and is amended to provide clarification on the ordering of tax credits for eligible expenses.
- Nutrient Management Tax Credit** The 10% refundable Tax Credit will be extended for three years to the end of 2018.

Further information on the **Co-op Education and Apprenticeship Tax Credits** and the **Green Energy Equipment Tax Credit**, contact:

**Manitoba Tax Assistance Office**

Telephone 204-948-2115 in Winnipeg  
Toll-free 1-800-782-0771  
Fax 204-948-2263

E-mail: [tao@gov.mb.ca](mailto:tao@gov.mb.ca)

Further information on the **Small Business Income Limit**, the **Data Processing Investment Tax Credits**, **Research and Development Tax Credit**, the **Cultural Industries Printing Tax Credit** and the **Nutrient Management Tax Credit**, contact:

**Fiscal Research Division**

Telephone 204-945-3757  
Fax 204-945-5051

E-mail: [feedbackfin@gov.mb.ca](mailto:feedbackfin@gov.mb.ca)

Further information on the **Rental Housing Construction Tax Credit**, contact:

**Housing Delivery Branch,  
Manitoba Housing and Community Development**

Telephone 204-945-5566 in Winnipeg  
Toll-free 1-866-689-5566

E-mail: [housing@gov.mb.ca](mailto:housing@gov.mb.ca)

Further information on the **Community Enterprise Development Tax Credit**, contact:

**Value Added and Rural Economic Advancement Branch  
Manitoba Agriculture,  
Food and Rural Development**  
Telephone 204-523-2194  
Fax 204-523-5272

E-mail: [paige.mcdougall@gov.mb.ca](mailto:paige.mcdougall@gov.mb.ca)

Further information on the **Small Business Venture Capital Tax Credit**, contact:

**Financial Services Branch,  
Manitoba Jobs and the Economy**  
Telephone 204-945-2475 in Winnipeg  
Toll-free 1-800-282-8069  
Fax 204-945-1193

E-mail: [kristal.benton@gov.mb.ca](mailto:kristal.benton@gov.mb.ca)

Further information on **Interactive Digital Media Tax Credit**, contact:

**Science, Innovation and Business Development Branch  
Manitoba Jobs and the Economy**  
Telephone 204-945-3145  
Fax 204-945-3977

E-mail: [joanne.dyker@gov.mb.ca](mailto:joanne.dyker@gov.mb.ca)

Further information on the **Manitoba Film and Video Production Tax Credit**, contact:

**Manitoba Film and Music**  
Telephone 204-947-2040  
Fax 204-956-5261

E-mail : [explore@mbfilmmusic.ca](mailto:explore@mbfilmmusic.ca)

## FUEL TAX

**International Passenger Flights Rebate**      Effective July 1, 2015, qualifying scheduled international commercial passenger flights will be eligible for a fuel tax rebate on their fuel purchases in Manitoba. Please see the information notice – International Passenger Flights for further information.

## RETAIL SALES TAX

**Exemption for Flood Prevention and Control Goods expanded**      Effective June 1, 2015, the sales tax exemption for flood prevention and control goods will be expanded to include sandbag filling machines.

**Exemption for Commercial Fishing Boats expanded**      Effective June 1, 2015, the sales tax exemption for commercial fishing boats will be expanded to include related repair parts.

- Exemption for Film and Audio Productions expanded** Effective June 1, 2015, the sales tax exemption for film and audio productions for public broadcast will be expanded to include productions made available on the internet.
- Exemption for Disabled Persons clarified** Effective June 1, 2015, the sales tax exemption for goods designed solely for use by a disabled person, will be clarified so that it applies to both physical and mental disabilities.

## TOBACCO TAX

- Tax Rate Change** Effective midnight April 30, 2015, the tax rates on tobacco products change as follows:

	<b>New Tax Rate</b>	<b>Previous Tax Rate</b>
Cigarettes (each)	29.5¢	29.0¢
Fine Cut (per gram)	28.5¢	28.0¢
Raw Leaf (per gram)	27.0¢	26.5¢

The tax rate per cigar remains 75% of its price at retail to a maximum of \$5.00 per cigar.

## CORPORATION CAPITAL TAX

- Banks, Trust and Loan Corporations** Effective for fiscal years ending after April 30, 2015, the corporation capital tax rate for banks, trust and loan corporations will change from 5% to 6%.
- Tax Rate Change** Banks, trust and loan corporations with taxable paid up capital (as an associated group), under \$4 billion continue to be exempt from Corporation Capital Tax.

Further information on **fuel tax, retail sales tax, tobacco tax and corporation capital tax**, contact:

**Winnipeg Office**  
 Manitoba Finance  
 Taxation Division  
 101 - 401 York Avenue  
 Winnipeg, Manitoba R3C 0P8  
 Telephone 204-945-5603 in Winnipeg  
 Toll Free 1-800-782-0318  
 Fax 204-948-2087

**Westman Regional Office**  
 Manitoba Finance  
 Taxation Division  
 314, 340 - 9th Street  
 Brandon, Manitoba R7A 6C2  
 Fax 204-726-6763

E-mail: [MBTax@gov.mb.ca](mailto:MBTax@gov.mb.ca)

## TAXATION DIVISION ONLINE SERVICES

Our website at [manitoba.ca/finance/taxation](http://manitoba.ca/finance/taxation) provides tax forms and publications about taxes administered by Taxation Division and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting the Taxation Division.

Our online service at [manitoba.ca/TAXcess](http://manitoba.ca/TAXcess) provides a simple, secure way to apply for, and to file, pay and view your Taxation Division tax accounts.