



FOR RELEASE
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Changes to the Income Tax Act mean savings for Yukon taxpayers

WHITEHORSE—Amendments to the *Income Tax Act* were passed in the Yukon legislature today. The suite of changes to the act includes reduced tax rates and improvements to the Yukon Child Benefit and the Yukon Children's Fitness Tax Credit.

"These amendments are supporting lower-income and middle class families," Premier Darrell Pasloski said. "The Yukon government is putting more money in Yukoners' pockets and stimulating the economy."

The amendments will provide more than \$5.3 million in savings in 2015 for Yukon taxpayers and are effective January 1, 2015.

The passage of the bill will see new tax rates for all existing tax brackets. The five per cent surtax on taxes payable over \$6,000 has been eliminated and a new tax bracket has been created for incomes over \$500,000.

There are also enhancements to the Yukon Child Benefit and the Yukon Child Fitness Tax Credit.

The Yukon Child Benefit is a monthly payment targeted at helping lower income families raise children. The annual amount per child is increasing from \$690 to \$820. The income threshold that triggers a reduction in this benefit is increasing from \$30,000 to \$35,000 per year starting with the July 2015 payment. These changes represent a 35 per cent increase in government's investment to the child benefit. There are approximately 1,200 families with 2,100 children who are eligible for the Yukon Child Benefit.

The amendments to the *Income Tax Act* also provide additional support to families by changing the Yukon Child Fitness Tax Credit from a non-refundable credit to a refundable credit. This change ensures that parents will receive the credit even if their income is too low to pay taxes.

The bill received assent today from The Honourable Doug Phillips, Commissioner of Yukon.

Learn more: Yukon Income Tax

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See backgrounder

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Backgrounder

New tax structure under the amended *Income Tax Act*

| Income tax bracket | Current rate | New rate |
|-----------------------|--------------|----------|
| \$0 – \$44,701 | 7.04% | 6.4% |
| \$44,701 – \$89,401 | 9.68% | 9.0% |
| \$89,401 – \$138,586 | 12.01% | 10.9% |
| \$138,586 – \$500,000 | 13.40% | 12.8% |
| \$500,000 and over | 13.40% | 15.0% |

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