



FOR RELEASE  
March 31, 2015

## **Yukon budget proposes significant tax relief for Yukoners**

WHITEHORSE—The Yukon government today announced significant changes to the *Income Tax Act* that will provide more than \$5.5 million in savings annually to Yukon taxpayers.

"These tax changes will put more money into Yukoners' pockets and help stimulate the economy," Premier Darrell Pasloski said. "Lower tax rates and several enhanced benefits will make Yukon an even better place to live and raise a family."

The amendments are effective January 1, 2015, and include new tax rates for all existing tax brackets. The 2015 budget will eliminate the five per cent surtax on taxes payable over \$6,000 and introduce a fifth tax bracket on incomes over \$500,000.

The changes will also include enhancements to the Yukon Child Tax Benefit, which applies to approximately 1200 Yukon families. The maximum annual amount per child will rise to \$820 from \$690, and the family income threshold for receiving the maximum benefit will increase to \$35,000 from \$30,000. These increases will begin with the July 2015 payment.

"These changes will have significant positive impacts on lower-income families," Pasloski added. "The Yukon Child Tax Benefit means that a single parent of two children earning \$35,000 will see a 45 per cent increase in his or her benefit."

The amendments to the *Income Tax Act* also provide additional support to families with modest incomes by changing the Yukon Children's 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 amendments to Yukon's *Income Tax Act* will be tabled during the spring sitting of the Yukon Legislative Assembly, and are subject to legislative approval.

-30-

See backgrounder

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## Backgrounder

### Proposed new tax structure under amended *Income Tax Act*

<i>Tax bracket</i>	<i>Current Rate including surtax</i>	<i>Proposed Rate</i>
\$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%

*News Release #15-110*



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