

Executive Summary

These recommendations were generated by consulting with constituents from Calgary Centre. They have written in sharing their recommendations for Economic Action Plan 2015. The three items I am bringing forward are: Improvements to the child fitness and recreation tax benefit; Provide a federal rent credit for the Calgary International Airport expansion; and improving tax fairness for Canada's Golf industry.

Item 1

Situation: Currently, parents who divorce and share their time with children do not receive the same child fitness and recreation tax benefit. For instance, if the higher income earner cares for children in the summer and places them in summer camps, the lower income parent is able to file for the tax credit without having actually paid for the camp. This is the case even if the higher income earner is making just a little bit more than the lower income earner.

Recommendation: Allow child care and fitness deductions to be claimed by either parent, up to the maximum amount per child, based on who paid for the activity or service.

Item 2

Situation: The Calgary International Airport (YYC) is currently engaged in one of Canada's largest construction projects. This \$2.5 billion Airport Development Program includes a new international terminal with 22 new gates, and a new parallel runway that has been in YYC's long term plans for over 40 years, including when it was managed by Transport Canada. The cost of the land rented from the Federal Government totals \$736M, all incurred as debt by YYC.

Recommendation: Introduce a Federal Rent Credit over 20 years (2016-2035) to recover the \$736M cost of the 4th runway; through an amendment to the Federal ground lease that commences 2016. The Rent Credit will be 100% applied to debt reduction.

Item 3

Situation: Due to a 1971 tax reform, the Canada Revenue Agency does not allow deductions for expenses incurred by business people entertaining clients at golf courses. Canada's 2,300 golf courses, most of whom are small business operators, feel that they cannot compete fairly with all the other industries where CRA does support entertaining clients. Over time, the unfairness of this discrimination against the golf industry has become more and more significant.

Recommendation: Allow business owners/people entertaining clients at golf courses to claim such expenses on income tax – comparable to other sectors of entertainment.