



eNews – June 24, 2024 STEP Canada Tax Technical Committee

RE: Federal Budget 2024 – Submission relating to Subsection 164(6), Misaligned Timing, and the Avoidance of Double Taxation

The Society of Trust and Estate Practitioners (Canada) sent a submission to Finance Canada on Friday, June 21st, 2024, which discusses the mechanics, history, and purpose of subsection 164(6) of the Income Tax Act (“the Act”) and suggests changes to improve the administration of the Act. The general scheme of the Act is to levy tax on income and capital gains and to avoid taxing the same income and gains twice. This submission recommends that the Department of Finance implement a technical update to align subsection 164(6) with the 36-month time frame found in other estate-related provisions, such as the definition of “graduated rate estate” and the rollover-on-death provisions in subsections 70(6), (9), (9.1), (9.2), and (9.3).

Many thanks to the members of the committee, Ian Lebane (Chair), Kenneth Keung (Co-Chair), Florence Marino, Ian Pryor, and contributors Jeannie Lim and Hemal Balsara.

The STEP Canada Tax Technical Committee is pleased to share this submission with its members [here](#) and in the “Resources” Section in your MY STEP profile on [step.ca](#).

Tax Technical Committee
STEP Canada

About STEP: The Society of Trust and Estate Practitioners is the leading international organization for trust and estates professionals. Headquartered in London, England, it has more than 22,000 members worldwide in over 100 countries.

STEP Canada, founded in 1998, has over 3,650 members with branches in the following cities and regions: Atlantic, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver, with chapters in Okanagan Valley, Saskatchewan, and Southwestern Ontario. STEP is a multidisciplinary organization with the most experienced and senior practitioners in the field, including lawyers, accountants, financial planners, insurance advisors, and trust professionals. They provide domestic and international advice on trust and estates, including planning, administration, and related taxes.