



eNews – November 7, 2022
STEP Canada Tax Technical Committee

RE: Update on Trust Reporting Rules, Reportable Transactions, and Notifiable Transactions following the 2022 Fall Economic Statement

The Department of Finance has delayed the implementation of the enhanced trust reporting rules, which were originally going to apply for trusts' taxation years ending after December 30, 2022. Bill C-32 (link below) provides that the new requirements will now apply to trusts' taxation years ending after December 30, 2023. Consequently, trusts wound up before the end of 2022 would not fall within the ambit of the new reporting rules.

<https://www.parl.ca/DocumentViewer/en/44-1/bill/C-32/first-reading>

With regard to the reportable/notifiable transaction proposals, the Department's news release included the following statement:

"In order to fully assess the feedback received as part of the public consultation on mandatory disclosure rules launched August 9, 2022, the government intends to delay the coming into force date of the reporting requirements for reportable transactions and notifiable transactions until the date on which a bill implementing these changes receives Royal Assent. The coming into force date for uncertain tax treatments would remain the same as described in August (i.e., taxation years beginning after 2022, with penalties only applying after Royal Assent)."

Link to the full statement:

<https://www.canada.ca/en/department-finance/news/2022/11/government-consults-canadians-to-advance-key-priorities.html>

STEP Canada's Tax Technical Committee will continue to monitor developments in these areas and apprise members as these initiatives progress.

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 100 over countries.

STEP Canada, founded in 1998, has over 3,250 members with branches in the following cities and regions: Atlantic, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, Vancouver and chapters in Okanagan Valley, Saskatchewan, and Southwestern Ontario. STEP is a multi-disciplinary 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.

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