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## **THE PERSONAL INCOME TAX SYSTEM AND CERTAIN GOVERNMENT FEES WILL BE INDEXED AT THE RATE OF 0.82% AS OF JANUARY 1, 2018**

**Québec, November 24, 2017** – In accordance with the *Taxation Act* and the *Financial Administration Act*, the personal income tax system and certain government fees will be indexed at the rate of 0.82% as of January 1, 2018.

This indexing rate, released today by the Ministère des Finances, corresponds to the annual percentage change in the Québec consumer price index, excluding the variation in the price of tobacco products and alcoholic beverages.

### **Tax relief of \$229 million for taxpayers**

Annual indexing protects Quebecers' purchasing power, by offsetting the overall increase in the prices of goods and services.

In concrete terms, this means that the value of a number of deductions and tax credits under the personal income tax system will increase by a level equivalent to the rise in consumer prices in Québec in 2017.

Tax relief of \$229 million will therefore be available to Québec taxpayers for 2018.

### **A \$22-million increase in last resort financial assistance**

In addition, last resort financial assistance benefits will be indexed as of January 1, 2018 at the same rate as the personal income tax system. This will provide approximately \$22 million in additional financial assistance to those in the greatest need.

### **Recognition of higher production costs for the government relative to certain fee-based public goods and services**

For 2018, the 0.82% indexing rate will also apply to government fees that are not yet subject to a specific indexing rule or set annually. Indexing reflects the increase in the cost of fee-based services without raising the user's share of the cost of providing these services.

Indexing is part of the fee practices set forth in the policy for the funding of public services. Over a full year, it will provide the government with additional revenue of nearly \$14 million, which will be used to fund and maintain the quality of public goods and services.

**Protection of Québec taxpayers' purchasing power totalling nearly \$238 million in 2018**

The combined impact of the indexing of the personal income tax system, certain fees for public goods and services, and last resort financial assistance benefits will enable the government to protect Québec taxpayers' purchasing power by nearly \$238 million in 2018.

**Information available on the Ministère des Finances website**

The document "Parameters of the Personal Income Tax System for 2018" presents the main changes stemming from the indexing announced today and is available on the Ministère des Finances website, at [www.finances.gouv.qc.ca](http://www.finances.gouv.qc.ca).

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