

MAINTENANCE OF 65 AS THE AGE OF ELIGIBILITY FOR THE TAX CREDIT WITH RESPECT TO AGE

Low- and middle-income seniors may claim the tax credit with respect to age, for persons living alone and for retirement income.

For the purpose of calculating this tax credit, the amounts with respect to age, for persons living alone and for retirement income granted to an individual for a year are added to the corresponding amounts granted to the individual's spouse. The aggregate of these amounts is subject to a single reduction based on household income, before being converted, at the rate of 20%, to a non-refundable tax credit that may be split between the spouses.

Up to and including 2015, the amount with respect to age was granted to all individuals who turned 65 before the end of the year for which the tax credit was claimed.

To implement the measures announced as part of Budget Speech 2015-2016, the *Taxation Act* was amended in order to gradually raise, as of the 2016 taxation year, the minimum age of eligibility for the amount with respect to age, reaching a minimum age of 70 for any taxation year after 2019.

It follows that, in the income tax return for the 2016 taxation year, no amount with respect to age may be claimed in respect of a person who was born in 1951, since that person was 65, not 66, years of age at the end of 2016.

To take into account the concerns raised by this reform in many households in which one of the members turned 65 years of age in 2016 or will reach that age in the coming years, the *Taxation Act* will be amended in order to maintain 65 as the minimum age of eligibility for the amount with respect to age, retroactive to the 2016 taxation year.

Thus, individuals who were born in 1951, or whose spouse was born in 1951, may enter \$2 485 on line 22 or 23, as the case may be, of Schedule B of their income tax return for the 2016 taxation year. In all cases where, for the 2016 taxation year, a taxpayer omits to claim an amount with respect to age in respect of a person born in 1951, Revenu Québec will make the necessary corrections.

For information concerning the matter dealt with in this information bulletin, contact Revenu Québec at 1 800 267-6299 (toll-free) or visit the Revenu Québec website, at www.revenuquebec.ca.

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