

Chiropractic, dental, and optometrist associations reiterate calls to repeal the proposed increase in capital gains

February 6, 2025 - Ottawa, ON: - We the Canadian Chiropractic Association, Canadian Dental Association, and Canadian Association of Optometrists, support announcements from political parties that commit to reversing the proposed increase to the capital gains tax inclusion rate from one-half to two-thirds. We hope that all federal political parties will pledge to reverse all increases on capital gains.

We welcome the federal government's recent announcement to defer from June 25, 2024 to January 1, 2026 the date on which the capital gains inclusion rate would increase. However, while this announcement is helpful in bringing more certainty to our healthcare professionals during the upcoming tax season, it does not go far enough. We continue to urge the federal government to fully cancel the capital gains increase for our healthcare workers.

Reversing this policy will significantly benefit our members, many of whom are small business owners who depend on their businesses for retirement.

At a time when primary care access is under significant strain, governments must use every possible tool to support the recruitment and retention of health professionals. The capital gains changes will not only add additional financial burden on health care providers, but may also disincentivize individuals from establishing new practices, especially in rural and remote communities which are chronically under served. The proposed increase risks stifling innovation and entrepreneurship within these professions. Higher taxes on capital gains will reduce the resources available for healthcare professionals to invest in new equipment, technology, and training, ultimately limiting their ability to adapt to evolving patient needs and deliver optimal healthcare outcomes.

Further, the proposed increase to the Lifetime Capital Gains Exemption (LCGE) to \$1.25M, may not fully offset the increased tax liabilities incurred by the higher inclusion rate of 67%. Many of our members plan their retirement based on the equity built in their businesses, and the new tax regime could significantly diminish the value they expect to derive from years of service.

Community healthcare clinics and small businesses are engines of economic activity and job creation. By imposing higher taxes on the returns generated from these investments, the federal government risks undermining the very businesses that are essential to strengthening our economy.

We are committed to working collaboratively with all decision-makers to find balanced solutions that support both our healthcare system and the financial security of healthcare providers.

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About the Canadian Chiropractic Association:

The Canadian Chiropractic Association (CCA) represents Canada's licensed chiropractors. The CCA advocates on behalf of the chiropractic profession and promotes the role of chiropractors in improving the health and well-being of Canadians. Through collaboration, education, and advocacy, the CCA works to advance the chiropractic profession and ensure its essential contribution to Canada's healthcare system.

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About the Canadian Dental Association:

The Canadian Dental Association (CDA) is a trusted national voice for dentists and leader working to improve the oral health of all people living in Canada. We promote oral health, support our members, and advance the dental profession. Founded in 1902, the Canadian Dental Association (CDA) is an association that has no regulatory role. It is a federally incorporated not-for-profit organization whose corporate members are Canada's provincial and territorial dental associations (PTDAs). CDA represents over 21,000 practising dentists nationwide and is a trusted brand and source of information for and about the dental profession on national and international issues.

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CANADIAN DENTAL ASSOCIATION
ASSOCIATION DENTAIRE CANADIENNE



CANADIAN ASSOCIATION OF OPTOMETRISTS
ASSOCIATION CANADIENNE DES OPTOMÉTRISTES

About the Canadian Association of Optometrists:

Optometrists are independent primary health care providers and represent the front line of vision health. Optometrists practice in various settings: most work in private practice, others work in clinics, hospitals, community health centres, corporate optometry, research, teaching and administration. The Canadian Association of Optometrists (CAO) is the national voice of optometry. Recognized at home and internationally as a leading advocate for the profession, CAO provides leadership and support to its 8,300+ members (optometrists, students and optometric assistants) to enhance the delivery of healthy eyes and clear vision for all Canadians. For more information, visit www.opto.ca.

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