

Clause 1

Deductions for payments

ITA

110(1)(f)(v)

Subparagraph 110(1)(f)(v) provides a deduction in the computation of taxable income for employment income earned by members of the Canadian Forces or a police force serving on a deployed operational mission based on a particular risk score as determined by the Department of National Defence. The maximum amount that an individual may deduct in a taxation year cannot exceed the highest level of pay earned by a non-commissioned member of the Canadian Forces.

Clause 110(1)(f)(v)(A) is amended to extend this tax deduction to all Canadian Forces members and police officers participating in deployed international operational missions (as determined by the Department of National Defence), without the requirement that a particular risk score be associated with the missions.

Clause 110(1)(f)(v)(B) is also amended to increase the maximum amount that an individual may deduct in a taxation year to the highest level of pay earned by a Lieutenant-Colonel of the Canadian Forces.

These amendments apply to the 2017 and subsequent taxation years.

Designated mission

ITA

110(1.3)

Subsection 110(1.3) provides the Minister of Finance the authority to, upon the recommendation of the Minister of National Defence (for Canadian Forces members) or the Minister of Public Safety (for police officers), designate a mission for the purposes of subclause 110(1)(f)(v)(A)(II).

Consequential on the amendment to clause 110(1)(f)(v)(A), subsection 110(1.3) is repealed. For more information, see the notes to subparagraph 110(1)(f)(v).

This amendment applies to the 2017 and subsequent taxation years.