

November 21, 2024
Greater Toronto Area, Ontario

The past few years have been challenging. It feels like the price of everything has gone up. And while inflation is cooling and interest rates are dropping, we know that Canadians aren't feeling that in their household budgets yet.

Our government can't set prices at the checkout, but we can give Canadians more money in their pocket – to help them afford the things they need and save for the things they want.

Starting December 14, 2024, we're giving a tax break to all Canadians. With a GST/HST exemption across the country, Canadians will be able to buy essentials like groceries, snacks, and kids clothing – all tax-free.

This new tax break will apply to:

- Prepared foods, including vegetable trays, pre-made meals and salads, and sandwiches.
- Restaurant meals, whether dine-in, takeout, or delivery.
- Snacks, including chips, candy, and granola bars.
- Beer, wine, cider, and pre-mixed alcoholic beverages below 7 per cent ABV.
- Children's clothing and footwear, car seats, and diapers.
- Children's toys, such as board games, dolls, and video game consoles.
- Books, print newspapers, and puzzles for all ages.
- Christmas trees.

This tax break is projected to last until February 15, 2025. By making essentially all food GST/HST free, this will deliver meaningful savings for Canadians, with real relief at the cash register.

Working Canadians will also get some cash back, with a new **Working Canadians Rebate**. That means Canadians who worked in 2023 and earned up to \$150,000 will see a \$250 cheque in their bank account or mailbox, starting early spring 2025. With the Working Canadians Rebate, we are putting money directly into the pockets of the middle-class – those who have worked hard to beat inflation. This will give 18.7 million Canadians that extra help to buy what they need.

We encourage Parliament and all parties to get this legislation passed quickly and unanimously so workers and working families get more money in their pocket.

Families will be spending quality time together over the coming weeks. Some will light Christmas trees and buy gifts. Some will share a meal with family and friends. Some might just make hot chocolate, order some takeout, and stay in for a movie night. With

today's announcement, we're making life a bit easier, so Canadians have more money in their pocket for the things they want.

Quotes

“Our government can't set prices, but we can give Canadians, and especially working Canadians, more money back in their pocket. With a tax break for all Canadians and the Working Canadians Rebate, we're making sure you can buy the things you need and save for the things you want.”

— The Rt. Hon. Justin Trudeau, Prime Minister of Canada

“The holiday season is when expenses are highest for many Canadians and their families – even with inflation back down to 2 per cent and interest rates being cut four times this year. With new tax relief on groceries and seasonal expenses and a rebate for working Canadians, we are reducing costs when they are highest for Canadians. This is about helping you celebrate with family and friends and start 2025 with a little extra money in your bank account.”

— The Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance

Quick Facts

- The GST/HST would be fully relieved on the supply or importation of qualifying goods for a period beginning on December 14, 2024, and ending on February 15, 2025. Further implementation details, including all qualifying goods, are available [here \(https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-a-tax-break-for-all-canadians.html\)](https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-a-tax-break-for-all-canadians.html).
- Canadians who have claimed tax credits for Canada Pension Plan/Quebec Pension Plan contributions or for Employment Insurance (EI) or Quebec Parental Insurance Plan (QPIP) premiums, and those who reported income from EI or QPIP benefits, with individual net income below \$150,000 in 2023, would be eligible for the Working Canadians Rebate. Eligible Canadians would begin receiving the payments starting in spring 2025. More information on the rebate is available [here \(https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-the-working-canadians-rebate.html\)](https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-the-working-canadians-rebate.html).
- The government is focused on making life more affordable for Canadians, with actions that are already saving families and individuals thousands of dollars a

year, including:

- o A new National School Food Program (<https://www.canada.ca/en/employment-social-development/programs/school-food.html>), with \$1 billion over five years to provide meals for up to 400,000 more kids each year, ensuring all children have the food they need to have the best start in life, regardless of their family circumstances. The Program is expected to save the average participating family with two children \$800 per year in grocery costs, with lower-income families benefitting the most.
- o More money through the Canada Child Benefit (<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview.html>), to help with the costs of raising children and make a real difference in the lives of children in Canada. The Canada Child Benefit, which is providing up to nearly \$8,000 per child in 2024-25, is indexed annually to keep up with the cost of living and has helped lift hundreds of thousands of children out of poverty since its launch in 2016.
- o Saving families up to \$14,300 per child, per year, with the Canada-wide \$10-a-day child care system (<https://www.canada.ca/en/employment-social-development/campaigns/child-care.html>), which has already cut fees for regulated child care to an average of \$10-a-day or less in over half of all provinces and territories and by 50 per cent or more in all others.
- o Saving families about \$730 per year with the Canadian Dental Care Plan (<https://www.canada.ca/en/services/benefits/dental/dental-care-plan.html>), which is already available for children under 18, with family incomes under \$90,000, because no one should have to choose between taking care of their kids' teeth and putting food on the table.

Related Products

- More money in your pocket: A tax break for all Canadians (<https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-a-tax-break-for-all-canadians.html>)
- More money in your pocket: The Working Canadians Rebate (<https://www.canada.ca/en/departement-finance/news/2024/11/more-money-in-your-pocket-the-working-canadians-rebate.html>)