

Tax Reductions for Seniors

Budget 2013 will:

- exempt more of the province's poorest seniors from paying provincial income tax and return a greater portion of income tax to more seniors. In the last four years, 17,000 low-income seniors receiving the Guaranteed Income Supplement benefited from not having to pay provincial income tax. This put an average of \$450 back into the hands of seniors who needed it most. Starting January 1, 2014, that number will increase to 25,000. An additional 4,000 seniors will also have a portion of their income tax returned to them through a new provincial \$1,000 non-refundable Age Amount tax credit. In total, 29,000 seniors will receive more income tax relief.
- help low-income seniors stay in their home by investing \$650,000 to increase the maximum property tax rebate by \$200, bringing the total rebate up to \$800. Of the 15,000 seniors already receiving this rebate, 4,000 will benefit from the increase.

Graduate Retention and First-Time Home Buyers Rebates

Budget 2013 will:

- invest an additional \$6 million in the Graduate Retention Rebate Program for new graduates. University students who graduated in 2009 and after can reduce their provincial income taxes through the Graduate Retention Rebate. Starting the year they graduate, and in each of the next five years, graduates who remain in Nova Scotia get a rebate of up to \$2,500 each year to a maximum of \$15,000 over a six-year period. Graduates with a diploma or certificate from a university or college in 2009 and after can receive a tax credit worth up to \$1,250 per year, totaling a maximum of \$7,500 over a six-year period.
- help people purchase their first home through the First-Time New Home Buyers Rebate. The province will refund 18.75 percent, up to \$3,000, of the provincial portion of the HST on new homes bought by first-time buyers.

Tax Cut for Small Business

Budget 2013 will:

- reduce tax rates for the majority of small businesses for the fourth year in a row. On January 1, 2014, the government will reduce the rate of corporate income tax for small businesses to three per cent. Over four years, that is a drop of two percentage points in income tax and almost \$78 million in savings for small business that can be reinvested to compete, grow, and hire. The combined impact of these reductions will save small business \$26 million in 2013–2014, and over \$33 million per year when fully implemented. The small business limit threshold will now be \$350,000.

Film Tax Credits

Twenty-eight thousand Nova Scotians work in arts and culture industries, contributing almost \$1.2 billion to our economy. The province is working with the industry to help provide the support needed to create more opportunities for all Nova Scotians.

Budget 2013 will:

- continue support for the Film Industry Tax Credit. Since enhancements to this credit were announced in 2010, the film industry has received over \$62 million. It will receive another \$24 million in 2013–2014 that can be used to foster continued growth and employment opportunities. Producers are encouraged to hire locally because they can continue to claim between 50 and 60 percent of eligible Nova Scotia labour without any cap. The Digital Media Tax Credit will continue in 2013. Going forward, the province will work with creative industry partners on how to best serve this industry.

Tobacco Tax

Budget 2013 will:

- increase the cost of tobacco products by 2 cents per cigarette or gram of fine-cut tobacco (effective April 5). This will generate \$18.1 million that the province can use to support services that matter most to Nova Scotians, including better care sooner, high-quality education for children, and opportunities to create good-paying jobs. This is the first increase to cigarette prices in four years.