

Canadian Cattle Association and Canadian Cattle Youth Council Urge Government to Press Pause on Capital Gains Changes to Save Family Farms

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Ottawa, ON The Canadian Cattle Association (CCA) represents the country's 60,000 beef farms and feedlots, where the majority are family owned and have operated for multiple generations.

By announcing the proposed tax changes in the Federal Budget on April 16, 2024 with an effective implementation date of June 25, 2024, the Government of Canada is not providing Canadian farm businesses with enough runway to fully assess the potential implications of these changes for farm succession tax planning purposes and adjust accordingly.

Budget 2024's proposed increase to the capital gains inclusion rate has the potential to negatively impact family farm succession planning. CCA and the Canadian Cattle Youth Council is calling on the Government of Canada to pause implementation and thoroughly study the proposed changes to understand the impacts.

"We need to ensure that the beef industry remains strong and competitive by providing all the means necessary for smooth family farm transition planning," commented Scott Gerbrandt, Canadian Cattle Youth Council, President.

CCA and its Youth Council urge the federal government to exempt beef cattle producers and other farmers from the increase to capital gains and ensure that these measures do not jeopardize the smooth intergenerational transfer of assets.

"Our producers and accountants have not had enough time to properly assess the magnitude of implications these changes will have on the beef industry. We urge the government to press pause on this implementation and have discussion about the impacts with farmers more fully," stated Nathan Phinney, CCA President.

We want to hear from Canadian farmers of all ages and all parts of Canada how these proposed capital gains changes may affect the succession of their family farming operations. Farmers can share their stories about how their farm succession planning may be impacted by contacting us at advocacy@cattle.ca.

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