

ACPM January 2025 Newsletter

I. LEGISLATION

Federal

Federal Government Amends Income Tax Regulations

On December 4, 2024, the federal government published *Regulations Amending the Income Tax Regulations (Technical Amendments)* in the Canada Gazette, Part II (the Regulations).

The Regulations make various technical amendments to the federal *Income Tax Regulations*, intended to offer certainty in the interpretation of certain tax rules. To learn more please see the following Blakes Bulletin: [Canadian Registered Pension Plans Impacted by Recently Amended Income Tax Regulations](#)

Federal Government Amends Income Tax Regulations

Department of Finance Releases 2024 Fall Economic Statement with Pension-Related Measures

On December 16, 2024, the Department of Finance released the [2024 Fall Economic Statement \(FES\)](#). The FES announces a number of measures that will be of interest to Canadian pension funds. To learn more please see the following Blakes Bulletin: [Canada's Department of Finance Releases 2024 Fall Economic Statement With Impacts to Pensions](#)

Department of Finance Releases 2024 Fall Economic Statement with Pension-Related Measures

Alberta

Alberta Introduces Bill to Prohibit Pension Plan Ownership of Agricultural Controlled Land

On November 28, 2024, Alberta introduced Bill 215, *Prohibiting Ownership of Agricultural Lands (Pension Plans and Trust Corporations) Act*, for first reading. This Bill modifies the *Agricultural and Recreational Land Ownership Act* and the *Loan and Trust Corporations Act*, with the purported goal of enabling the long-term sustainability of Alberta's agriculture industry.

If enacted, Bill 215 would prohibit a pension plan or trust corporation from taking, acquiring, or otherwise obtaining or holding an interest in "agricultural controlled land", as will be defined in the amended *Agricultural and Recreational Land Ownership Act*. However, this will not bar a pension plan or trust corporation from holding, transferring or otherwise disposing of an interest in agricultural controlled land that it held immediately before the Bill's coming into force.

Alberta Introduces Bill to Prohibit Pension Plan Ownership of Agricultural Controlled Land

Quebec

Quebec Passes Budget Bill 75 with Pension-Related Amendments

On December 5, 2024, Bill 75, *An Act to give effect to fiscal measures announced in the Budget Speech delivered on 12 March 2024 and to certain other measures* received Royal Assent. Bill

75 made amendments to various acts, including but not limited to the *Tax Administration Act* and the *Taxation Act*.

Among other pension-related changes, Bill 75 makes certain amendments that would impact the taxation of pension entities and the pension rebate under the *Act respecting the Quebec sales tax*.

[Quebec Passes Budget Bill 75 with Pension-Related Amendments](#)

Quebec Passes Budget Bill 80 with Pension-Related Amendments

On November 29, 2024, Quebec passed Bill 80, *An Act respecting the implementation of certain provisions of the Budget Speech of 12 March 2024 and amending other provisions*. Bill 80 amends the *Act respecting the Quebec Pension Plan*, *Supplemental Pension Plans Act* (SPPA), and *Voluntary Retirement Savings Plans Act*, among other acts.

In particular, Bill 80 will amend the SPPA and the *Voluntary Retirement Savings Plans Act* to regulate the pensions paid into a variable payment life pension fund and establish rules concerning the benefits payable in the event of the death of the beneficiary of such a pension. These amendments will come into force on a date to be determined by the Government.

[Quebec Passes Budget Bill 80 with Pension-Related Amendments](#)

Revenu Quebec Publishes 2025 Guide for Employers: Source Deductions and Contributions

On January 1, 2025, Revenu Quebec published their 2025 Guide for Employers: Source Deductions and Contributions, which details, among other things, the amount that an employer must deduct, under section 60 of the *Act respecting parental insurance* and section 59 of the *Act respecting the Quebec Pension Plan*, from the remuneration it pays to its employee, and the amount of income tax that a person must deduct or withhold in accordance with section 1015 of the *Taxation Act*.

[2025 Guide for Employers: Source Deductions and Contributions](#)

Quebec Publishes Regulation to amend the Regulation respecting contributions to the Quebec Pension Plan

On December 11, 2024, Quebec published the *Regulation to amend the Regulation respecting contributions to the Quebec Pension Plan*. This Regulation establishes the rate that an employer is to use for years subsequent to 2024 to calculate the deduction at source in relation to an employee's base contribution and first additional contribution to the Quebec Pension Plan.

This Regulation comes into force on the date of its publication, December 11, 2024.

[Quebec Publishes Regulation to amend the Regulation respecting contributions to the Quebec Pension Plan](#)

II. OTHER INDUSTRY NEWS

Federal

OSFI Updates Guidance for Negotiated Contribution Plans

On November 25, 2024, the Office of the Superintendent of Financial Institutions (OSFI) released a revised Guide on the Administration of Negotiated Contribution Plans (the Guide). The Guide is designed to:

- outline OSFI's expectations for managing the funding limitations of negotiated contribution plans;
- emphasize the different requirements for funding and determination of pension benefit credits for negotiated contribution plans as compared to other defined benefit pension plans; and
- set out the enhanced disclosure that administrators of negotiated contribution plans must provide to members and former members and their spouses or common-law partners and to survivors entitled to benefits under the plan.

The Guide is revised following recent amendments to the *Pension Benefits Standards Act, 1985* (PBSA) and the *Pension Benefits Standards Regulations, 1985* (PBSR). If there is a discrepancy between the Guide and the PBSA or PBSR, the legislation prevails.

[OSFI Updates Guidance for Negotiated Contribution Plans](#)

OSFI Publishes Issue 31 of InfoPensions Newsletter

On November 28, 2024, the Office of the Superintendent of Financial Institutions (OSFI) published Issue 31 of its InfoPensions newsletter (the Newsletter). The Newsletter includes a summary of OSFI's investment risk review, clarification on information to be included in solvency information returns and various other legislative and regulatory updates.

[OSFI Publishes Issue 31 of InfoPensions Newsletter](#)

OSFI Publishes Maximum Annual Amount Paid from LIFs, RLIFs, and Variable Benefit Accounts for 2025

On December 12, 2024, the Office of the Superintendent of Financial Institutions (OSFI) published a table listing the maximum annual amount of income that may be paid from a Life Income Fund, a Restricted Life Income Fund, and a Variable Benefits Account in 2025.

[OSFI Publishes Maximum Annual Amount Paid from LIFs, RLIFs, and Variable Benefit Accounts for 2025](#)

CRA Updates Options to Submit Registered Plans Directorate Forms

On November 28, 2024, the Canada Revenue Agency (CRA) announced that it was modifying the options available for submitting Registered Plans Directorate (the Directorate) forms. Starting January 2025, filing with Web Forms will no longer be an option.

The Directorate plans to create a secure portal that will permit the deferred income and saving plans industry to view and modify plan information, submit documents, open new accounts, and more. In the meantime, 2025 filing options for Registered Plans Directorate forms can be found on the Government of Canada's website.

[CRA Updates Options to Submit Registered Plans Directorate Forms](#)

[2025 Filing Options for Registered Plans Directorate Forms](#)

CRA Announces 2025 ALDA Limit

On November 29, 2024, the Canada Revenue Agency (CRA) announced that the 2025 Advanced Life Deferred Annuity (ALDA) dollar limit will be \$180,000.

[CRA Announces 2025 ALDA Limit](#)

CRA Updates RC4120, T4130 and T4001

On November 28, 2024, the Canada Revenue Agency (CRA) updated Guide RC4120, Employers' Guide - Filing the T4 slip and Summary. Shortly afterwards, on December 3, 2024 and December 4, 2024, CRA updated Guide T4130, Employers' Guide - Taxable Benefits and Allowances, and Guide T4001, Employers' Guide – Payroll Deductions and Remittances, respectively.

Among other changes, the updated RC4120, T4130, and T4001 now provide guidance on deducting second additional CPP contributions, also known as CPP2.

[RC4120](#)

[T4130](#)

[T4001](#)

British Columbia

BCFSA Releases Report on Pension Plans Registered in B.C. 2023

On November 29, 2024, the British Columbia Financial Services Authority (BCFSA) published its 2023 Report on Pension Plans Registered in British Columbia (the Report), as well as an accompanying factsheet. Drawing on data from over 600 plans, BCFSA announced that, overall, British Columbia pension plans remained strong and fully funded through 2023. The Report summarizes data collected with respect to plan membership, contributions, benefit payments and pension fund investments.

[BCFSA Releases Report on Pension Plans Registered in B.C. 2023](#)

Quebec

Retraite Quebec Updates Fee Schedule

On November 26, 2024, Retraite Quebec updated its pension plan fee schedule to reflect:

- the fees applicable as of December 31, 2024, and published in Part 1 of the Gazette officielle du Quebec (French only) of November 23, 2024; and
- the cancellation of the benefit related to a flexible pension plan provided for in section 32 of the *Regulation to amend the Regulation respecting the exemption of certain categories of pension plans from the application of provisions of the Supplemental Pension Plans Act*, which came into force on November 21, 2024.

[Retraite Quebec Updates Fee Schedule](#)

Retraite Quebec Announces 2025 LIF Rates

On December 5, 2024, Retraite Quebec announced that the prescribed rates for a life income fund (LIF) in 2025 are:

- 6% for the calculation of the upper limit of the life income for a person under age 55; and
- 4.5% when the financial institution chooses the method described in the regulation for the estimate of the life income of a person aged 55 and over.

[Retraite Quebec Announces 2025 LIF Rates](#)