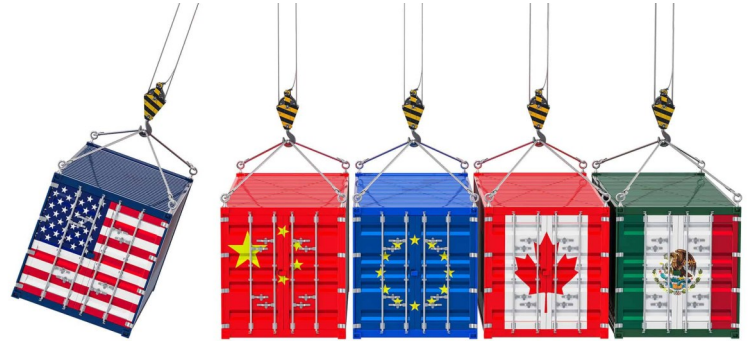


IN THE LOOP

Tariffs On ... Tariffs Off ... Breathe In ... Breathe Out ...

Well, 2025 has been an emotional roller coaster for Canadians, with the threat of 25% tariffs on all goods sold into the United States hanging over our collective heads.

We have been granted a 30 day reprieve on general tariffs, based on additional border measures our government has promised to implement. However, it sounds like steel and aluminum may soon be subject to them. Like most, we will continue to monitor this fluid situation and the potential impacts it might have.



Prediction Season is Upon Us

Despite dismal track records, the start of the year always brings fresh stock market predictions. Looking back, 2024 was no exception with the average analyst S&P forecast coming in around 4% and not one analyst coming anywhere close to predicting the 2024 S&P 500 return of 23.3%. JP Morgan, a firm that many would assume would have extensive market knowledge, was the furthest off, with a forecast of -11% for 2024.

I have attached a 'Prediction Season' summary from Dimensional Fund Advisors. Feel free to review just how far off 2024 predictions were. If there is one thing we can predict, it is that 2025 will be unpredictable.

Capital Gains Update

The Department of Finance announced the proposed increase to the capital gains inclusion rate will be deferred to January 1, 2026, from the original proposed date of June 25, 2024. On January 1, 2026, the rate will increase from 50% to 66^{2/3}% on capital gains realized annually above \$250,000 by individuals and on all capital gains realized by corporations and most types of trusts. However, with the upcoming change in leadership for the current government and a federal election at some point in 2025, it is unknown if the proposed changes will ever make it into law.

2024/2025 Income Tax & Contribution Information

Income tax season is fast approaching! Below are some important deadlines to note along with some helpful resources.

- TFSA Contribution limit for 2025 remains at \$7,000
- TFSA Lifetime Contribution room is now \$102,000, providing you have been eligible for TFSA contributions since 2009
- 2024 RRSP Contribution deadline is March 3, 2025 — **Please contact us by February 23 to make any contributions**
- Those with FHSA accounts can contribute up to an additional \$8,000 in 2025
- RRSP contribution slips for the first 60 days of 2025 will be available online around the 3rd week in March
- All tax slips can be found under the 'Documents' tab through the [Client Portal](#) online

Please visit the [Resources](#) page on our website to find useful links such as an [Income Tax Checklist](#), and a [Detailed Income Tax Information Sheet](#), which provides a detailed summary of everything you need to know about tax slips from your investments.



REMINDER

The deadline to file and pay your **2024** taxes is **April 30, 2025**