

# CRA Defers Implementation Date for Application of Advantage Rules to Investment Management Fees

September 27, 2017

On September 27, 2017, the Canada Revenue Agency (the "CRA") announced that it would be deferring the implementation date of the advantage tax rules to investment management fees from January 1, 2018 to January 1, 2019.

At the November 29, 2016 CRA round table hosted by the Canadian Tax Foundation, CRA representatives spoke to the application of the advantage rules to payments of management fees by the annuitant of an RRSP or RRIF or the holder of a TFSA ("registered plans"). **At the round table, the CRA took the position that management fees paid by the registered plan annuitant or holder constitute an advantage under Part XI.01 of the Income Tax Act (Canada).**

The CRA previously stated it would be releasing its Folio on the advantage rules in early 2017, with a proposed implementation date of January 1, 2018. However, the CRA is still considering a number of submissions from various stakeholders so the proposed implementation date has been extended by one year to January 1, 2019.

[Please refer to our previous article posted after the CRA round table for a discussion on these expected changes.](#)

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