



# Canadian tax alert

## 2012 New Brunswick budget highlights

March 27, 2012

The Minister of Finance, Blaine Higgs, presented the 2012 New Brunswick budget this afternoon.

The budget focus is on restraint, efficiency and targeted revenue increases. The 2012-2013 operating deficit is projected at \$182.9 million, with an aggregate net debt of \$10.8 billion the end of the fiscal year. Revised estimates in respect of the 2011-2012 fiscal year project the deficit to be \$471 million with net debt of \$10.1 billion.

Economic growth is forecast at 2.1% for New Brunswick in the 2013 fiscal year, with 2012 growth of 1.3%.

### The Future of Tax

- Deloitte is Canada's largest tax practice and a global tax firm with a unique perspective on competitive tax policy and the key drivers of national prosperity.
- With the right tax policy, we believe that Canada can be more productive and globally competitive. The key lies in creating a tax ecosystem capable of fostering innovation and investment while supporting the objective of a balanced budget.
- [www.thefutureoftax.ca](http://www.thefutureoftax.ca)
- **The Future of Productivity**

### Income Tax Changes

There are no changes announced with respect to corporate or personal income tax rates with the exception of the following:

- Financial Corporation Capital Tax will be increased from 3.0% to 4.0% effective April 1, 2012.
- The dividend tax credit for individuals in respect of dividends received from corporations subject to the general corporate income tax rate will be "reviewed". No specific changes are proposed within the budget documents.

### Real Property Transfer Tax

- The Real Property Transfer Tax will increase from 0.25% to 0.5% effective June 1, 2012

### Mineral Resource Royalty Structures

Although not specific in the budget documents, the government has been reviewing the royalty structure with a view to increasing revenue from development of natural resources.

### Balancing the Budget

The government has indicated its intention to return to a balanced budget by 2014-2015.

Visit **this page** for our continuing coverage of all provincial and federal budgets.

Deloitte will provide nationwide coverage of the federal budget — to receive our alert, subscribe to “Canadian tax alerts and federal/provincial budget highlights” on our **subscriptions page**.

---

## Contacts

### Canadian Managing Partner, Tax

Andrew W. Dunn  
416-601-6227

### National Tax Policy Leader

Albert Baker  
416-643-8753

### Saint John

B. David Nielsen  
506-663-6655

---

[Home](#) | [Security](#) | [Legal](#) | [Privacy](#)

PO Box 6549, 44 Chipman Hill  
7th Floor, Brunswick House  
Saint John, NB E2L 4R9

© Deloitte & Touche LLP and affiliated entities.  
TM/MC © Used under license from the Canadian Olympic Committee, 2011.

This publication is produced by Deloitte & Touche LLP as an information service to clients and friends of the firm, and is not intended to substitute for competent professional advice. No action should be initiated without consulting your professional advisors. Your use of this document is at your own risk.

Deloitte, one of Canada's leading professional services firms, provides audit, tax, consulting, and financial advisory services through more than 8,000 people in 56 offices. Deloitte operates in Québec as Samson Bélair/Deloitte & Touche s.e.n.c.r.l. Deloitte & Touche LLP, an Ontario Limited Liability Partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

[www.deloitte.ca](http://www.deloitte.ca)  
**Unsubscribe**

 [Deloitte RSS feeds](#)



ca” to your safe senders list to ensure delivery to your inbox and to view images.