

September Tax Moves

Benefits, Breaks & CRA Shifts



TAX



INTRODUCING

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Canada Disability Benefit

September Tax Tidbits, New 14% Lowest Bracket Tax Rate, Canada Disability Benefit Launch, CRA's SELT Relief Tool, First-Time Home Buyers' GST Rebate, Rate Pulse & Tax Deadlines

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President's Message

Dear Valued Clients,

As we welcome the fall season, it's a good time to pause and take stock of the year so far — and prepare for the final quarter ahead. Tax rules continue to evolve, with new benefits, compliance requirements, and proposals that may affect both individuals and businesses.

This month's newsletter highlights several key updates, from the reduction in the lowest federal tax bracket to the launch of the Canada Disability Benefit, and new opportunities like the GST rebate for first-time home buyers. We also draw attention to important CRA administrative changes, such as the move to online mail for businesses, that may impact how you receive and respond to correspondence.

At Assentt Wealth, our priority is to keep you informed and supported through these changes. If any of the topics raise questions about your own situation, please don't hesitate to reach out — our team is here to guide you with clarity and confidence.

Wishing you a productive September, a strong finish to 2025, and joyful celebrations during Dussehra, Diwali, and the many festivals that bring families and communities together this season.

Balbir Singh Saini

Balbir Singh Saini, CPA, CGA
President, Assentt



Our Services

At Assentt, our services are designed to cater to your financial needs with excellence and precision. Whether you are looking for financing options, mortgage & leasing solutions, or tax and accounting support, we have you covered with our professional expertise.

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|------------------------------|-------------------------------|-------------------------------------|
| ✦ Accounting & Taxation | ✦ USA Tax & Accounting | ✦ Govt. Audit Representation |
| ✦ Audit & Review Engagements | ✦ Business Plan & Projections | ✦ Equipment Leasing |
| ✦ Truck Loan | ✦ Private Mortgage | ✦ Residential & Commercial Mortgage |
| ✦ Asset Based Financing | ✦ Canada Small Business Loan | ✦ Business Purchase & Sale |
| ✦ Working Capital Loan | ✦ Technology Consulting | |

September Tax Tidbits

News that can make the difference

Lowest Tax Bracket Cut to 14%

The federal government has reduced the bottom personal tax bracket from 15% to 14% effective July 1, 2025 (14.5% for 2025, 14% for 2026 onward). While this means lower tax for many, the value of personal tax credits will also shrink slightly.

Apply Now - Canada Disability Benefit

Now Open - Applications are open for the new income-tested Canada Disability Benefit. Eligible individuals must already qualify for the Disability Tax Credit. Apply online, by phone, or at a Service Canada centre.

CRA's New Relief Tool (SELT)

CRA has launched the Self-Evaluation and Learning Tool (SELT), allowing taxpayers to check if they may qualify for penalty and interest relief before filing a formal request.

Small Business Carbon Rebate Clarified

Draft legislation confirms that the carbon rebate for small businesses will be non-taxable, retroactive to the start of the program. CRA will process amended corporate returns once the law is passed.

Uncashed CRA Cheques

More than 10 million CRA cheques remain uncashed — some dating back to 1998. Log into your CRA My Account to see if money is waiting for you.

**READ LAST
MONTHS'
NEWSLETTER**



Apprenticeship Support

New grant of up to \$8,000 (convertible to an interest-free loan if incomplete) plus better mobility deductions and EI supports for tradespeople.

Tariff War Impacts

Canada-U.S. trade tensions are affecting exporters and supply chains. Businesses tied to cross-border trade should prepare for possible cost increases.

Bank of Canada Rate Cut

On September 17, 2025, the Bank of Canada lowered its key rate from 2.75% to 2.50% to support growth as inflation cools. This brings some relief for borrowers with variable debt, but may reduce returns on savings.

Gold's Strong Return

Global uncertainty has fueled a surge in gold prices this year by up to 40%, delivering double-digit returns for many investors. While gold is often viewed as a safe-haven, its rapid rise also brings volatility. Diversification remains key to managing risk.

Crypto Current in Canada

Cryptocurrency activity continues to grow. CRA reminds taxpayers that gains from trading, mining, and staking remain fully taxable.

Canada Disability Benefit (CDB)

The Canada Disability Benefit (CDB) is a new, income-tested federal benefit designed to provide additional financial support to working-age Canadians living with disabilities. Applications are now open, and eligible individuals may apply online, by phone, or in person at a Service Canada Centre.

Who is Eligible?

- 🦋 **Age:** 18 to 64 years old.
- 🦋 **Disability Status:** Must already qualify for the Disability Tax Credit (DTC).
- 🦋 **Residency:** Must be a Canadian resident.
- 🦋 **Income:** The benefit is income-tested, meaning the amount received will depend on household income and other government supports.

How to Apply

- 🦋 **Online:** Through your My Service Canada Account.
- 🦋 **By Phone:** Call Service Canada's designated support line.
- 🦋 **In Person:** Visit a Service Canada Centre for assistance.

Applicants will need their DTC approval letter, personal identification, and banking details for direct deposit.

Benefit Amount

While the final monthly payment depends on income, province of residence, and other supports, the benefit is designed to top up income levels so that individuals with disabilities do not fall below a basic standard of living.

- 🦋 **Income-tested:** Higher income may reduce or eliminate entitlement.
- 🦋 **Stackable with other programs:** The CDB is intended to work alongside provincial disability payments, CPP-Disability, and Old Age Security (when eligible).
- 🦋 **Goal:** Provide a consistent source of income support to reduce financial stress and cover essentials like rent, groceries, medications, and assistive technologies.

Why it matters?

- 🦋 **New Source of Income:** Offers a steady benefit for those who may not qualify for other income supports.
 - 🦋 **Stackable with Other Benefits:** The CDB is separate from provincial disability programs, Old Age Security (OAS), or Canada Pension Plan Disability (CPP-D).
 - 🦋 **Reduced Financial Stress:** Helps cover essentials like housing, food, and medical needs.
- Peace of Mind for families:** Parents or Caregivers supporting disabled family members can also benefit indirectly from this additional financial security.

Key Takeaways – Applications are now open for Canada Disability Benefit. If you qualify for the Disability Tax Credit, this new benefit can provide added monthly financial support.



Federal Tax Bracket Reduction

What the new 14% bracket means for paycheques, credits, and year-end planning.

What it means for you

The federal government has introduced a reduction to the lowest personal income tax bracket, a move intended to provide broad-based relief to Canadian taxpayers. Effective July 1, 2025, the rate applying to the first level of taxable income has been reduced from fifteen percent to fourteen percent. Because the change comes midway through the calendar year, the blended rate for 2025 will be approximately fourteen and a half percent, before moving fully to fourteen percent beginning in 2026.

What Changed

The federal government has reduced the lowest personal income tax bracket from fifteen percent to fourteen percent. The change took effect July 1, 2025, creating a blended rate of roughly fourteen and a half percent for this year, with the full fourteen percent rate applying from 2026 onward.

Who Benefits

Because the lowest bracket applies to all taxpayers with income above the basic personal amount, virtually every working Canadian will see some relief. Lower- and middle-income households may notice the most meaningful difference, while higher-income taxpayers will also see modest savings.

Impact of Credit Adjustments

The government also reduced the rate applied to non-refundable personal tax credits. While the tax cut lowers payable tax, the smaller credits offset some of the benefit. The net result is still positive, though less than the headline reduction might suggest.

Payroll Implementation

Employers were asked to update payroll systems starting in July. For most Canadians, this means slightly higher take-home pay for the rest of 2025. Employees should review recent pay stubs to ensure the change has been applied correctly.



Example in Practice

A taxpayer with fifty thousand dollars of taxable income will see small savings in 2025 due to the blended rate, and a larger benefit in 2026 once the full-year reduction is in effect. For many households, the change will amount to several hundred dollars saved annually.

Broader Economic Context

This measure reflects both policy promises and economic realities. Inflation has slowed but remains above target in key areas such as housing and food. At the same time, growth is softening and households are feeling cost pressures. Cutting the lowest tax bracket provides broad-based relief, while also injecting a measure of consumer stimulus into the economy.

Key Takeaway

Although the savings may be modest, the rate cut is a structural change that will deliver ongoing annual benefits for Canadians. Reviewing your tax situation before year-end can help ensure you maximize the advantage, especially when combined with other credits and provincial measures.

CRA's New Relief Tool (SELT) — A Step Toward Fairness

The Canada Revenue Agency (CRA) has introduced a new online resource called the **Self-Evaluation and Learning Tool (SELT)**. This tool is designed to help taxpayers quickly assess whether they may qualify for relief from penalties and interest in situations where circumstances were beyond their control. It represents a move toward greater transparency and accessibility in the tax system.

The SELT is designed to guide you with your request for taxpayer relief of penalties and interest.

Key features include – check if taxpayer relief is right for you, understand the steps involved in applying, learn which documents to include, discover the next steps.

What exactly is SELT?

SELT is a guided, online questionnaire available on CRA's website. Taxpayers answer a series of questions about their situation, and based on those responses, the tool provides feedback on whether they might qualify for relief. While it does not guarantee approval, SELT gives individuals and businesses an early indication of whether a formal application is worth pursuing.

When can it Apply?

The Relief may be available in cases such as:

- ✦ Financial hardship that prevented timely filing or payment.
- ✦ Extraordinary circumstances outside the taxpayer's control, such as illness, disaster, or serious accident.
- ✦ Errors caused by the CRA itself, including processing delays or incorrect information.
- ✦ Other circumstances where fairness requires flexibility.

By identifying these situations in advance, SELT can help taxpayers avoid unnecessary applications or strengthen their requests by clarifying what evidence will be needed.

Why it Matters?

Penalties and interest can accumulate quickly when returns or payments are late. For many taxpayers, the additional charges feel overwhelming, especially when genuine hardship or unforeseen events are involved. SELT provides clarity and education, helping Canadians better understand their rights and options before approaching the CRA.

Practical Use

SELT is meant to be used as a first step. If the tool indicates potential eligibility, taxpayers can then proceed with a formal Taxpayer Relief Request (Form RC4288). Supporting documentation, such as medical notes, financial records, or evidence of CRA error, will still be required. Using SELT first, however, ensures that applications are more focused and better prepared.

Final Takeaways

The launch of SELT is a positive development for both individuals and businesses. It provides greater fairness by making the relief process clearer and easier to navigate, while also encouraging taxpayers to engage proactively with the CRA. Anyone who has faced penalties or interest due to hardship, extraordinary events, or errors should consider using the tool to see whether relief may be available.

Assentt's Winning Business Plans & Projections

In today's competitive business environment, a well-crafted business plan isn't just a formality—it's your blueprint for success. At Assentt Wealth, we don't just help you dream big—we help you plan smarter, grow faster, and finance more strategically.

Whether you're starting fresh, scaling up, or seeking funding, a winning business plan is the foundation of everything that follows.

Why a Business Plan matters?

While business tools have evolved, the fundamentals of a solid business plan remain timeless. A strong plan:

- Clarifies your vision and goals
- Defines your market and strategy
- Lays out your financial roadmap
- Builds lender and investor confidence
- Keeps you focused when challenges arise

At Assentt, we understand that your business is unique—so we don't do cookie-cutter plans. We tailor each one to your industry, stage, and ambition.

What makes our Business Plan Winning

1. Data-Driven Market Insights

We incorporate real-world trends, competitive analysis, and market positioning that resonate with lenders, investors, and stakeholders.

2. Realistic, Robust Financials

No fluff—just clear projections, cash flow forecasts, break-even analysis, and what-if scenarios built to withstand scrutiny.

3. Clear, Strategic Narrative

We help you tell your story—what makes your business different, how you solve problems, and why you'll win in your space.

4. Investor & Lender Ready

Our plans are built to meet the expectations of banks, grant agencies, and private investors—with all the right structure, details, and supporting docs.

Who we Help?

- Startups & Entrepreneurs launching their first venture
- Established businesses preparing for expansion
- Franchisees looking to secure financing
- Professionals launching clinics, practices, or retail
- Non-profits & social enterprises applying for grants

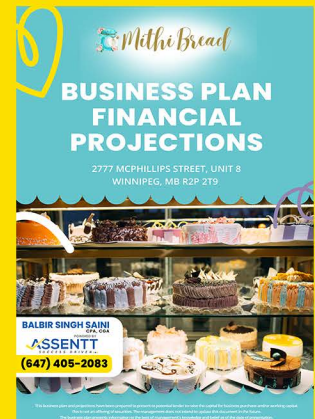
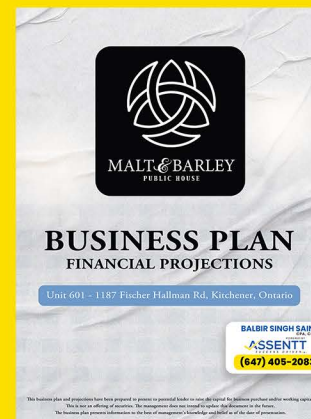
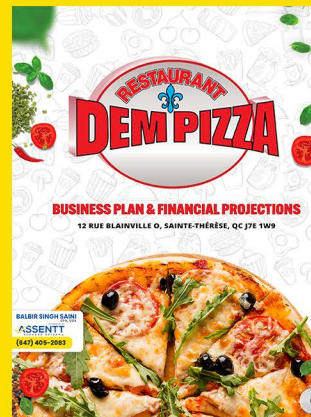
Let's Plan for Funding and Growth

Whether you're applying for a business loan, pitching to an investor, or preparing for long-term growth, our team is here to ensure your plan reflects not just your vision—but your viability.

We'll help you with:

- Business model validation
- 3- to 5-year financial projections
- SWOT and risk analysis
- Marketing & sales planning

Recent Projects



Small Business Financing Program

The Canada Small Business Financing Loan (CSBFL)

The Canada Small Business Financing Program (CSBFP) is a part of the Canada Small Business Financing Act created to improve access to Business Loans at competitive Interest Rates for Entrepreneurs to establish a start-up or improve their small businesses.

Canada Small Business Financing Loan program is a vital financial resource for the entrepreneurs. The government initiative empowers individuals to realize their entrepreneurial ambitions and contribute to economic growth.

By facilitating access to much-needed capital, the program exemplifies the government's commitment to fostering a thriving small business ecosystem in Canada.

- The acquisition of a building or Leasehold improvements
- Purchasing new or used equipment
- Intangible assets and working capital costs

What are the Costs?

The Interest Rate on the loans under CSBFP is determined by the Financial Institutions and can be fixed or variable.

- Fixed Interest Rate: Maximum chargeable is lender's single-family residential mortgage for the term of the loan plus 3%
- Variable Interest Rate: Maximum chargeable is lender's prime lending rate plus 3%

The Registration Fees of 2% of the loan amount under CSBFP is also levied on the borrower and can be financed as a part of the loan.

What are the Terms of Financing?

The borrower applying for the loan under the CSBFP are required to provide security in the assets financed. Earlier only leasehold equipment was allowed, now inventory and goodwill, franchise fees, lease deposit can be used as security. Lenders also can ask for an additional unsecured personal guarantee from the borrower.

What's the Amortization Period?

The Canada Small Business Financing Loan (CSBFL) allows repayment over as long as 10 years for equipment and leasehold improvements, and up to 15 years for real property, helping businesses manage cash flow effectively.



Who is eligible?

Businesses that qualify for Canada Small Business Finances Program are Small Businesses or Start-ups operating for profit in Canada with other qualifying criteria as follows:

- Are Canadian-Operated Businesses
- Have Annual Revenue of \$10 Million or less
- Have Good Credit History

How much financing is available?

Under CSBFP, the financial support of up to \$1,000,000 (if with property) is provided to the borrower with a condition that no more than \$500,000 of the loan amount would be used for purchasing or improving equipment, or to purchase leasehold improvements.

How do I apply for the loan?

Financial Institutions providing loans under the CSBFP are entirely responsible for the paperwork and approval of loan to the Eligible Businesses.

What can be financed?

The loan under CSBFP can be used by businesses for expansion activities mainly including the following:

IT MAKES SENSE TO USE AN EXPERT

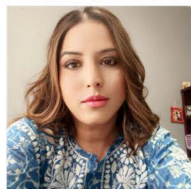
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First-Time Home Buyers' GST Rebate: New Relief in Sight

Owning a first home has become increasingly difficult, especially with higher interest rates and rising property values. To ease the burden, the federal government has proposed a new GST rebate program for first-time home buyers. This measure is designed to reduce the upfront costs of purchasing a new home, helping more Canadians take their first step into home ownership.

Key Aspects of Retirement Planning

The rebate applies to new homes purchased for \$1.5 million or less. Homes priced at \$1 million or below qualify for a 100% rebate of the GST. For homes priced between \$1 million and \$1.5 million, the rebate is phased out gradually. For example, a \$1.25 million home would receive a 50% rebate of the GST otherwise payable on the eligible portion.

The program applies to various types of housing, including detached or semi-detached houses, townhomes, condominiums, duplexes, mobile and modular homes, co-operative housing units, and even floating homes. Both builder-purchased homes and owner-built properties can qualify, provided they meet the program conditions.



Who Qualifies as a First-Time Buyer?

To access the rebate, at least one purchaser must meet the definition of a first-time home buyer:

- They must be at least 18 years old.
- They must be a Canadian citizen or PR.
- They (and their spouse or common-law partner) must not have lived in a home they owned in the current calendar year or the previous four years.

The home must also be intended to serve as the buyer's primary place of residence and must be first occupied by the qualifying purchaser.

Key Dates

The program is proposed to apply to purchase agreements entered into on or after May 27, 2025, and before December 31, 2030. For owner-built homes, construction must begin after May 27, 2025, and be substantially completed before 2036.

Why It Matters

For many first-time buyers, the most difficult part of purchasing a home is not the ongoing mortgage payment but the significant upfront costs. Beyond the purchase price itself, closing expenses, legal fees, and taxes can stretch budgets to the limit. The GST on a new home often amounts to tens of thousands of dollars, creating an additional hurdle at a time when affordability is already under pressure.

By introducing this rebate, the government is directly reducing one of the largest tax costs associated with buying a home. A 100% rebate on homes valued at up to \$1 million could save first-time buyers as much as \$50,000 in GST, depending on the property. Even for homes priced between \$1 million and \$1.5 million, the partial rebate still represents meaningful relief.

The program is also designed to expand access across housing types. Whether a buyer is purchasing a condo in the city, a townhouse in the suburbs, or building their own home on a lot, the rebate helps level the playing field by reducing the overall tax burden. For young families, new Canadians, or anyone entering the housing market for the first time, this measure could be the difference between delaying a purchase and moving forward with confidence.

In the broader housing market, the rebate is part of a larger strategy to address affordability challenges. By making new housing more attractive to first-time buyers, the government hopes to encourage new construction, stimulate demand in the entry-level market, and ease the transition into homeownership at a time when supply and affordability remain top concerns.

Final Thoughts

The First-Time Home Buyers' GST Rebate is a significant incentive for Canadians entering the housing market for the first time. Eligible buyers should carefully review the criteria to ensure they qualify and may wish to time their purchase to take advantage of the program.

RATE PULSE

BANK PRIME RATE – 4.70%

Prime Mortgage (Insured)

📌 Variable Rate - 4.00%

📌 Fixed Rate - 3.94%

Prime Mortgage (Conventional)

📌 Variable Rate - 4.30%

📌 Fixed Rate - 4.24%

Alternative Mortgage

📌 1 year - 5.44-6.09%

📌 2 year - 5.24-5.89%

Private Mortgage

📌 First Mortgage - 8%

📌 Second Mortgage - 12%

Commercial Mortgage

📌 Prime - 5%

📌 Alternative - 9%

Business Loan

📌 Business Purchase
(Variable Open Loan)
7.70%

* Rates are general in nature and subject to change. You can book an appointment with our office to review your file.

Canada Tax Deadlines

- Sept 15 – Quarterly Installment Payment for Individuals
- Sept 30 – Corporate Balance due for (CCPCs with Dec 31, 2024 year-end)
- Oct 15 – Payroll Remittances due for September Payroll (Regular Remitters)
- Oct 31 – GST/HST Return & Payment (Quarterly Filing July 1 – Sept 30)
- Oct 31 – T2 Corporate Return Filing (April 30 year-end)



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