



For Immediate Release

ICA's statement regarding the proposed federal tax changes to small and medium-sized businesses

Toronto, September 29, 2017 – The Institute of Communication Agencies (ICA), the professional business association representing Canada's communication and advertising agencies, believes the proposed federal tax changes will negatively affect small and medium-sized independent agencies across Canada.

"The ICA is committed to protecting its membership and respectfully asks that the Federal Government delay and reconsider the implementation of its changes to small-business taxation," says Noreen Corcoran, EVP, Agency Operations (Independent). "The ICA urges Finance Minister Bill Morneau to rethink how its tax changes will impact on an important segment of the marketing communications industry."

The ICA is collaborating with the [Coalition for Small Business Tax Fairness](#) and 75 other business associations in a joint submission to the Minister of Finance requesting the Federal Government put these changes on hold to avoid harming small businesses across the country (#unfairtaxchanges). The ICA is also supporting an appeal led by [Canadian Chamber of Commerce](#) calling for consultations with the business community to review tax policy — without unfairly targeting independent businesses (#ProtectGrowth).

The ICA believes that these proposed changes represent a rapid and fundamental rewriting of the taxation rules for private corporations. The proposed tax reform removes long-established practices or planning measures that recognize the special circumstances of small and medium-sized business owners and agencies.

The success of the ICA's small and medium-sized agency members often depends on owners repeatedly taking risks with personal savings and capital to expand and grow their businesses. The changes, which



add additional taxes, will have a significant chilling effect on these companies and their ability to continue to grow and create jobs in Canada.

The disincentives that will be created for many entrepreneurs/agencies to invest, both in expenditures and hiring, seem to go against the government's stated intentions for "tax fairness," business incubation and innovation.

The ICA will continue to voice the concerns of its independent agency members and question the process and consequences of the planned tax reforms on their behalf.

About the ICA

The [Institute of Communication Agencies](#) (ICA) is a non-profit association representing Canada's advertising, marketing, media, and public relations agencies. Revitalized and under new leadership, the ICA's mission is to positively amplify, protect, and transform the agency sector of the marketing communications industry. Advancing thought leadership, higher standards and best practices, the ICA serves its membership as a progressive source of information, advice, training, and advocacy. ICA member agencies account for over 75 per cent of all national advertising in Canada, with an economic impact worth more than \$19 billion annually. Follow the ICA on Twitter [@ICACanada](#).

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