

TAX FREE THERAPY



Canadians should not have to pay taxes on mental health care. Counselling/psychotherapy services should be GST/HST exempt.

DID YOU KNOW?

Among mental health care providers in Canada, counsellors/psychotherapists are the only mental health professionals who are required to collect the GST/HST. **All other counselling/psychotherapy providers are exempt from the GST/HST**, including psychologists, social workers and occupational therapists.

THE PROBLEM

- In order for a profession to receive a tax exemption, the Department of Finance requires that it be regulated in no fewer than five provinces and territories. **The counselling/psychotherapy profession meets this requirement.**
- However, the Department refused the application for tax exemption citing a requirement that the provinces regulate the profession in question using the same professional designation (no written record of this requirement has been found).
- Two professional titles were used: “Counselling Therapist” (NS, PE, NB) and “Psychotherapist” (ON, QC).
- The professional titles reflect regional preferences, which must be respected. However, the scope of practice is identical.
- This is a bureaucratic game of words and this makes our profession less accessible at a time when people urgently need mental health care to recover from this pandemic.



THE SOLUTION

In order to provide a GST/HST exemption for counselling/psychotherapy services, the federal government must amend the Excise Tax Act by legislation as follows

- (1)** add counselling/psychotherapy practitioners to the list of eligible practitioners (in section 1 of Part II of Schedule V); and
- (2)** add counselling/psychotherapy services to the list of tax-exempt services (in section 7 of Part II of Schedule V).

WHY DO THIS NOW?

“We are all aware of the impact of COVID-19 on the mental health of the population. It was a crisis before the pandemic. We are now seeing without a doubt the impact on the population. **This [bill] is a small step in helping people, but an important step.** I’m grateful to the people who are working on this issue and who have been asking for tax fairness for psychotherapists for a very long time.”

- Lindsay Mathyssen, MP, London-Fanshawe¹

MP Lindsay Mathyssen introduced Private Member’s Bill C-218, which calls for the removal of the tax. This has brought to light the unfairness of this situation. **In order to remove the tax, the government must introduce a budget bill**, which is an option that Lindsay Mathyssen supports. We need to educate the current government on this issue, especially the Minister of Finance, and encourage the inclusion of the tax exemption in the Fall Economic Statement and the next federal budget.



www.taxfreetherapy.ca

WHAT CAN YOU DO?

To support Bill C-218 and get rid of this unfair tax once and for all, we ask you to :

- Sign and distribute this parliamentary petition **here**.
- Send a letter to your MP and Finance Minister Chrystia Freeland by clicking **here**.
- Ask your MP (regardless of party) to support Bill C-218 and write to Finance Minister Chrystia Freeland to express your support [link to sample letters].
 - If your MP is from the Liberal Party, ask them to include the removal of this tax in the government’s Fall Economic Statement.
 - If your MP is not a member of the Liberal Party, ask them to demand the removal of this tax in the government’s Fall Economic Statement.

Take action by going to www.taxfreetherapy.ca and distribute the link to your network. Please also consider including www.taxfreetherapy.ca in your email signature.