



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

Cost Estimate of Election Campaign Proposal

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Short Title: Increase in the Home Accessibility Tax Credit

Description: Doubling of the eligible expenses for the Home Accessibility Tax credit for every applicant to \$20,000 from \$10,000. The other parameters would remain unchanged.

This program change would be introduced in January 2022.

Cost of Proposed Measure:	\$ millions	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Total cost		1	5	5	5	5	21

Notes:

- Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- A positive number implies a reduction in the budgetary balance (lower revenues or higher spending). A negative number implies an increase in the budgetary balance (higher revenues or lower spending).
- "-" = PBO does not expect a financial cost.

Estimation and projection method: The total cost of the Home Accessibility Tax Credit increase was first estimated using the Social Policy Simulation Database and Model (SPSD/M)¹ for the period from 2022 to 2025. The SPSPD/M results were then adjusted to account for behavioural responses of the applicants.

Source of Uncertainty: This estimate has low uncertainty since it is based on SPSPD/M simulations.

Data Sources:	Variable	Source
	Taxation database	Social Policy Simulation Database and Model SPSPD/M
	Nominal GDP projections	2021 Election Proposal Costing Baseline, Office of the Parliamentary Budget Officer

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¹ This analysis is based, in part, on Statistics Canada's Social Policy Simulation Database and Model (SPSPD/M). The assumptions and calculations underlying the SPSPD/M simulation results were prepared by the Office of the Parliamentary Budget Officer (PBO) and the responsibility for the use and interpretation of these data is entirely that of the PBO.