

# USING THE LABOUR MOBILITY DEDUCTION FOR TRADESPEOPLE

The Labour Mobility Tax Deduction for Tradespeople provides tax recognition on up to \$4,000 per year in eligible travel and temporary relocation expenses to eligible tradespersons and apprentices. This tax deduction applies retroactively to eligible out-of-pocket long-distance travel receipts from January 1, 2022.

**Start saving your receipts now!**

## ELIGIBILITY

For the purposes of this deduction, an eligible individual would be a tradesperson or an apprentice who:

- Makes a temporary relocation that enables them to obtain or maintain employment
- The duties performed by the taxpayer are of a temporary nature in a construction activity at a particular work location
- Ordinarily resided prior to the relocation at a residence in Canada, and during the period of the relocation, at temporary lodging in Canada near that work location.

## TEMPORARY RELOCATION

To qualify as an eligible temporary relocation:

- The temporary lodging must be at least 150 kilometres closer than the ordinary residence to the particular work location;
- The particular work location must be located in Canada, and;
- The temporary relocation must be for a minimum duration of 36 hours.

## ELIGIBLE EXPENSES

Eligible expenses would be reasonable amounts associated with expenses incurred for:

- Temporary lodging for the eligible individual near the particular work location;
- Transportation for the individual for one round trip from the location where the individual ordinarily resides to the temporary lodging; and
- Meals for the individual in the course of travel while making one round trip to and from the temporary lodging.

The tax deduction applies for up to **\$4,000 in eligible expenses.**

**75% of skilled trades workers agree that a tax deduction will give them access to a greater number of job opportunities.**

*\*Abacus Data, Workers Rebuilding Canada Report commissioned by Let's Build Canada (August 2021)*

