



Mr. Travis Henderson, A/Senior Counsel
Civil Litigation Section
National Litigation Sector
Department of Justice Canada
50 O'Connor Street
Ottawa ON K1A 0H8

Your file Votre référence

Our file Notre référence

2017-073697
Chris Brennan, CPA CA

April 20, 2018

Dear Mr. Henderson:

Re: Sixties Scoop Settlement Agreement

We are writing in response to your request regarding the income tax implications to the recipients of lump-sum payments from the Government of Canada under the proposed Sixties Scoop Settlement Agreement (the "Settlement").

Based on the information we received from the Department of Justice, as to the nature of the lump-sum payments to the Eligible Class Members (as defined in the Settlement), it is our view that the Individual Payment (as defined in the Settlement) proposed to be paid to each of the Eligible Class Members according to the Settlement will not be income from a source, and as such, will not be included in income and will not be taxable under the *Income Tax Act*.

We trust our comments will be of assistance.

Yours truly,

Lita Krantz, CPA, CA
Manager, Tax Credits and Ministerial Issues
Business and Employment Division
Income Tax Rulings Directorate
Legislative Policy and Regulatory Affairs Branch