

## Introduction of Tax Measures to Help Quebecers Deal with the Cost of Living Increase and Harmonization with Certain Federal Tax Measures Announced in the *Spring Economic Update 2026*

This information bulletin announces the introduction of tax measures to help Quebecers deal with the cost of living increase as well as the harmonization of the Québec tax system with certain federal tax measures contained in the *Spring Economic Update 2026*.

### ❑ **Special grocery and energy payment**

This bulletin announces the introduction of a refundable tax credit granting a special grocery and energy payment. For information concerning this matter, contact Revenu Québec's client services for individuals:

- Québec area: 418-659-6299;
- Montréal area: 514-864-6299;
- Elsewhere in Canada or the United States, toll-free: 1-800-267-6299.

### ❑ **Québec sales tax (QST) system**

This bulletin also announces that changes will be made to the Québec sales tax (QST) system to zero-rate certain food items and hygiene products, effective July 15, 2026. For information concerning this matter, contact Revenu Québec's client services for individuals:

- Québec area: 418-659-4692;
- Montréal area: 514-873-4692;
- Elsewhere in Canada or the United States, toll-free: 1-800-567-4692.

### ❑ **Harmonization with Certain Federal Tax Measures**

Lastly, the bulletin is to make public the Ministère des Finances du Québec's position on the changes to certain federal tax measures announced by the Department of Finance Canada on April 28 as part of the *Spring Economic Update 2026*.

To obtain information concerning this harmonization with certain federal tax measures, contact the Secteur du droit fiscal, de l'optimisation des revenus et des politiques locales et autochtones at [secteurdroitfiscalitdelafiscalite@finances.gouv.qc.ca](mailto:secteurdroitfiscalitdelafiscalite@finances.gouv.qc.ca).

The English and French versions of this bulletin are available on the government website [Québec.ca](http://Quebec.ca).

**Introduction of Tax Measures to Help Quebecers deal with the Cost of Living Increase and Harmonization with Certain Federal Tax Measures Announced in the *Spring Economic Update 2026***

---

1. Introduction of a Special Grocery and Energy Payment .....	3
2. Zero-rating of certain food items and hygiene products.....	8
3. Position of the Ministère des Finances du Québec regarding the federal tax measures announced in the <i>Spring Economic Update 2026</i> .....	10

## 1. Introduction of a Special Grocery and Energy Payment

Due in part to the ongoing conflict in the Middle East, Québec households are facing a grocery price increase, and, as a result, a higher cost of living.

To support low- and middle-income households struggling with these difficult economic conditions, the government is announcing a special grocery and energy payment in the form of a refundable tax credit.

This one-time tax assistance will be paid starting June 4, 2026, to eligible individuals receiving the refundable solidarity tax credit (hereinafter called the “solidarity tax credit”) for the 2025-2026 payment period.

### □ Determination of the refundable tax credit granting a special grocery and energy payment

In summary, an eligible individual may receive, for the 2025 taxation year, under the refundable tax credit granting a special grocery and energy payment (hereinafter called the “special grocery and energy payment”), a lump-sum financial assistance payment consisting, as the case may be, of \$100 for a single person or \$150 for a couple, plus, where applicable, an additional \$50 if the household has minor children,<sup>1</sup> provided that the individual is receiving the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026.<sup>2</sup>

In this regard, it should be noted that the solidarity tax credit is granted to low- and middle-income households for reasons that include reducing the regressive nature of certain taxes. This tax credit, determined for a payment period beginning on July 1 of one calendar year and ending on June 30 of the following calendar year, has three components:

- the Québec sales tax (QST) component;
- the housing component;
- the component for individuals living in northern villages.

---

<sup>1</sup> This additional amount will be \$50 per household, regardless of the number of minor children in the household. Eligibility for the additional amount for minor children will be determined as of April 1, 2026. It will apply to children for whom Family Allowance is paid for the month of April 2026. If custody of the child is shared, each parent will receive \$50.

<sup>2</sup> Individuals are eligible for the refundable tax credit granting a special grocery payment if they met the conditions for receiving the solidarity tax credit at the end of the base year relating to this payment period, that is, December 31, 2024. Also eligible are individuals who would have been entitled to receive the solidarity tax credit had they been registered for direct deposit.

The QST component is further subdivided into three elements:

- the basic amount;
- the spousal amount;
- the amount for a person living alone.

Currently, a household that is eligible for both the QST component and the housing component of the solidarity tax credit can benefit from the tax credit up to a family income of \$63 258 for a person living alone and \$74 158 for a couple with two children.

### ■ Eligible individual

An individual eligible for the special grocery and energy payment means an individual, other than an excluded individual, who qualifies as an individual eligible for the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026, relating to the base year that ended on December 31, 2024.

For information purposes, an individual eligible for the solidarity tax credit, for a given payment period, means an individual who, at the end of the base year relating to this payment period, is 18 years of age or older, an emancipated minor, the spouse of another individual, or the parent of a child with whom the individual resides, and who meets the following conditions:

- the individual resides in Québec or, if the individual is the cohabiting spouse<sup>3</sup> of a person who is deemed to reside in Québec throughout that base year, other than a person who is exempt from tax for that year under any of subparagraphs *a* to *d* and *f* of the first paragraph of section 96 of the *Tax Administration Act*, the individual resided in Québec in a previous taxation year;
- the individual, or the individual's cohabiting spouse, has one of the following statuses:
  - Canadian citizen;
  - permanent resident within the meaning of the *Immigration and Refugee Protection Act*;<sup>4</sup>
  - temporary resident or temporary resident permit holder within the meaning of the *Immigration and Refugee Protection Act* who has resided in Canada for the 18-month period preceding that time;
  - protected person within the meaning of the *Immigration and Refugee Protection Act*;
- the individual is not an excluded individual.

---

<sup>3</sup> The notion of "cohabiting spouse" for the purposes of the special grocery and energy payment will be identical to that used for the purposes of the solidarity tax credit. Accordingly, the cohabiting spouse of an individual, at any time, will mean the person who, at that time, is the individual's spouse and is not living separate and apart from the individual.

<sup>4</sup> S.C. 2001, c. 27.

## ■ Excluded individual

For the purposes of the special grocery and energy payment, an excluded individual means an individual who is an excluded individual for the purposes of the solidarity tax credit at the end of the 2024 base year.

For information, an excluded individual, for the purposes of the solidarity tax credit, means one of the following persons:

- a person in respect of whom another individual has received, for the last month of the base year, an amount deemed, under the refundable tax credit granting an allowance to families, to be an amount paid in excess of the person's tax payable, unless the person turned 18 years of age during that month;
- a person who is confined to a prison or similar institution<sup>5</sup> at the end of the base year and who was so confined throughout one or more periods, totalling more than 183 days, included in that year;
- a person who is exempt from tax under any of sections 982 and 983 of the *Taxation Act* or any of subparagraphs *a* to *d* and *f* of the first paragraph of section 96 of the *Tax Administration Act* for the base year, or the cohabiting spouse of such a person at the end of that year.<sup>6</sup>

## ■ Amount paid

The amount of the one-time tax assistance paid under the special grocery and energy payment will be:

- \$100 for an eligible individual without a cohabiting spouse;
- \$150 for a couple consisting of an eligible individual and the individual's cohabiting spouse;
- an additional \$50 per household with one or more minor children as of April 1, 2026, regardless of the number of children.<sup>7</sup>

In addition, since it is intended to offset the recent increase in the cost of living due in part to the ongoing conflict in the Middle East, this one-time tax assistance will not be reducible according to family income, unlike the solidarity tax credit.

---

<sup>5</sup> Briefly, a similar institution means a provincial (jail) or federal (penitentiary) detention facility, a halfway house or a psychiatric institution if the stay in such an institution is part of the prison sentence.

<sup>6</sup> These provisions apply, among others, to public servants or agents of the government of a country other than Canada, and the members of their families and personnel; the head officers of prescribed international organizations, and their employees and the members of their families; the representatives of member States on prescribed international organizations, and the members of their families and personnel; and the members of an office of a political division of a foreign State, and the members of their families.

<sup>7</sup> See note 1.

## ■ Receiving the special grocery and energy payment

An individual who is eligible for the special grocery and energy payment will receive the amount of the one-time tax assistance as of June 4, 2026, without having to apply for it.

Similarly, an individual who becomes eligible for the solidarity tax credit, for the payment period beginning July 1, 2025, and ending June 30, 2026,<sup>8</sup> will also receive, provided that the individual files an income tax return for the 2024 taxation year no later than on December 31, 2028,<sup>9,10</sup> the special grocery and energy payment, without having to apply for it.<sup>11</sup> Therefore, no special grocery and energy payment will be made to an individual who files an income tax return for the 2024 taxation year after December 31, 2028.<sup>12</sup>

## ■ Payment methods

The amount of the special grocery and energy payment that will be made as of June 4, 2026, will be directly deposited into the eligible individual's bank account based on the information that Revenu Québec has.

An eligible individual who is not registered for direct deposit with Revenu Québec will receive a cheque made out to the individual for the amount of the special grocery and energy payment. This cheque will be sent to the individual by mail at the last address provided to Revenu Québec.

## ■ Payment notice

Unlike the notice of determination for the solidarity tax credit provided for in tax legislation, the payment notice that will be issued for the purposes of the special grocery and energy payment will not constitute such a notice of determination. As a result, the payment notice will not be subject to the legal requirements applicable to a notice of determination, either in terms of form or content, and it will not give rise to the legal remedies provided for under tax legislation, including the right to file an objection.

---

<sup>8</sup> In respect of the base year ending December 31, 2024.

<sup>9</sup> Subject to the exception introduced by *Information Bulletin 2019-10*, at pages 6-8, and provided for in ss. 1029.8.116.18.1 and 1029.8.116.18.2 of the Taxation Act. In other words, this requirement will not apply to recipients of last-resort financial assistance as of December 31, 2024, who receive automatic payment of the basic amount of the QST component of the solidarity tax credit for the payment period beginning July 1, 2025 and ending June 30, 2026.

<sup>10</sup> December 31, 2028, is the deadline for claiming the solidarity tax credit for the 2024 base year.

<sup>11</sup> Regardless of when the special grocery and energy payment is received, no interest will be payable on it.

<sup>12</sup> See note 9.

- **Other specific rules applicable to the special grocery and energy payment**

- **Cohabiting spouses**

Where an eligible individual has a cohabiting spouse for the purposes of the solidarity tax credit, only one of the two spouses may receive the one-time tax assistance under the special grocery and energy payment.

In this regard, the spouse who receives the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026, will also be the one to receive the one-time tax assistance under the special grocery and energy payment.

Moreover, where the eligible individual receiving the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026, dies before April 1, 2026, and does not have a cohabiting spouse who qualifies as an individual eligible for the solidarity tax credit, the one-time tax assistance under the special grocery and energy payment will not be paid.

However, where the eligible individual receiving the solidarity tax credit dies before April 1, 2026, and has a cohabiting spouse who also qualifies as an individual eligible for this tax credit, the one-time tax assistance under the special grocery and energy payment will be paid to the surviving spouse, without the spouse having to apply for it. This also applies if the eligible individual dies on or after April 1, 2026.

- **Cessation of residence in Québec**

Where an individual eligible for the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026, ceases to reside in Québec before April 1, 2026, the individual will not be entitled to receive the one-time tax assistance under the special grocery and energy payment. The same is true if the eligible individual will not be residing in Québec immediately before the special grocery and energy payment is made.

- **Detention in a prison or similar institution**

Where an individual eligible for the solidarity tax credit for the payment period beginning July 1, 2025, and ending June 30, 2026, is detained in a prison or similar institution on April 1, 2026, the individual will not be entitled to receive the one-time tax assistance under the special grocery and energy payment. The same is true if the eligible individual will be detained in a prison or similar institution immediately before the special grocery and energy payment is made.

- **Non-application of the allocation and compensation rules**

Under the *Tax Administration Act*, where an individual entitled to a refund by reason of the application of a fiscal law is also a debtor under such a law or about to become so, the Minister of Revenue may apply such refund to the payment of the debt of that individual, up to the amount of such debt, and give them notice of it.

The refund may also be allocated to the payment of any amount for which that individual is in debt to the Gouvernement du Québec under an act other than a fiscal law set out in the *Regulation respecting fiscal administration*.<sup>13</sup>

Notwithstanding the rules set out above, the amount of the special grocery and energy payment will be paid as of June 4, 2026, to an eligible individual even if, at the time of such payment, the individual is either a debtor under a fiscal law of a fiscal debt that is due for payment or a debtor of another non-fiscal debt to the Gouvernement du Québec covered by the *Regulation respecting fiscal administration*.

For greater clarity, the allocation and compensation rules will not apply in respect of the special grocery and energy payment.

#### ■ Application in the event of bankruptcy

Under the tax legislation, when an individual becomes bankrupt during a calendar year, the individual is deemed to have two taxation years in that calendar year. The first tax year runs from January 1 to the day before the date of bankruptcy (pre-bankruptcy taxation year), and the second from the day of bankruptcy to December 31 (post-bankruptcy taxation year).

In addition, the one-time tax assistance paid in respect of the special grocery and energy payment will be deemed to be an overpayment to the Minister of Revenue of the tax payable for the 2025 calendar year.

Therefore, where an individual becomes bankrupt in the 2025 calendar year, the amount of the special grocery and energy payment will be considered to be tax deemed to have been overpaid in the taxation year beginning on the date of the individual's bankruptcy (post-bankruptcy taxation year) that occurred in the 2025 calendar year.

## 2. Zero-rating of certain food items and hygiene products

To help Quebecers deal with the cost of living increase, the government is announcing that a zero-rating measure for some specific products will be introduced effective July 15, 2026. Accordingly, changes will be made to the Québec sales tax (QST) system to zero-rate a selection of food items and hygiene products.

---

<sup>13</sup> CQLR, chapter A-6.002, r. 1, s. 31R1.

## ❑ Zero-rating of certain food items – Grocery stores and similar establishments

The food items for human consumption that will be covered by this new zero-rating measure will be those in the categories below that are not generally already zero-rated under the current basic groceries rules set out in section 177 of the *Act respecting the Québec sales tax* (AQST), and that will become zero-rated under a new provision:

- food items referred to in paragraphs 12,<sup>14</sup> 14<sup>15</sup> and 15<sup>16</sup> (not including beverages) of section 177 of the AQST that are taxable when sold in single servings or quantities of fewer than six units;
- fruit salads and platters and arrangements of cut fruit, together with, if applicable, any incidental accompaniments when supplied with the fruit for a single consideration;
- platters and arrangements of cut vegetables, together with, if applicable, any incidental accompaniments when supplied with the vegetables for a single consideration;
- salted or seasoned seeds or nuts (where “seasoned” means a seasoning made all or substantially all of ingredients other than sugar or other sugars-based ingredients);
- mixtures made primarily of rolled oats or other cereals, seeds, nuts or dried fruit that are shaped into any form, such as a bar, or offered loose such as trail mix-style munchies.

However, the foods listed above will still be subject to QST when supplied at an establishment where all or substantially all sales of food or beverages are taxable under the current AQST rules. Accordingly, no changes will be made to the rules that currently apply to such establishments,<sup>17</sup> including most restaurants.

It should also be noted that this new provision will not apply to food sold through a vending machine or to food sold under a contract for, or in conjunction with, catering services.

## ❑ Zero-rating of certain hygiene products

The following paper hygiene products for human use will be zero-rated under the QST system:

- toilet paper;
- facial tissues.

---

<sup>14</sup> Ice cream and similar products.

<sup>15</sup> Sweetened baked goods.

<sup>16</sup> Pudding and similar products.

<sup>17</sup> These are the establishments referred to in paragraph 18 of section 177 of the AQST.

#### ❑ Application date

These changes will apply in respect of supplies made after July 14, 2026.

### 3. Position of the Ministère des Finances du Québec regarding the federal tax measures announced in the *Spring Economic Update 2026*

On April 28, 2026, Canada's Minister of Finance presented the *Spring Economic Update 2026*. On that occasion, he tabled, in the House of Commons, supplementary information describing changes that will be made to some personal and business income tax measures,<sup>18</sup> as well as a Notice of Ways and Means Motion proposing amendments to the related federal tax legislation and regulations.<sup>19</sup>

The Ministère des Finances du Québec wishes to make public its position on these announcements from the federal government.

#### ❑ Income tax measures

Québec's tax legislation and regulations will be amended to incorporate some of the income tax measures proposed in the *Spring Economic Update 2026*. However, the amendments to the Québec tax system will be adopted only after the assent of any federal legislation or the adoption of any federal regulation giving effect to the retained measures, taking into account the technical amendments that may be made prior to the assent or adoption. For greater clarity, these amendments will be applicable on the same dates as the federal measures with which they are harmonized.

#### ■ Measures retained

Québec's tax legislation and regulations will be amended<sup>20</sup> to incorporate, with adaptations on the basis of their general principles, the measures relating to:

1. the Employee Ownership Trust Tax Exemption;
2. the grace period for homeowners to begin repayment under the Home Buyers' Plan;
3. the Accelerated Capital Cost Allowance for Low-Carbon Liquefied Natural Gas Facilities.

<sup>18</sup> DEPARTMENT OF FINANCE CANADA, *Spring Economic Update 2026*, "Tax measures: Supplementary information," [Online], April 28, 2026, [<https://budget.canada.ca/update-miseajour/2026/report-rapport/tm-mf-en.html>].

<sup>19</sup> Id., *Notice of Ways and Means Motion to introduce a bill entitled An Act to implement certain provisions of the spring economic update tabled in Parliament on April 28, 2026*, [Online], [<https://fin.canada.ca/drleg-apl/2026/nwmm-amvm-2-0426-eng.html>].

<sup>20</sup> Some of the measures retained, however, may not require any changes to Québec's tax legislation or regulations.

### ❑ **Measures not retained**

Certain measures have not been retained because they do not correspond to the characteristics of the Québec tax system or because the latter is satisfactory or does not contain similar provisions. These measures relate to:

- the Labour Mobility Deduction for Tradespeople;
- the Investment Tax Credit for Carbon Capture, Utilization, and Storage.

### ❑ **To be announced at a later date**

The Ministère des Finances du Québec will announce, at a later date, its position concerning the proposed changes to the Disability Tax Credit.