

ADDING FITNESS CREDITS AS MEDICAL EXPENSES ON TAX RETURNS

Issue

The fitness and exercise industry has been crippled due to COVID-19 restrictions. Additionally, public perception has been largely negative towards gyms and exercise programs, leading to a sluggish recovery. Exercise combined with a healthy diet can lead to improved mental and physical health, thereby reducing the burden on the public healthcare system providing treatment or medication. The Federal Government has the ability to generate a return on investment (the investment being a healthier populous, lower reliance on the healthcare system, and a happier workforce) by allowing people to claim fitness memberships and services as medical expenses on tax returns. The fitness industry is in dire need of support that is sustainable. Support to this industry has the potential to lead to greater societal benefits, and thus benefit to the workforce and businesses in general.

Background

COVID-19 has had ripple effects on the healthcare system. Mental health has deteriorated in the form of increased anxiety and levels of depression. There are more people that are no longer eating healthy due to cost. Closures of gyms and exercise facilities has resulted in many individuals leading sedentary lives.

The evidence and research to support that exercise is medicine is overwhelming and compelling – Canada has even been a leader in publishing this research.¹ While many gyms have been ordered to close, there are some that can operate with reduced patrons. However, the number of people going to the gyms is not enough due to the cost of membership fees. In order to remain open, gyms need to charge their membership fees. The Canadian Government can help subsidize the cost of membership fees by allowing people to claim fitness memberships and services as medical expenses when filing taxes.

This action can provide the federal government with a return on investment by reducing the overall health care burden. The fitness industry currently has the capability to support attendance records and payments for audit purposes. The Prescription to Get Active program² would support this action plan - the fitness industry is primed to roll this, already established, program out across the nation. This action plan and initiative would inspire Canadians with the promotion of their health and wellness and put Canada as a global leader in health care management and prevention.

Professionals across the country are ready, willing and able to provide both in person and remote services to support this action plan and the public health orders. The fitness industry employs 150,000 Canadians, with the majority of those under the age of 30.

¹ <https://www.redcross.ca/blog/2020/10/mental-health-and-exercise-working-together-for-wellbeing>

² <https://www.prescriptiontogetactive.com/>

In order to be a part of the solution, the fitness industry would like to partner with government. The federal government could create an immediate economic impact by including fitness memberships and services as a medical expense on tax returns.

Workers who access fitness services will ultimately be healthier, contributing to increased productivity in the workplace.

THE CHAMBER RECOMMENDS

That the Federal Government:

1. Include fitness memberships and services as a medical expense on tax returns.

Submitted by the Surrey Board of Trade