Tax avoidance: Mark Carney's firm in dispute with the Canada Revenue Agency

Brookfield is blamed for making large tax avoidance by the Canada Revenue Agency

JEAN-FRANÇOIS CLOUTIER
Friday, 25 April 2025 16:05
UPDATE Friday, 25 April 2025 16:43

The company, of which Mark Carney was a senior

manager until January, brought the Canada Revenue Agency to court, which blamed him for making tax avoidance, discovered our Bureau of Investigation.

According to court documents obtained this week, the tax authorities are accusing Brookfield of orchestrating a mansion that would have allowed him, for all intents and purposes, to avoid paying any tax on a staggering foreign exchange gain of EUR 183 million in 2012, linked to transactions in foreign currencies.

A hearing in this case is scheduled for March 2026.

Mark Carney did not work at Brookfield at the time of the transactions in question, but he was chairman of a board of directors at the time the company challenged the tax authorities before the Tax Court of Canada in March 2023.

It was only in September 2020 that the tax authorities revalued the tax payments on the transactions in question.

“The avoidance transactions, the effect of which was to postpone the tax payment on foreign currency earnings indefinitely..., resulted in the circumvention of [an article of the tax law) in a way that ran counter to its object, spirit and purpose,” the tax authorities allege.

Penalties

The Canada Revenue Agency even imposed gross negligence penalties of . . . .

Brookfield defends himself by arguing that the year of interest to the tax is time-barred. She added that she relied on the opinion of a lawyer for the disputed assembly.

“Brookfield was not grossly negligent,” she argues in the court proceedings, adding that in her view everything was legal.

In particular, the company contests the addition of a taxable capital gain of EUR 91.5 million in the calculation of its income.

In recent weeks, Mark Carney has had to defend himself on the tax issue after Brookfield opened a total of 30 billion dollars to the Cayman Islands and Bermuda while he was working there. He said he wanted to maximize the return for the beneficiaries of these funds, who pay tax in Canada.

"Mr. Carney is no longer involved in the company. Any questions related to Brookfield should be sent directly to the firm,' said Guillaume Bertrand, a communications manager for the PLC.

Comments

You have to be logged in to comment.
Log in

ARCHIVES 2025 2024 2023 2022 2021 2020 2019 2018 2017 2016

RAPIDES ACCESS

SECTIONS

KNOW MORE

SUBJECT

MOBILE APPLICATIONS