

PRESS RELEASE  
For immediate release

**THE A2C'S PRE-BUDGET RECOMMENDATIONS:  
RECTIFY THE UNFAIRNESS OF THE TAX CREDIT FOR THE DEVELOPMENT OF E-  
BUSINESS**

**Montreal, February 4, 2019** - The Association of Creative Communications Agencies (A2C) took part in the 2019-2020 pre-budget consultations and is asking the government of Quebec to rectify the unfairness of the tax credit for the development of e-business and to further invest in commercialization to help local companies implement e-business and digital marketing strategies. The e-business tax environment has presented serious problems within the MarCom industry and has resulted in an undue distortion of competition with other companies that develop tech solutions.

"Our agencies are increasingly working into the IT, digital, and innovation sectors. However, the tax credits available seem mainly designed for IT development firms. Our sector must be recognized as actors in this field and some of the criteria must be re-evaluated in order to be fair for all parties. This tax measure has a significant impact on recruitment. We seek the same resources in web programming or development, but 30% of our IT salaries is not subsidized by the TCDE," said Dominique Villeneuve, President and CEO of the A2C.

This situation has been explained to the new government and the A2C expects that changes will quickly be brought to remedy this situation. According to a CEFRIO study, only 14% of respondent companies in the retail sector in Quebec do business online<sup>1</sup>. This is a great opportunity for local retailers and agencies are natural allies that can help them develop e-business structures and support them in their digital commercialization strategy to ensure their success. Modifying certain tax criteria will support this growth, increase accessibility and the diversity of actors, reduce bureaucracy, and rectify this unfair situation.

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**About the A2C**

The A2C is the voice of almost 70 agencies in Quebec of different sizes, configurations, and specialties, but all with one thing in common: a commitment to creative communications. Its members generate more than 75% of the industry's revenues in Quebec and contribute to the success of companies here and abroad. Our passion is reflected in various initiatives that aim

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<sup>1</sup> Centre facilitant la recherche et l'innovation dans les organisations (CEFRIO), NETendances 2017, 2017 Edition, volume 8, number 7. [https://cefrio.qc.ca/media/1207/netendances\\_2017-le-commerce-electronique-au-quebec.pdf](https://cefrio.qc.ca/media/1207/netendances_2017-le-commerce-electronique-au-quebec.pdf)

to guide these companies and in this way we aim to ensure vitality and excellence within the entire industry. For more information, visit [www.a2c.quebec/en](http://www.a2c.quebec/en).

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