



2021 Personal Income Tax CHECKLIST

Name: _____ Tel: (HOME) _____

Tel: (BUS.) _____ Fax: _____ Tel: (CELL) _____

E-mail: _____

Please also provide the following information, if applicable:

- a) Your address and/or marital status, if it changed from last year.

- b) Your spouse's and/or dependants' 2021 net income, if ECCAPC does not prepare his/her return.

- c) Any new dependants for 2021 (i.e. children born or adopted in 2021).

- d) If ECCAPC is preparing your tax return for the first time, your address, birth date, marital status and social insurance number (S.I.N) is needed. Please provide the names of your spouse/partner and/or dependants, their S.I.N.s, and their birth dates.

- e) Copies of tax returns from 2018-2020 (if not prepared by our office) and 2020 CRA notice of assessment or reassessments as well as prior year reassessments dated in 2021.

Please ensure the following information is submitted to our office: CHECK IF INFORMATION IS ATTACHED

1. Income:	Type of Slip
<input type="checkbox"/> Universal Child Care Benefits	RC62
<input type="checkbox"/> Mutual Funds and Other Trusts	T3
<input type="checkbox"/> Employment income (salary, commissions)	T4
<input type="checkbox"/> CRB, CRSB, CRCB	T4A
<input type="checkbox"/> Pension Payments, Retiring Allowances, Annuities	T4A
<input type="checkbox"/> Scholarships or Research Grants.....	T4A
<input type="checkbox"/> Canada Pension, Old Age Security	T4A(P), T4A (OAS)
<input type="checkbox"/> Employment Insurance	T4E
<input type="checkbox"/> Statement of employee profit-sharing plan payments	T4PS/T3D
<input type="checkbox"/> Income from RRSP or RRIF	T4RSP, T4RIF



1. **Income (continued):**..... **Type of Slip**
- Employment Insurance Benefits..... **T4U**
 - Interest and Dividends **T5**
 - Social Assistance, Workers' Compensation..... **T4007**
 - Pension reversal adjustment..... **T10**
 - Statement of resource expenses **T101**
 - Statement of benefits (welfare and social assistance) **T5007**
 - Partnership income **T5013**
 - US source income (wages, interest, dividends) US slips
 - Alimony received..... List details
 - Foreign pensions List details
 - Rental income..... See 5. below
 - Self employment income/ (business, profession, commissions) **T5013**/see 6. below
 - Capital gains and losses, Buy, Sell..... **T5008**/Buy, sell slips
 - Purchase and sale of securities..... Broker statements/
Summary

* Please provide information concerning the cost of the securities sold when submitting this form.

2. **Deductions:**..... **Type of Slip/Backup Documents**
- Child care expenses (Appendix H)..... *Receipts (camp, after school programs, **SIN/T4** of caretaker)
 - Employment expenses (See 4 below) **T2200** list of expenses
 - Interest paid on loans to earn investment income..... Statement from bank
 - Investment counsel fees (non-registered investments) Broker letter
 - Legal fees (if paid for purpose of obtaining alimony/child support, wage loss) Copies of invoices
 - Registered Retirement Savings Plan contributions..... RRSP slip
 - Registered Pension Plan contributions..... **T4** or Official receipts
 - Pension income reversal..... **T10**
 - Union or profession dues..... **T4** or Official receipts
 - Tax Shelter information **T5003/T5004**
 - Alimony payments Name of recipient

3. **Tax Credits:**..... **Type of Slip/Backup Documents**
- Disability tax credit/ caregiver credit (Appendix F) **T2201**
 - Adoption expenses Receipts
 - Charitable donations..... Official receipts
 - Income taxes paid to foreign governments..... Details/Statement
 - Tuition fees (Canadian school) **T2202/2202A**

Continued on next page



3. **Tax Credits (continued):** **Type of Slip/Backup Documents**
- Tuition fees (Foreign school)..... **TL11A**
 - Insurance Policy Loan Interest **T2210** from insurer
 - Labour sponsored funds **T5006/** OIEO Certificate
 - Interest paid on student loans Receipts
 - Medical expenses (see Appendix C) Receipts
 - Political party contributions..... Receipts
 - Property taxes/ rental payments for your home Property tax bill/
Receipt from landlord
 - Ontario seniors' public transit tax credit (see Appendix P) Transit passes/receipts
 - First-time home buyers' credit (see Appendix G) New home purchase
agreement
 - Home accessibility tax credit (see Appendix I)..... Receipts
 - Income tax installments Receipts from CRA
- * If you have several prescription drug expenditures, please request a computer print-out of your annual drug expense from your pharmacist, rather than submitting the individual receipts. Year-to-date statements can also be obtained from your dentist, chiropractor, optician, massage therapist etc). If you are part of a health plan, please submit details of premiums paid and benefits paid by health provider. See Appendix C.
4. **Listing of employment expenses other than auto expenses (include Form T2200).**
(See attached *General List of Deductible Business & Employment Expenses* Appendix A).
5. **Listing of rental income and expenses for rental properties.**
Please include address of property and corresponding rental income. Please include copy of purchase and sale agreement and statement of adjustments if property sold or acquired during the year. (See attached *General List Of Deductible Rental Expenses* Appendix B)
6. **Listing of professional/business income and expenses**
(See attached *General List Of Deductible Business & Employment Expenses* Appendix A).
HST return or efile code if our office will be doing it.
7. **Automobile expenses of employee/self-employed individual:**
Include information concerning the cost of the vehicle if purchased in the year (include invoice), the proceeds received on the disposal of the vehicle if sold in the year, and the cost of gas and oil consumed, repairs and maintenance, insurance, licenses, auto lease payments (include HST), and interest paid on an automobile loan, as applicable. Please also indicate the business and total kilometres driven during 2019. Please provide a separate list for each vehicle.
8. **Other items:**
- Notice of Assessment for 2020 or reassessments (if not already sent to us).
 - Particulars relating to tax shelters and required forms (include limited partnership investments).
 - Particulars if you participated in the RRSP Home Buyer's Plan or Lifelong Learning Plan.
 - Listing of investments on which accrued interest is required to be reported (eg. Canada Savings Bonds, long term GIC's held outside of your RRSP).

Continued on next page



8. Other items (*continued*):

- Carrying charges and interest paid to earn income from investments (also include safety deposit box fees) and student loans.
- US and other foreign source income (submit slips), see foreign reporting requirements Appendix L.
- Details on disposition of capital property (stocks, mutual funds, real estate). Provide original cost, proceeds, expenses of disposition, and purchase date.
- The amount of support payments or alimony payments paid or received. If you are the payor include name and S.I.N. of recipient. See appendix M.
- Details regarding child care expenses (i.e. nursery, camp, after school activities etc.). If paid to an individual, provide name and S.I.N. of the individual.
- Details regarding fitness, activity and art tax credits (i.e. copy of receipts, names of organization providing eligible programs of physical activities etc.).
- Details regarding eligible moving expenses if you moved during the year (see appendix E).
- Property taxes paid. Rent paid including name of landlord.
- Details of adoption expenses paid during the year.
- Amount of instalment payments made during the year (attach January 2019 CRA statement).
- Professional or union dues.
- Details of sale of principal residence. See Appendix J.
- Business investment losses. See Appendix K.
- Canada Pension Plan contribution election and pension income split. See Appendix O.
- Ontario Trillium Benefit and Senior Homeowners Property Tax Grant. See Appendix P.

9. E-Filing (please sign appropriate space)

I would like Eigenmacht Crackower CPA Professional Corporation to electronically file my 2021 income tax return.

- Yes No

Signature _____



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Appendix A

General List of Deductible Business and Employment Expenses

Home Office

Calculated as percentage of office over total square area of home

- Mortgage interest/rent
- Realty taxes
- Insurance
- Maintenance
- Condo fees

Automobile

- Gas/oil
- Repairs and maintenance
- Insurance
- Lease costs (\$800 monthly lease limit)
- Interest on car loan (\$300 monthly interest deduction limit)
- Licence and registration fees
- CAA dues
- ETR (Highway 407) fees
- Car washes
- Parking at clients (100% deductible)
- Calculated as a percentage of business kms/total kms

Entertainment

- Meals, sporting events, theatre (50% deductible)

Trade Shows/Travel

- Conventions, airline flights, hotels, taxis, business conferences, etc.

Advertising

- Newspaper ads
- Promotion, advertising, etc.
- Gifts to clients

Professional Fees

- Accounting and legal fees

Insurance

- Business insurance
- Professional liability insurance

Dues and Membership

- Professional affiliation dues
- Business trade and networking membership dues

Salaries

- Salary to assistants including payroll levies

Major Capital Cost Classes

Asset	CCA class	Subject to CCA rate	1/2 rate
Building	1	4%	Yes
Office equipment	8	20%	Yes
Leasehold improvement	13	Note 1	Yes
Franchise fees	14	Note 2	Yes
Computer software			
Bought Jan 28'09–Jan 31'11	52	100%	No
Bought after Jan 31'11	12	100%	Yes
Computer hardware			
Bought Jan 28'09–Jan 31'11	52	100%	No
Bought after Jan 31'11	50	55%	Yes
Automobile cost > \$30,000	10.1	30%	Yes
Automobile cost < \$30,000	10	30%	Yes

Note 1: Straight-line over term of lease (min. 5 years; max. 40)

Note 2: Straight-line over term of franchise

Interest and Bank Charges

- Bank service charges
- Credit card fees
- Interest on loans used in business

Office Expenses

- Postage
- Stationery
- Courier
- Registration costs
- Computer Paper
- Supplies
- Books & publications
- Continuing education courses/seminars

Telephone

- Business telephone & fax line
- Internet fees
- Cellular phone

Note: Some of the expenses may not be permitted or restricted if taxpayer is earning income from employment.

Canada Emergency Business Assistance (CEBA) Loan

If you received the CEBA loan, 25% of the loan is included in income in the year of receipt.

Appendix A – continued

General List of Deductible Business and Employment Expenses

T777 Statement of Employment Expenses

- Must obtain a signed form **T2200** Condition of Employment from your employer.
- General limitations on expenses such as of 50% of meals and entertainment and automobile restrictions.
- Must maintain documents to support all expenses.
- Home office expenses:
 - can only be claimed up to the amount of income received;
 - home insurance, mortgage interest and property taxes can only be claimed for commissioned employees;
 - based on percentage of home used for office; and
 - must be principal place of business or employment or used on a regular basis to meet customers.

T777 Statement of Employment Expenses – Automobile Costs

- Maintain automobile log.
- Must claim expenses net of any reimbursements.
- Per km travelling allowance that is reasonable is not taxable but must reduce expenses claimed.
- Allowances not based on per km, including non-vehicle items, are not reasonable and therefore are taxable.
- CCA can only be claimed on vehicles, airplanes or musical instruments.

GST 370 Employee and Partner GST/HST Rebate Application

- Employer must be a GST registrant.
- Employer cannot be a listed financial institution.
- Based on HST paid on employment expenses Form **T777**.
- Rebate is reported on line 457 in the current year.
- The next year when the rebate is received, you must record it on line 104 of your return as income or reduce CCA pool on capitalize items.
- Cannot claim HST rebate on portion of expenses that are restricted i.e. meals, automobile, etc.

Automobile Restrictions

- A passenger vehicle is:
 - a **motor vehicle** designed primarily to carry people;
 - seats driver and no more than eight passengers.
- Most cars, station wagons, vans and some pick-up trucks are passenger vehicles. They are subject to the limits for CCA, interest, and leasing costs.
- CCA – Class 10.1 Passenger Vehicle – capital cost restricted to \$30,000 plus HST. (Non-passenger vehicles have no restriction and are included in class 10.)
- Interest Expense on financed vehicle – \$300 per month.
- Leased Vehicle – Deduction is the lesser of:
 - a) \$800/30 days + PST + HST from the start of the lease to the end of the year,
 - Less prior deductions claimed.
 - b) Lease payment X (\$30,000 + HST)

Greater of (\$30,000 + HST) and 85% of MSRP

New Temporary Flat Rate Method of Claiming Home Office Expenses

The new temporary flat rate method simplifies your claim for home office expenses. You are eligible to use this new method if you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020 due to the COVID-19 pandemic. You can claim \$2 for each day you worked from home during that period plus any additional days you worked at home in 2020 due to the COVID-19 pandemic. The maximum you can claim using the new temporary flat rate method is \$500 (200 working days) per individual.

Form T2200S must be completed.

Appendix B

General List of Deductible Rental Expenses

- Property taxes
- Insurance
- Repairs and maintenance (painting, plumbing, electrical, waste removal, garbage etc).
- Utilities (hydro, natural gas, water, cable)
- Mortgage interest and financing fees
- Advertising (for tenants)
- Janitorial services
- Property management fees
- Accounting fees
- Legal expenses not connected with purchase of property
- Commissions (paid to obtain tenants)
- Landscaping of grounds and snow removal
- Office supplies
- Alarm fees and security
- Bank services charges
- Automobile expenses (if more than one property is owned)
- Lease cancellation/inducement fees
- Condo fees
- Financing fees

NOTE

Please advise of the following:

1. Rental income received during the year.
2. Canada Emergency Rent Subsidy (CERS) received during the year.
3. Copy of purchase or sale of property if sold during the year.
4. Whether you are a HST registrant.

Appendix C

General List of Deductible Medical Expenses

Professional Services

- Acupuncturist (if a qualified medical practitioner or, in Quebec only, a licensed acupuncturist)
- Chiropodist
- Chiropractor
- Christian Science practitioner
- Covid-19 tests
- Dental hygienist (if authorized to practise under provincial law)
- Dental mechanic (for the making or repairing of a complete upper or lower denture)
- Dentist
- Dermatologist
- Gynaecologist
- Neurologist
- Naturopath
- Obstetrician
- Oculist
- Optician
- Optometrist
- Orthopaedist
- Osteopath
- Paediatrician
- Physician
- Physiotherapist
- Plastic surgeon
- Podiatrist
- Practical nurse (medical services only)
- Psychiatrist
- Psychoanalyst
- Psychologist (if licensed by province to provide therapy or rehabilitation)
- Registered nurse
- Surgeon
- Speech therapist (pathological or audiological impediments only)
- Therapist

Laboratory Examinations and Tests

- Blood tests
- Cardiographs
- Metabolism tests
- Spinal fluid tests
- Stool examination
- Urine analyses
- X-ray examinations

Dental Services

- Dental x-rays
- Extracting teeth
- Filling teeth
- Gum treatment
- Oral surgery
- Straightening teeth

Hospital Services

- Anaesthetist
- Hospital bills
- Oxygen masks, tent
- Use of operating room
- Vaccines
- X-ray technician

If you have several prescription drug expenditures, please request a computer print-out of your annual drug expense from your pharmacist, rather than submitting the individual receipts. Year-to-date statements can also be obtained from your dentist, chiropractor, optician, chiropractor, massage therapist etc). If you are part of a health plan, please submit details of premiums paid and benefits paid by health provider.

For comprehensive list of qualifying medicines, apparatus, medical treatments etc, please contact our office.

Source: CCH "Preparing Your Income Tax Returns"

Appendix C – Continued

Medical Expenses

- Medical expenses can be claimed for you, your spouse or common-law partner, or you or your spouse or common-law partner’s children under 18, and children over 18 that are dependent.
- Claim medical expenses for any 12 month period ending in the taxation year (24 months in year of death).
- Medical expenses must be greater than 3% of your net income or \$2,421 Federal and \$2,462 Ontario, whichever is less.

Medical Travel Expenses

Medical Services not provided in an area

Distance	Federal
At least 40 km (one way)	<ul style="list-style-type: none"> • Vehicle-use expenses • Expenses paid to a transport company (taxi, bus, etc.)
At least 80 km (one way)	<ul style="list-style-type: none"> • Vehicle-use expenses • Expenses paid to a transport company (taxi, bus, etc.) • Meal expenses • Lodging expenses • Parking Expenses • An accompanying person if certified by a doctor
Travel expenses outside of Canada	<ul style="list-style-type: none"> • Vehicle-use expenses • Expenses paid to a transport company (taxi, bus, etc.) • Meal expenses • Lodging expenses • Parking Expenses

Attendant Care When Claiming the DTC

- There are over-lapping rules when claiming the disability amount, attendant care costs and medical expenses.
- See the chart on the following page.

Nursing Home

- Provides full-time care, including 24-hour nursing care, to individuals who are unable to care for themselves.
- All regular fees are eligible as medical expenses, including those for the following:
 - food;
 - accommodation;
 - nursing care;
 - administration fees;
 - maintenance fees; and
 - social programming and activities fees.
- However, extra personal expenses (such as hairdresser fees) are not eligible.
- **T2201** required.

Salaries and Wages

- You can claim the fees for salaries and wages paid for part-time attendant care (if form **T2201** is completed).
- Also, you can claim the fees for salaries and wages paid for attendant care services or care or supervision in the following facilities:
 - self-contained domestic establishments (such as your private home);
 - retirement homes, homes for seniors, or other institutions; and
 - group homes in Canada.

Full-time Care or Specialized Care

- Generally, you can claim the entire amount you paid for the following facilities:
 - nursing home (full-time care); and
 - schools, institutions, or other places (providing care or care and training).
- CRA considers the care to be full-time care when a person needs constant care and attendance.



Appendix C – Continued

Attendant Care When Claiming the Disability Tax Credit (DTC)

Type of Expense	Certification Required	Can you claim the disability amount?
Fees paid for full-time care in a nursing home .	Form T2201 or a medical practitioner must certify in writing that you are, and in the foreseeable future will continue to be, dependent on others for your personal needs and care because of a lack of normal mental capacity.	You can claim the disability amount, if eligible, or these expenses, but not both.
Salaries and wages for attendant care given in Canada. This can include the part of the nursing home fees paid for full-time care that relate only to salaries and wages.	Form T2201	You can claim the disability amount and up to \$10,000 for these expenses (\$20,000 if the person died in the year).
Salaries and wages for one full-time attendant outside of a self-contained domestic establishment.	Form T2201	You can claim the disability amount or these expenses, but not both.
Full-time attendant at home .	Form T2201 or a medical practitioner must certify in writing that you are, and will likely to be for a long continuous period of indefinite duration, dependent on others for your personal needs and care because of an impairment in physical or mental functions and need a full-time attendant.	You can claim the disability amount, if eligible, or these expenses, but not both.
Salaries and wages for care in a group home in Canada.	Form T2201	You can claim the disability amount and these expenses.
Care, or training and care, at a school, institution, or other place (such as a detoxification clinic).	Form T2201 or an appropriately qualified person must certify in writing that because of a mental or physical impairment, you need the equipment, facilities, or staff specially provided by that place for persons with the same type of impairments.	You can claim the disability amount, if eligible, and these expenses.

NOTE: An appropriately qualified person includes a medical practitioner, the principal of the school or the head of the institution or other place.



Appendix D

GST/HST

If you have an unincorporated business, profession or receive commercial rental income, you may be subject to charge GST on your sales.

The GST is a tax that applies to the supply of most property and services in Canada.

Almost everyone has to pay the GST/HST on purchases of taxable supplies of property and services (other than zero-rated supplies). A limited number of sales or supplies are exempt from GST/HST.

Although the consumer pays the tax, businesses are generally responsible for collecting and remitting it to the government. Businesses that are required to have a GST/HST registration number are called registrants.

Registrants collect the GST/HST on most of their sales and pay the GST/HST on most purchases they make to operate their business. They can claim an input tax credit, to recover the GST/HST paid or payable on the purchases they use in their commercial activities.

GST/HST Rates

Province	On or After October 1, 2016	July 1, 2016 to September 30, 2016	April 1, 2013 to June 30, 2016	July 1, 2010 to March 31, 2013	January 1, 2008 to June 30, 2010
Alberta	5%	5%	5%	5%	5%
British Columbia	5%	5%	5%	12%	5%
Manitoba	5%	5%	5%	5%	5%
New Brunswick	15%	15%	13%	13%	13%
Newfoundland and Labrador	15%	15%	13%	13%	13%
Northwest Territories	5%	5%	5%	5%	5%
Nova Scotia	15%	15%	15%	15%	13%
Nunavut	5%	5%	5%	5%	5%
Ontario	13%	13%	13%	13%	5%
Quebec	5%	5%	5%	5%	5%
Prince Edward Island	15%	14%	14%	5%	5%
Saskatchewan	5%	5%	5%	5%	5%
Yukon	5%	5%	5%	5%	5%

Note: Businesses either pay quarterly installments or pay annually. For 2018, the net tax that requires quarterly installments is \$3000.

GST/HST registrants must meet certain responsibilities. Generally, they must file returns on a regular basis, collect the tax on taxable supplies they make in Canada, and remit any resulting net tax owing.

You have to register for GST/HST when you no longer qualify as a small supplier because your total worldwide taxable supplies of goods and services exceed the small supplier limit of \$30,000 in a single calendar quarter or in four consecutive calendar quarters.

In order for our office to complete your GST/HST return, please forward the GST return (due date June 15th, 2022 if you are an annual filer) that the CRA sent you. If you are a first time GST filer, we would need your BIN # and confirmation letter from the CRA of your status as a GST registrant and which will also advise us the effective date you registered.

If you are an employee claiming employment expenses, we will need to know the BIN # of your employer.

Appendix E

Moving Expenses

You can deduct eligible moving expenses if you move and establish a new home to be employed or carry on a business at a **new location**, or if you move to study courses as a student in full-time attendance at a university, college or other educational institution that offers courses at a post-secondary school level.

To qualify, your new home must be **at least 40 kilometres** (by the shortest usual public route) **closer** to the new place of work or educational institution.

Eligible Moving Expenses

Transportation and storage costs (such as packing, hauling, moving, in-transit storage, and insurance) for household effects, including items such as boats and trailers.

Travel expenses, including vehicle expenses, meals, and accommodation, to move you and members of your household to your new residence. You can choose to claim vehicle and/or meal expenses using the detailed or simplified method.

Temporary living expenses for up to a **maximum of 15 days** for meals and temporary accommodation near the old and the new residence for you and members of your household. You can choose to claim meal expenses using the detailed or simplified method. If you choose the simplified method, although you do not have to submit detailed receipts for actual expenses, we may still ask you to provide some documentation to establish the duration of the temporary lodging.

Cost of cancelling a lease for your old residence, except any rental payment for the period during which you occupied the residence.

Incidental costs related to your move which includes the following:

- changing your address on legal documents;
- replacing driving licences and non-commercial vehicle permits (not including insurance); and
- utility hook-ups and disconnections.

Cost to maintain your old residence (maximum of \$5,000) when it was vacant after you moved, and during a period when reasonable efforts were made to sell the home. It includes the following:

- interest;
- property taxes;
- insurance premiums; and
- heat and utilities expenses.

Note 1

The costs must have been incurred when your old residence was not ordinarily occupied by you or any other person who ordinarily resided with you at the old residence just before the move. You cannot deduct these costs during a period when the old residence was rented.

Cost of selling your old residence, including advertising, notary or legal fees, real estate commission, and mortgage penalty when the mortgage is paid off before maturity.

Cost of purchasing your new residence if you or your spouse or common-law partner sold your old residence as a result of your move.

Note 2

It includes legal or notary fees that you paid for the purchase of your new residence, as well as any taxes paid (other than GST/HST or property taxes) for the transfer or registration of title to the new residence.

Methods of Calculation

Detailed Method

Meal expenses

If you choose to use the detailed method to calculate your meal expenses, you must keep all your receipts and claim the actual amount that you spent.

Vehicle expenses

If you choose to use the detailed method to calculate your vehicle expenses, you must keep all receipts and records for the vehicle expenses. Claim the actual amount that you spent in respect of your moving expenses during the tax year.

Simplified Method

Meal expenses

If you choose to use the simplified method, to calculate your meal expenses, you may claim a flat rate per person. Although you do not need to keep detailed receipts for actual expenses, we may still ask you to provide some documentation to support your claim.

Vehicle expenses

If you choose to use the simplified method to calculate the amount to claim for vehicle expenses, multiply the number of kilometres by the cents/km rate for the province or territory in which the travel began. We may still ask you to provide some documentation to support your claim. You must keep track of the number of kilometres driven during the tax year for the trips related to your moving expenses.

Keep all your receipts and documents supporting your claim.



Appendix F

Disability and Caregiver Tax Credit

Disability Tax Credit

Must have prolonged impairment and be markedly restricted in any of the basic activities of daily living.

File Form **T2201** with tax return for first year the credit is claimed:

- always audited before claim is allowed; and
- need to file with supporting person too.

The disability tax credit is \$8,662 (\$8,790 – Ontario).

Supplementary disability tax credit of \$5,005 (\$5,127 – Ontario) for a child under the age of 18 reduced by net income over approximately \$28,400 (\$25,000 – Ontario).

Amounts are increased by \$2,330 for Canada caregiver amount.

Canada Caregiver Credit

Individual must maintain a residence in which family member resides who is:

- over the age of 18 and dependent by reason of mental or physical infirmity; or
- the individual's parent or grandparent who is over age 65.

Credit of \$7,348 (\$5,128 – Ontario) is reduced if personal income of dependant exceeds \$24,604 (\$22,672 – Ontario).

May claim instead of claim for equivalent-to-spouse or dependant personal credit.



Appendix G

First-Time Home Buyer's Tax Credit

A non-refundable credit based on \$5,000 for first-time buyers.

- Effectively, a savings of \$750 (15% of \$5,000).

An individual is a first-time buyer if neither the individual or the spouse owned and lived in another home in the calendar year of the purchase or in the four preceding years.

- Must occupy the property purchased as a principal residence.
- If two people are eligible for the credit, the total cannot exceed the maximum that one person could claim.

Credit is also be available in respect of homes bought for a person who is eligible for the disability tax credit if the house is more accessible or in an environment better suited to the personal needs and care of the individual.



Appendix H

Child Care Expenses

Child Care Expenses

Taxpayers are allowed to deduct childcare expenses as indicated in the under-noted table:

Age of child as of December 31	"Non-Disabled" Child	Disabled Child
Under 7	\$8,000	\$11,000
7-16	\$5,000	\$11,000
Over 16	None	\$11,000

The maximum deductible would be the least amounts of the figures listed above, (ii) the amount of child care expenses paid and (iii) 2/3 of taxpayer's earned income (lower income spouse in most cases).

The childcare expenses must be incurred to allow you to engage in employment, a business or attend post-secondary education or engaged in grant research .

You can claim payments for child care expenses made to:

- caregivers providing child care services;
- day nursery schools and daycare centres;
- educational institutions, for the part of the fees that relate to child care services;
- day camps and day sports schools where the primary goal of the camp is to care for children (an institution offering a sports study program is not a sports school); or
- boarding schools, overnight sports schools, or camps where lodging is involved.

Please note that payments made to an overnight camp are restricted to \$200/week and \$125/week for kids under 7, aged 7 to 16 and respectively. \$275/week can be claimed for disabled children.

Boarding School or Overnight Camps

Age of child as of December 31	"Non-Disabled" Child	Disabled Child
Under 7	\$200/week	\$275/week
7-16	\$175/week	\$275/week
Over 16	None	\$275/week



Appendix I

Home Accessibility Credit

- Qualifying Individual – 65 years and older or disabled.
- Credit can be claimed by the Qualifying Individual or an Eligible Individual.
- Eligible Individual is person who claimed the spouse/common-law partner amount, eligible dependent amount or Canada caregiver amount for the Qualifying Individual.
- 15% of qualifying expenditures-maximum of \$10,000 to an eligible dwelling.
- Eligible Dwelling:
 - principal residence of Qualifying or Eligible Individual;
 - housing unit located in Canada;
 - Qualifying or Eligible Individual must own housing unit;
 - if Qualifying Individual owns the dwelling they must ordinarily live in the dwelling;
 - if the Eligible Individual owns the unit, both must ordinarily live in the dwelling.
- Qualifying Renovation must be:
 - of an enduring nature.
 - undertaken for one of the following reasons:
 - improve the Qualifying Individual's mobility within the dwelling;
 - improve the dwellings accessibility and functionality;
 - reduce risk of harm for him/her in living or accessing the dwelling.
- Both home accessibility and medical tax credits can be claimed for the same expenditures.



Appendix J

Principal Residence Exemption

A principal residence includes any property owned that was ordinarily inhabited by either the taxpayer, his/her spouse, former spouse or child.

- Includes vacation properties even if outside of Canada.
- Generally land in excess of 1/2 hectare is excluded unless it is necessary for the use and enjoyment of the property.

Only one property can be designated as a principal residence for any year after 1982 by the family unit of taxpayer, spouse and any child under 18 who is neither married or in a common-law relationship.

The portion of the gain that is exempt is:

Gain X $(1 + \# \text{ of years designated and resident in Canada})$
 $(\# \text{ of years owned; including year of purchase and sale})$

An adjustment is required where the capital gains election was made in 1994.

Technically, every person who sells a principal residence must file principal residence exemption form but the CRA states in Folio S1-F3-C2, paragraph 2.15 that the **T2091** (but not **T1255**) only needs to be filed if there is a gain after claiming the principal residence exemption of a 1994 capital gains election was made on the residence.

New Rules Effective 2016

On October 3, 2016, *the Government announced* an administrative change to Canada Revenue Agency's reporting requirements for the sale of a *principal residence*.

When you sell your principal residence or when you are considered to have sold it, usually you do not have to report the sale on your income tax and benefit return and you do not have to pay tax on any gain from the sale. This is the case if you are eligible for the full income tax exemption (principal residence exemption) because the property was your principal residence for every year you owned it.

Starting with the 2016 tax year, individuals who sell their principal residence will be required to report basic information (date of acquisition, proceeds of disposition and description of the property) on Schedule 3, Capital Gains of the T1 Income Tax and Benefit Return. Reporting will be required for sales that occur on or after January 1, 2016, to claim the full principal residence exemption.

The principal residence exemption is an income tax benefit that generally provides you an exemption from tax on the capital gain realized when you sell the property that is your principal residence. Generally, the exemption applies for each year the property is designated as your principal residence.

For the sale of a principal residence in 2016 or later tax years, CRA will only allow the principal residence exemption if you report the sale and designation of principal residence in your income tax return. If you forget to make a designation of principal residence in the year of the sale, it is very important to ask the CRA to amend your income tax and benefit return for that year. Under proposed changes, the CRA will be able to accept a late designation in certain circumstances, but a penalty may apply.

The penalty is the lesser of the following amounts:

1. \$8,000; or
2. \$100 for each complete month from the original due date to the date your request was made in a form satisfactory to the CRA.

For dispositions occurring during this communication period, including those that occur in the 2016 taxation year (generally for which the designation would be required to be made in tax filings due by late April 2017) the penalty for late-filing a principal residence designation will only be assessed in the most excessive cases.

If only a part of your home is used as your principal residence and you used the other part to earn or produce income, whether your entire home qualifies as a principal residence will depend on the circumstances.

It remains the CRA's practice to consider that the entire property retains its nature as a principal residence, where all of the following conditions are met:

- the income-producing use is secondary to the main use of the property as a residence;
- there is no structural change to the property; and
- no capital cost allowance (CCA) is claimed on the property.

If your situation does not meet all three of the conditions above, you may have to split the selling price and the adjusted cost base between the part you used for your principal residence and the part you used for other purposes

Continued on next page



Appendix J – *continued*

Principal Residence Exemption

(for example, rental or business). You can do this by using square metres or the number of rooms, as long as the split is reasonable. Instructions are provided in the guide **T4037, Capital Gains 2021**, on how to report the sale of your principal residence in this situation.

The new rules apply for deemed dispositions. A deemed disposition occurs when you are considered to have disposed of property, even though you did not actually sell it. For example, a deemed disposition will occur if there is a change in use of the property:

- You change all or part of your principal residence to a rental or business operation.
- You change your rental or business operation to a principal residence.

When you change the use of a property, you are generally considered to have sold the property at its fair market value and to have immediately reacquired the property for the same amount. You have to report the disposition (and designation) of your principal residence and/or the resulting capital gain or loss (in certain situations) in the year the change of use occurs.

If you sold your principal residence in 2016, we will need:

- Copy of sale agreement including lawyer's reporting letter, statement of adjustments, legal fees and real estate commissions;
- Original purchase agreement including lawyer's reporting letter, statement of adjustments, legal fees and land transfer taxes paid;
- Renovations made during the period of ownership.

Please also advise us if you owned any other principal residences during the period of ownership of the house or cottage that was sold in prior years if it was not reported.

Appendix K

Investment Income, Expenses and Losses

Statement of Investment Income

- Summary of any investment income, interest and dividends received from all Canadian and Foreign sources.
- Deduction of carrying charges (interest expense, legal fees, accounting fees, etc.) attributable to the earning of investment income.

Interest Deductibility

To be deductible:

1. Interest must be paid or payable pursuant to a legal obligation to pay interest; and
2. Interest must be on funds borrowed for the purpose of gaining or earning income from a business or property, or, an amount payable for property acquired for the purpose of gaining or producing income.

Non-deductible interest:

1. Terms of interest not clearly established;
2. Not used to earn income from business or property; and
3. Funds used to acquire deferred plans such as an RRSP, RPP, TFSA.

Investment Management Fees

- Fees to manage investments.
- Investment advice.
- Cannot deduct:
 - management or administration fees for your RRSP, RPP, TFSA;
 - fees for safety deposit boxes;
 - subscriptions for financial magazines, newspapers or other publications;
 - brokerage or commission fees (these are generally capital in nature; and
 - tax preparation fees unless related to self-employment.

Business Investment Losses

Only for arm's length dispositions of shares and debt of small business corporations or where investment is written off.

- To claim the loss, the corporation must have been a small business corporation within the prior 12 months.

Reduced by prior capital gains exemptions claimed since 1985.

- This converts a portion of the business investment loss back to an ordinary capital loss.

Loss on debt must be claimed at the end of the year the debt becomes bad.

Loss on shares can be claimed if, at the end of the year, the corporation is:

- Bankrupt, or
- Insolvent and
 - the corporation and all corporations it controls have ceased business;
 - the fair market value of the share is nil; and
 - it is reasonable to assume that corporation will be dissolved and not commence to carry on business.

In both cases must elect under S.50(1) in the return by attaching a signed letter to the return or mailing the election for e-filed returns.



Appendix L

Foreign Reporting

File from **T1135** if **cost** of specified foreign property exceeds \$100,000 at any time in the year.

Foreign property includes:

- Shares of foreign corporations
- Funds on deposit outside of Canada, i.e., foreign bank accounts
- Shares of Canadian corporations held outside of Canada
- Indebtedness owed by foreign persons
- Interests in foreign trusts
- Foreign mutual funds
- Precious metals held outside of Canada
- Funds on deposit outside of Canada, i.e., foreign bank accounts.

Foreign property does **not** include:

- Personal use property, e.g., Florida condo (50% use of personal)
- Foreign property held by RRSP, RRIF, TFSA or Canadian mutual fund
- Shares in foreign affiliates (file Form **T1134**)

Changes to the T1135

The **T1135** was expanded in 2013.

- The name of each foreign bank account or investment must be listed
- The specific country for that investment
- The maximum cost in the year and cost at the end of the year
- The income or loss for each investment
- The capital gain or loss on disposition of the investment.

Attached schedules must use an identical format to the **T1135**. Individuals can **efile** the **T1135** for the 2015 year.



Appendix M

Support Payments

Must be periodic amounts paid pursuant to a written separation agreement or an order of a competent tribunal.

- Amounts paid prior to agreement signed may be deductible (in the year or immediately preceding year) if agreement refers to S.56.1(3) and 60.1(3).

Child support is any amount not identified as being support for spouse or common-law partner.

- Not deductible for new or modified agreements after April 1997
- Child support considered to be paid prior to spousal support.

Late payments of support are deductible/taxable in the year paid.

Support payments (receipts) reduce (increase) earned income for RRSP purposes.

Register new or amended agreements with spousal support – **T1158** (mail separately from return).

US Tax Treatment of Support

- Beginning January 1, 2019, alimony payments are not deductible by the payor spouse, or taxable to the recipient spouse, if made under a divorce or separation agreement made after December 31, 2018.
- CDN recipient spouse / US payor.
- Results in increased taxes as the CDN recipient pays tax on support and the US payor does not receive a deduction for the support paid.
- Result is increased taxes.
- Relief under the US-Canada Tax Convention. Article XVIII, paragraph 6.
- Allows CDN residents to exclude US alimony from CDN income if agreement originated in the USA.
- Cannot be deducted from US income.



Appendix N

Child Tax Benefits Information

Maximum Canada Child Benefit

If your adjusted family net income (AFNI) is under \$32,028, you get the maximum payment for each child. It will not be reduced.

For each child:

- under 6 years of age: \$6,833 per year (\$569.42 per month)
- 6 to 17 years of age: \$5,765 per year (\$480.42 per month)

Examples:

- For a child turning 6 years of age in March 2022, you will be paid at the 6 years of age rate for the month of March and, at the 6 to 17 years of age rate for the month of April 2022.
- For a child turning 18 in December 2022, the last payment will be in December 2022 at the 6 to 17 years of age rate.

Payments are based on your adjusted family net income (AFNI).

Any reduction to the maximum benefit depends on your adjusted family net income and on the number of children.

Benefits gradually start decreasing when the adjusted family net income is over \$32,028.

Appendix O

Canada Pension Plan

Individuals between age 65 and 70 must pay CPP on salary or self-employed earnings regardless of whether they are receiving a CPP pension.

Employees can elect not to pay CPP by filing Form **CPT30** with the CRA and giving a copy to the employer.

- CPP contributions stop the month after filing the election.

Self-employed individuals can elect not to pay CPP by electing on Schedule 8 of the tax return.

If there is both employment and self-employed earnings then the election is made on Form **CPT30**. Only select on Schedule 8 if you want to elect an earlier date for self-employed earnings.

Pension Splitting

- Form **T1032** Joint Election to Split Pension Income must be filed jointly with spouse or common-law partner.
- Form must be attached to both spouses returns.
- May split up to 50% of *eligible* pension income with your spouse.
- Transferor deducts split pension amount on line 21000 and the transferee adds it to income on line 11600.
- Consider all effects before splitting including OAS and CRB clawbacks.

Eligible Pension Income

If over age 65:

- Payments from a registered pension plan.
- Annuity payments from an RRSP.
- Payments from a RRIF.
- Payments from a foreign register pension plan or US Social Security.

The following are not eligible for pension splitting:

- C.P.P.
- O.A.S.
- Death Benefits
- Q.P.P.
- U.S. Individual Retirement Account
- C.P.P. can be split but only through having payments actually split. T1 reporting must be consistent with slips.

Eligible Pension Income

If under age 65:

- Payments from a registered pension plan.
- Payments from a foreign registered pension plan or US Social Security.
- Annuity payments from an RRSP if due to the death of a spouse.
- Payments from a RRIF if due to the death of a spouse.

US Social Security

- Per the Canadian/U.S. tax treaty, an individual does not have to pay Canadian income tax on their entire US Social Security (line 11500) (note: Canada has treaties with many other countries as well).
- May claim an exemption on 15% of this income (line 25600).
- If a resident of Canada since before January 1, 1996 and received the Social Security benefit since before January 1, 1996, may claim an exemption of 50 percent of this income (line 25600).
- Federal foreign tax credit may be disallowed on US Social Security since only taxable in country of residence under the Treaty.

Appendix P

Ontario Trillium Benefits and Seniors' Tax Credits

Combines the following three credits and is paid monthly.

- Application is made on the tax return but payments are made monthly outside of the tax system.
- Must be resident of Ontario at the beginning of the month to qualify.

1. Ontario Sales Tax Credit

- Must be 19 years old to receive this.
- Apply if the individual was 19 before June 1, 2021.
- CRA determines entitlement based on GST/HST credit.

2. Ontario Energy and Property Tax Credit

- Must be 18 years old before June 1, 2021.
- Must be a resident of Ontario on December 31, 2021.
- Based on rent or property tax paid.
 - Rent paid to a long-term care home that does not pay municipal taxes will qualify for the Energy credit component. (If no breakdown received, the guide says to use 75% of amount paid.)

3. Northern Ontario Energy Credit

- Only for residents of northern Ontario.

Apply for last two components on Form **ON-BEN**.

4. Ontario Senior Homeowner's Property Tax Grant

- Up to a \$500 grant for property tax.
- Must be age 64 and own a residence on December 31, 2021.
- Based on 2020 property tax paid for 2020 grant.
- Apply for on Form **ON-BEN**.
- Paid approximately eight to ten weeks after *Notice of Assessment* received.

5. Ontario Seniors' Public Transit Tax Credit

- Be 65 years old or older on the last day of the previous tax year that you're claiming the credit.
- Live in Ontario by the end of that year.

For example, to qualify for the credit when you file your personal Income Tax and Benefit Return in 2022, you must be:

- 65 years or older on December 31st, 2020.
- A resident of Ontario on December 31st, 2021.

If you moved outside of Ontario before December 31, 2021, you wouldn't qualify for the tax credit.

You can claim up to \$3,000 in eligible public transit expenses and receive up to \$450 each year.

The Seniors' Home Safety Tax Credit is a temporary, refundable personal income tax credit that can help you make your home safer and more accessible, helping you stay in your home longer.

The credit is available for the 2021 and 2022 tax years and is worth 25% of up to \$10,000 in eligible expenses per year for a senior's principal residence in Ontario.

Expenses must be paid or payable in 2021 and 2022. The maximum credit is \$2,500 per year.

6. Seniors' Home Safety Tax Credit

Eligibility

Who is Eligible

You are eligible to claim the credit if you:

- are 65 or older by the end of the year, or
- live with a senior relative, or
- will live with a senior relative within 24 months after the end of the year.

What is an Eligible Expense

Renovation expenses are eligible if they improve safety and accessibility or help a senior be more functional or mobile at home, for example:

- Grab bars and related reinforcements around the toilet, tub and shower wheelchair ramps, stair/wheelchair lifts and elevators.
- Certain renovations to permit first floor occupancy or a secondary suite for a senior.
- Handrails in corridors.
- Walk-in bathtubs.
- Wheel-in showers.
- Comfort height toilets.
- Widening passage doors.
- Lowering existing counters/cupboards.
- Installing adjustable counters/cupboards.

Continued on next page



Appendix P – *continued*

Ontario Trillium Benefits and Seniors' Tax Credits

What is an Eligible Expense – continued

- Light switches and electrical outlets placed in accessible locations.
- Door locks that are easy to operate.
- Lever handles on doors and taps, instead of knobs.
- Pull-out shelves under counters to enable work from a seated position.
- Non-slip flooring.
- A hand-held shower on an adjustable rod or high-low mounting brackets.
- Additional light fixtures throughout the home and exterior entrances.
- Swing clear hinges on doors to widen doorways.
- Creation of knee space under the basin to enable use from a seated position (and insulation of any hot-water pipes).
- Relocation of tap to front or side for easier access.
- Hands-free taps.
- Motion-activated lighting.
- Touch-and-release drawers and cupboards.
- Automatic garage door openers.

Expenses must be paid or payable in 2021 and 2022.

What is Not an Eligible Expense

Examples of expenses that are not eligible for the credit include:

- Routine repairs, maintenance or service (for example, plumbing or electrical repairs).
- Esthetic improvements (for example, painting and landscaping).
- Appliances, furniture or devices (for example, lift chairs and medical alert devices).
- Services (for example, housekeeping, attendant care, or home security).



Appendix Q

School Supplies and Digital News Tax Credits

School Supplies Tax Credit

A refundable tax credit of 15% of up to \$1,000 of expenditures claimed in the year.

The teacher or early childhood educator must be accredited.

Eligible amounts must be for the purpose of teaching or facilitating students' learning.

- Must be used in an elementary or secondary school or a regulated child care facility.
- Must not have been reimbursed or otherwise deductible.
- Must be able to provide a certificate from the employer attesting to the eligible expenses of the teacher.
- Must be either consumable supplies or books games and puzzles containers or educational support software.

Effective for supplies bought on or after January 1, 2016.

Digital News Subscription Tax Credit

This non-refundable Digital News Subscription Tax Credit is for individuals who subscribed to a **Qualifying Canadian Journalism Organization – QCJO** – for subscription costs to Canadian Digital News Media from 2020 through 2024 where their primary focus is "*original news written content*".

The maximum tax credit is \$500.



Appendix R

RRSP and TFSA Contribution Limits

RRSP

- 2022 RRSP limit – 18% of earned income to a maximum of \$29,210 (\$27,830 for 2021) minus any pension adjustments.
- Income required to contribute the maximum in 2021 \$162,278 (\$154,611 for 2021).
- Maximum is indexed annually.
- Contributions made in the first 60 days of the year can be deducted in the previous taxation year.
- Unused contributions can be carried forward indefinitely.
- 1% per month penalty on over contributions greater than \$2,000.
- Withdrawals are subject to tax withholdings.
- There may be special contributions in excess of the above limits:
 - lump sum transfers on death of a spouse;
 - retiring allowances; and
 - rollover from a Registered Pension Plan.

RRSP Unused Contribution

- May be able to withdraw unused contributions.
- Must be withdrawn from same plan.
- Form **T746**.

RRSP Over Contributions

- May over contribute by \$2,000.
- Cannot deduct the \$2,000 over contribution.
- Penalty tax of 1% per month of the amount greater than \$2,000 that you have over contributed.
- Use Form **T1-OVP** to calculate penalty tax.

RRSP, Transfers and HBP

- Home Buyers Plan (HBP) – Withdraw up to \$35,000 from your RRSP toward the purchase of a home (\$25,000 prior to March 21, 2019).
- No withholding tax on withdrawal.
- Cannot use HBP if you have owned a home in the last 5 years. Must consider if spouse or common-law spouse has owned a property.
- Exceptions for a disabled person or their relative if the purpose is to enable a disabled person to live in an accessible home.

- Must be repaid to your RRSP over 15 years, starting in the second year following the withdrawal.

RRSP Contribution Limits

Indexed amounts for 2022 will be announced in the fall of 2021.

The indexed amount will not be less than the contribution limit for the preceding year.

Year	RRSP Contribution Limit	Earned Income Required in Prior Year
2016	25,370	140,944
2017	26,010	144,500
2018	26,230	145,722
2019	26,500	147,222
2020	27,230	151,278
2021	27,830	154,611
2022	29,210	162,278

TFSA Contribution Limits

The \$5,000 TFSA Dollar Limit is indexed to inflation but rounded to the nearest \$500.

Year	TFSA Contribution Limit
2009	5,000
2010	5,000
2011	5,000
2012	5,000
2013	5,500
2014	5,500
2015	10,000
2016	5,500
2017	5,500
2018	5,500
2019	6,000
2020	6,000
2021	6,000
Cumulative	79,500



Appendix S

Donations and Gifts

- Must be made to a registered charity.
- Credit calculated as:
 - 15% of donations up to \$200;
 - 33% of the lessor of (1) donations over \$200, and (2) taxable income over \$214,368; and
 - 29% of donations over \$200 not qualifying for the 33% tax rate.
- May contribute up to 75% of your net income, unused donations can be carried forward 5 years (10 years for ecological gifts after February 10, 2011).
- Up to 100% of a taxpayer's net income can be claimed as donations in the year of death and the year preceding death.
- Foreign donations are restricted to 75% of foreign net income (depending on applicable tax treaty).
- Gift of Certain Capital Property – Zero inclusion rate on capital gain, donation equal to FMV.



Appendix T

2021 Personal Tax Rates

Federal Rates

From	To	Rate	Tax at the Upper Range
–	49,020	15.0%	7,353
49,021	98,040	20.5%	17,402
98,041	151,978	26.0%	31,426
151,979	216,511	29.0%	50,140
Over 216,511		33.0%	Over \$50,140+

Ontario Personal Tax Rates

From	To	Rate	Tax at the Upper Range
	45,142	5.05%	2,280
45,143	90,287	9.15%	6,410
90,288	150,000	11.16%	13,074
150,001	220,000	12.16%	21,586
Over 220,000+		13.16%	Over 21,586+

Ontario Surtax

On Ontario tax over	\$4,874	20%
Plus on Ontario Tax over	\$6,237	36%
Combined on Ontario tax over	\$6,237	56%

Federal brackets have increased due to indexing.

2021 Combined Personal Tax Rate

From	To	Tax at the Upper Range on Regular Income	Marginal Rate			
			Regular Income	Capital Gain	Eligible Dividend	Non-Eligible
	45,142	6,430	20.05%	10.03%	00.00%	09.24%
45,142	49,020	7,367	24.15%	12.08%	00.00%	13.95%
49,021	79,505	16,405	29.65%	14.83%	06.39%	20.28%
79,506	90,287	19,799	31.48%	15.74%	08.92%	22.38%
90,288	93,655	20,940	33.89%	16.95%	12.24%	25.16%
93,656	98,040	22,602	37.91%	18.96%	17.79%	29.78%
98,041	150,000	45,157	43.41%	21.71%	25.38%	36.10%
150,001	151,978	46,047	44.97%	22.49%	27.53%	37.90%
151,979	216,511	77,417	48.29%	24.15%	32.11%	41.72%
216,512	220,000	79,230	51.97%	25.99%	37.19%	45.95%
220,000+		79,230+	53.53%	26.77%	39.34%	47.74%

Note: After deduction of federal basic personal credit of \$13,808 (reduced to \$12,421 for income above \$216,511) and Ontario basic personal credit of \$10,880. Ignores Ontario Health Premium.

No change in maximum tax rates from 2020.



Appendix U

Non-Refundable Tax Credits for 2021

Non-Refundable Tax Credit	Federal	Ontario
Basic personal amount	13,808	10,880
Spouse, common-law partner, eligible dependent ⁽¹⁾	13,808	10,880
Age amount ⁽²⁾	7,713	5,312
Disability amount	8,662	8,790
Disability amount supplement for taxpayers under 18 years of age ⁽³⁾	5,003	5,127
Canada Caregiver amount – infirm spouse, child under 18 (added to Canada Caregiver amount below) ⁽⁴⁾	2,295	0
Canada caregiver amount – spouse or eligible dependent age 18 ⁽⁵⁾	7,348	5,128
Pension income amount	2,000	1,504
Medical expense tax credit – must exceed lesser of 3% of net income or \$80,700 (Ontario \$82,067)	2,421	2,462
Eligible Adoption expense per child	16,729	13,274
Canada Employment amount	1,257	0
Volunteer Firefighter / Search and Rescue amount	3,000	0

Schedule 1: Non-Refundable Tax Credits

- Tax credits are non-refundable if the taxpayer has no income tax payable before the credit, they cannot be claimed.
- Certain tax credits if not used, such as tuition tax credit and the charitable donations tax credit can be carried forward.
- Taxpayers receive a federal tax credit for 15% of the total of all non-refundable tax credits that apply to them (Ontario credit is 5.05%).
- Federal amount of the non-refundable tax credits differs from the provincial amounts.

Other Non-Refundable Tax Credits

- CPP, QPP, EI
- Tuition amount (Federal credit only)
- Tuition amount transferred from a child (max. \$5,000).
- Interest paid on student loans.
- Home accessibility credit (\$10,000 Federal).
- Amounts transferred from your spouse or common-law partner.
- Home Buyers credit.

Schedule 5: Amounts for Spouse or Common-Law Partner and Dependents

- If your spouse or common-law partner does not need all of his or her tax credit to reduce their taxes to nil, then certain tax credits can be transferred to the other spouse:
 - Age credit
 - Canada caregiver amount for infirm child under 18 at the end of the year.
 - Disability credit

Notes: Non-Refundable Tax Credits

1. Spouse, Common-law Partner, eligible dependent is reduced by net income of the dependent and eliminated when net income reaches \$12,298.
2. Age Amount is reduced by 15% when net income exceeds \$38,508 and eliminated when net income exceeds \$89,421.
3. Disability Amount supplement for taxpayers under 18 years of age is reduced when total child care and attendant care expenses for this taxpayer exceed \$2,930 and eliminated when the expenses exceed \$7,784.
4. Canada Caregiver Amount for an infirm spouse or child under 18 is a supplement to the Canada Caregiver Amount.
5. Canada Caregiver Amount is reduced when the dependent's income reaches \$24,361.



Appendix W

Social Benefits Repayment

- Clawback of Old Age Security:
 - 15% of net income in excess of \$79,845.
- Clawback of Employment Insurance:
 - 30% of net income in excess of \$70,375.

Appendix X

General Information on Income Tax Return Filing

You must file an income tax return if:

- You have taxes payable;
- You or your spouse are entitled to Canada Child Benefit;
- You applied and received Working Income Tax Benefit;
- You disposed of capital property or had a capital gain in the year;
- You have to repay some or all OAS benefits;
- You have to repay some or all EI benefits;
- You have not repaid all of your RRSP Home Buyers Plan or Lifelong Learning Plan;
- You have self employment net income greater than \$3,500 and owe CPP;
- You ceased to be a Canadian resident;
- You have received a demand to file;
- You have elected to split pension income;
- You elect to pay EI on self-employed earnings (Schedule 13); and
- To recover an overpayment of income taxes withheld.

You may want to file an income tax return if:

- You are entitled to a refund of tax withheld;
- You want to claim refundable tax credits (CCB, GST/HST credit, WITB, Property Tax Credit etc.);
- You were a student who had excess tuition, and education amounts;
- You have earned income that will increase your RRSP contribution room;
- You are receiving GIS;
- You have investment tax credits;
- You have a capital or non-capital loss in the year.

Section 216 Tax Return:

- Filed by a non-resident earning rental income in Canada.
- Allows the rental income to be taxed on the net rental income at the graduated tax rates rather than withholding on the gross rental income.
- If an NR4 was filed, the 216 return MUST be filed no later than June 30th .

Payments and Due Dates

- Filing due date is normally April 30 of the following year, however, if you are self-employed, the due date is June 15th of the following year.
- All taxes are due by April 30 of the following year.
- All elections and foreign reporting forms (if applicable) are

also due on the filing due date.

- Instalments must be paid in the following year if taxes owing are greater than \$3,000 in the current year and either of the two prior years.
- Instalments are due March 15, June 15, September 15, and December 15.

Due Dates

- T1135 -Due with the return. Filed separately.
- T1134
- Due 15 months after year end,
- After 2020 reduced to 12 months
- After 2021 reduced to 10 months

Electronic Filing

- Returns may be filed by mail or electronically.
- Tax Preparers are subject to **Mandatory** Electronic Filing.
- There are penalties to Tax Preparers for paper filing E-file eligible returns.
- Certain returns are not eligible for E-filing.
- Elections must be filed in paper form.
- T1135 forms are E-filed separately.
- Certain other forms must be filed in paper form.

Electronic Filing Exclusions

- Taxpayer is a deemed resident
- Deceased taxpayer's year of death is prior to the current tax year.
- Taxpayer's SIN begins with a "0".
- Taxpayer is coded bankrupt.
- Taxpayer is an emigrant or a non-resident.
- Taxpayer's address is outside of Canada.

Penalties

- Penalty for late filed returns is 5% of the balance due plus 1% per month for a maximum of 12 months (17% in total).
- Second occurrence of late filed return doubles the penalty to 10% of taxes due plus 2% per month to a maximum of 20 months (50% in total).
- Penalty for repeated failure to report income is the lesser of 10% of the unreported amount or half the amount of a gross negligence penalty. (Also a 10% provincial penalty).
- Gross Negligence – 50% of the tax avoided or benefit improperly claimed.
- Interest is charged on the balance due at the prescribed rate, plus 4%.



Appendix Y

Covid-19 Information

Canadian Worker Lockdown Benefit

- \$300 per week for workers locked down between October 24, 2021 and May 7, 2022.
- Available to those ineligible for EI.
- Not available to those who lost employment due to refusal to adhere to vaccine mandates.
- Taxable.

Canada Recovery Benefit (CRB)

- Replaces Canadian Emergency Response Benefit (CERB), which ended October 3, 2020.
- For individuals who do not qualify for EI, such as self-employed or independent contractors.
- CRB will provide eligible workers with up to 54 weeks of income support.
- There is a taxable benefit of \$500 per week for the first 42 weeks and \$300 per week for the remaining 12 weeks. New recipients on or after July 18, 2021 will only receive a rate of \$300 per week.
- 10% tax withholding on the weekly amount.
- Ended on October 23, 2021.

Canada Recovery Caregiving Benefit (CRCB)

- Eligible for workers unable to work for at least 50% of the week because they must care for a child under the age of 12 or family member because of schools, day-cares or care facilities being closed due to Covid-19, or because the child or family member is sick and/or self-isolating or is at high risk of serious health complications because of Covid-19.
- Taxable benefit of \$500 per week for up to 42 weeks per household.
- 10% tax withholding on the weekly amount.
- Available from September 27, 2020 to November 20, 2021.
- Extended to May 7, 2022 with an increase to the maximum number of weeks by two weeks (44 weeks total).

Canada Recovery Sickness Benefit (CRSB)

- Eligible for those who are unable to work for at least 50% of the week because they contracted Covid-19, self-isolated for reasons related to Covid-19, or have underlying conditions, are undergoing treatments or have contracted other sicknesses that would make them more susceptible on Covid-19.
- Taxable benefit of \$500 per week for up to a maximum of 4 weeks.
- 10% tax withholding on the weekly amount.
- Available from September 27, 2020 to November 20, 2021.
- Extended to May 7, 2022 with an increase to the maximum number of weeks by two weeks (six weeks total).

Repayment of COVID-19 Benefits

- Repayment of benefits are normally deductible in the year of repayment.
- COVID repayments may be deducted in the year included in income if repaid before 2023.
- However, CRB is deducted if paid before your balance due date (per paragraph 60 [v.2]).

CRB – Clawback

- \$0.50 for every dollar of Net income over \$38,000.

Canada Workers Benefit

- This refundable tax credit is not new, but due to Covid-19, the government has expanded eligibility by making the benefit available to those with incomes up to:
 - \$32,244 as single Canadians w/o children;
 - \$42,197 as single-earner families; and
 - \$56,197 as double-earner families.