



Personal Tax Time

It's that time of year again so we have put together a checklist of items to assist you when compiling personal tax information. Please review it carefully before bringing your information to us.

If you have not previously provided personal information (i.e. SIN, date of birth, current home address and your dependants' names, SIN, and dates of birth), we require these details in order to accurately complete your return. It is also important that we are informed of any significant changes affecting your taxes. Such updates may include a change in address or marital status, and any related births or deaths.

If you are unsure whether you've received all tax slips issued to you, we suggest contacting the CRA in mid-April at 1-800-959-8281 to request a copy of tax slips on record for the year in question. Afterward, please forward these documents to us and if any income has been missed, a T1 adjustment can be filed.

If you have the following types of income or deductions, here are some items to consider.

Self-Employment Income and/or Rental Income

Sample forms of self-employment and rental income are available to help organize and categorize your records. These documents can be found on our web site in the section '*Resources*', under the subheading '*Personal Tax*'.

Investment Income

Investment income consists of several categories including:

Tax Shelters and Limited Partnerships

- Issued statements and slips (T5013) must be included with the return.

Loans or business investments

- Any losses or investments in private corporations that have gone bad during the taxation year may be eligible for business investment tax loss treatment.

Capital Gains/Losses

- We require a list of all investment transactions, including the buying and selling of Canadian or foreign stocks and bonds. You must provide details of the bought and sold dates, cost, proceeds and brokerage fees paid on the items.
- An annual copy of your brokers' annual trading and income summary, statements, reinvested dividends, and trade documents is also helpful. Note, if the trading summary does not include the cost amount for all dispositions, please request a realized gain/loss summary from your broker.

Account management fees and investment loan or margin interest are deductible with supporting statements.



Employment and Other Income

In general, we require all “T” slips issued to you during the taxation year, including the T4 issued by an employer. For those with pension income, RESP withdrawals and self-employed commission income, etc., a T4A slip is necessary for our records.

Casual income not included on any slips (i.e. tips, etc.) should be provided by you as well as income received from an apprenticeship completion grant, if applicable.

If you receive an automobile allowance or are required by your employer to pay expenses related to your job, your employer is required to complete form T2200 to allow you to claim employment expenses. More details regarding the T2200 can be found on our website under ‘Resources/Personal Tax’.

Other Deductions and Information

Tuition fees for yourself or a dependant are indicated by a tuition receipt issued by the college/university, the T2202/TL11. If your dependant has low income, you may be able to claim some or all of his tuition costs on your return. If you are claiming the relevant education amount for your dependant, then the dependant must complete parts 2, 3 and 4 of this form in order for adequate authorization. Please note that it is usually beneficial for students to file tax returns, as this allows tax credit refunds to be claimed.

Certain other items are deductible with accompanying receipts including:

- RRSPs during the calendar year and 60 day period subsequent to the calendar year
- Medical expenses (we require original copies of medical receipts)
- Charitable donation with receipts issued by valid Canadian charities (containing a number in the form **xxxxx xxxx RR xxxx**), as well as political donation receipts, are acceptable. If donations were overlooked in a prior year, they can be carried forward for five years.
- Childcare expenses are valid if the receipt discloses the payee's name, address, and social insurance number. The receipt should also state that the fee is for childcare only.
- Professional dues and fees paid (Engineers, Teachers, Lawyers, etc.)

Please also provide details of any of the following:

- Spousal and child support payments, separation agreements (or amendments thereof), and income details if not previously provided
- Whether you have purchased a qualifying home after January 27, 2009 for the purposes of the \$5,000 First Time Home Buyer's amount
- Foreign property or investments (including cash) in foreign countries
 - As a Canadian resident, you are required to report ALL income received worldwide and disclose any foreign property/investments held which has a total cost value of \$100,000 or over.



Our E-File Policy

Based on a return's content, we may paper file (mail) a return rather than file it virtually. This decision is driven solely by CRA's pre-assessment review process. CRA software overlooks all e-filed tax returns. If a return contains certain income or deduction items deemed deserving of closer scrutiny, tax filers are selected for pre-assessment review. Spousal support, foreign tax credits, allowable business investment losses, large donations, tuition/education transfers, medical expenses, or significant changes of any sort frequently cause a review. To avoid the inconvenience, it is sometimes easier to paper file.

Once CRA flags a return for review, a request is faxed to us requesting required documents. We then collect that information from your file and respond to the request. The majority of the reviews are completed with no change to the taxpayer's return, but the process is time consuming and of little benefit to our clients.

We therefore consider on an individual basis which returns we think should be paper filed. Naturally we will inform you if you are affected. Our position is that if a client is going to be reviewed, it is far better to provide the paper documents in advance, rather than wait for the request which can delay the processing and assessment of the return by many weeks. In all other cases, however, we will certainly e-file your return.

If your return contains one or more of the above-mentioned reasons for us to paper-file your return, please have your information to us no later than April 15th.

Deadlines

For self employed clients, please keep in mind that taxes are due by April 30th even though the filing deadline is June 15th. As such, it is to your benefit to file by April 30th.

PLEASE NOTE: We will make every effort to ensure your return is filed before the deadline. However, if you bring your tax information to us incomplete or close to the deadline, we may not be able to file your return on time. This could give rise to late filing penalties for you.

The above information is meant only as a guide. Our website, www.goreca.com, contains a more detailed list of required information. We encourage you to visit our web site and utilize the many helpful resources that it contains. As always, if you have any questions or require additional assistance, please do not hesitate to contact us.