

TAX DOCUMENTATION CHECKLIST: ELEMENTS ON THE TAX RETURN

Do you have the right documents ready for tax time? Use this handy checklist to make sure you've got everything covered!

INCOME SOURCES

Employment

- T4 Slips
- Commissions
- Research grants
- Directors' fees
- Details of casual income earned – tips, etc.

Public Pension Benefits

- OAS - clawed back when income exceeds \$74,788 to \$121,314
- CPP - retirement; disability; death; survivor; child

Private Pension Benefits

- Superannuation, eligible pension and other annuity income
- RRSP or RRIF
- Eligible pension income split between spouses

Foreign Pensions

- USA, Other
- Special rules for German pensions

Benefits

- Employment Insurance benefits -clawed back when net income is over \$64,125

Taxable Dividends

- T5 slips - eligible dividends are subject to a 38% gross-up. Other than eligible dividends are subject to a 17% gross-up. Each will have a different dividend tax credit
- T3 slips - note return of capital amounts (box 42) affect adjusted cost base of the investment only; not

otherwise reported on the tax return

- Non-eligible dividends
- Patronage dividends
- Investment income from foreign sources

Interest Income

- T3 and T5 slips
- Self-reported amounts, including interest from inter-spousal loans
- Investment income from foreign sources

Partnership Income or Losses

- Statements / T5013 slips
- Resource investment statements
- Income from certified films and productions

Rental Income

- Gross income
- Expenses
- Capital asset acquisitions and dispositions

Support Payments

- Gross and taxable income
- Agreement details
- RRSP-earned income may be affected

Capital Gains

- Proceeds of disposition on capital assets (self-reported)
- Adjusted cost base and expense details
- T3, T4PS, T5, T5013 slips
- T5008 Return of Securities Transactions
- Stock option benefits
- All Principal Residence dispositions (T2091)

- Mortgage foreclosures; conditional sales repossessions
- Capital gains reserves (T2017)
- Capital gains elections (T664) – February 22, 1994
- Capital loss detail (prior years dating back to 1972)

Other Income

- Lump sum pension benefits
- Payments from DPSP
- Recovery of exploration and development expenses
- Taxable patronage payments
- Taxable RESP or spousal RRSP withdrawals
- Certain Scholarships
- RESP educational assistance and accumulated income payments
- Apprenticeship incentive grants
- Reportable but not taxable: workers' compensation, social assistance, supplements
- RDSP income

Self-Employment

- Gross income
- Expenses
- Capital asset acquisitions; dispositions
- CPP payable

DEDUCTIONS

- RPP - new dollar maximums
- RRSP – current and prior year contributions; rollovers; PA, PAR, PSPA
- PRPP, SPP
- Union or professional dues - don't forget to claim the GST/HST rebate

- Pension income split with spouse
- Other employee expenses on form T777 – includes deductions for commission salespeople, truckers
- Form T2200 must be signed by the employer. Also qualify for GST/HST rebate if employer is registrant
- Family: child care; child support; moving expenses
- Disability supports expenses (T929)
- Business investment losses
- Carrying charges - interest; inter-spousal loans, investment counsel; management; accounting fees
- Exploration and development costs; depletion allowances
- Canadian Forces personal and police deduction
- Employee home relocation deduction
- Securities options deduction
- Other: refund of RRSP; other RRSP/RRIF deductions; repayment of RDSP or government benefits; legal expenses; CCA on Canadian feature films; foreign tax deductions; depletion allowances
- Limited partnership losses
- Net capital losses
- Non-capital loss carry-overs: if losses are incurred after 2005, the carry-forward is 20 years with the exception of the non-capital loss components of Allowable Business Investment Losses (ABILs)
- Capital Gains deduction - \$1 Million for qualified fishing property, farm property and small business corporation shares disposed dispositions, \$835,716 for qualifying small business corporations
- 15% of U.S. Social Security benefits
- Northern residents allowance

- Deduction for foreign pensions, exempt foreign income

TAX BRACKETS, RATES AND CREDITS

- Federal tax brackets are increased through indexing
- Basic personal and spousal amount rise to \$11,635
- Age amount rises to \$7,225
- Canada Caregiver Amount
- Canada Employment Credit increased to \$1,178 for those with employment income of at least that amount
- Disability credit for those with multiple medical restrictions; or those requiring extensive life-sustaining therapy; or those with certain memory impairments is \$8,113. Form T2201 is required
- Public Transit receipts (before July 2017)
- Home accessibility expenses
- Home Buyers' amount
- Student loan interest paid
- Tuition (T2202A)
- Tuition amounts, tuition/ education / textbook amount carry forwards
- Medical expenses is limited to 3% of net income to a max of \$2,268 qualifying expenditures
- Charitable donations will include tax-free rollovers of publicly listed securities to private foundations
- Eligible educator school supply tax credit (receipts)
- Political contributions
- Provincial labour-sponsored investment funds
- Quarterly tax instalments. Note \$3000 threshold.

USABLE BY EITHER SPOUSE

From Spouse

- CPP spousal assignment

- Eligible pension income
- Unused minor child amount
- Moving expenses
- Dividend tax credit (if spouse has low income)
- Adoption tax credit
- Age, pension, disability, tuition amounts
- Medical expenses
- Charitable donations
- Political contributions
- Provincial labour-sponsored funds tax credit (if in spousal RRSP)

From Child

- Tuition amounts
- Medical expenses

From Other Dependent Adults

- Medical expenses - max. of \$10,000 per dependant

PROVISIONS AVAILABLE FOR MULTI-YEAR CARRY-OVER

Self-Employed & Some Commission Agents

- Undeducted home office expenses until net business income reported; then apply
- Undeducted CCA balances until asset is disposed of;

All Taxpayers

- Undeducted RRSP contributions indefinitely to offset future income
- Undeducted moving expenses until there is net income from actively earned sources at new location
- Adjustments to cost base of assets
- Capital losses three years back, carry forward indefinitely
- Non-capital losses three years back, carry forward 20 years if incurred after 2005; except ABILs—carry forward period stays at 10 years

- Undeducted student loan interest five-year carry-forward
- Undeducted tuition, education, textbook costs carry-forward
- Undeducted medical expenses best 12-month period ending in the tax year; final return: best 24-month period including date of death
- Undeducted donations five-year carry-over; final return claim up to 100% of net income in year of death and year preceding
- Minimum taxes paid seven years forward for recovery when regular tax exceeds Alternative Minimum Tax
- Investment Tax Credit carry forward is 20 years—hold on to receipts