

2016 Personal Tax Preparation Checklist

This Checklist is designed to help you assemble information for your 2015 personal return. It is for your personal reference and does not need to be completed in detail. Hopefully it may identify ways to reduce your income taxes. Please do not hesitate to call us if you have any questions.

Most frequently omitted documents that we should have to prepare your return:

- Copies of your 2015 tax returns
(if we didn't prepare your return last year)
- Copies of your 2015 Notice of Assessment
(This includes important information about RRSP Contribution Room, Homebuyers Repayment and carry forward amounts)
- Copies of 2016 Tax Instalment Payments

Changes from previous year:

Details:

- Changes in marital status during year?
(include date of change)

- Change of address?
(include new address)

- Change of banking?
(for direct deposit refunds - include new banking information)

- Did the taxpayer die in during the year?
(include date of death and representatives name and contact information)

- Child born during the year?
(include name, & date of birth)

- Did the Taxpayer use the First-Time Home Buyers Plan?
(include date of purchase and amount withdrawn)

Foreign property:

Did you have foreign property holdings (excluding personal use property) with a total cost (at any time in the year) in excess of \$100,000?

Typical properties include US investments, condo rental properties and foreign bank accounts.

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Yes?

A T1135 form must be filed even if a personal tax return is not required for the year

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Recent Tax Measures

Sale of Principal Residence now must be reported on your income tax return. Though the principal residence exemption still applies leaving the transaction tax-free for many, the penalties for failing to report are quite substantial.

Joint Election to Split Pension Income allows eligible taxpayers to allocate up to half of their eligible pension income (income that qualifies for the pension income tax credit) to their lower-earning spouse or common-law partner)

Pension Income Tax Credit is available to you if you are 55 years of age or older. It enables a pensioner to deduct up to \$2,000 of eligible pension income.

Public Transit Tax Credit is available to regular commuters who purchase monthly transit passes (provided certain circumstances are met, weekly passes may also be eligible)

RRSP/RRIF losses after death but before the proceeds are distributed to beneficiaries can be carried back and deducted against the year-of-death RRSP/RRIF income.

First-time Home Buyer's Tax Credit (HBTC) is a non-refundable tax credit for first-time home owners who buy a qualifying home after January 27, 2009. A first-time home owner is someone who has not owned their own home in the past five years. Qualifying homes include existing and newly constructed dwellings. The new home owner must intend on living in the dwelling they purchase in order to qualify.

No receipts are required to claim the tax credit (however they may be required if requested from CRA at a future date). The taxpayer reports the address and acquisition date of the purchase only on their income tax return.

First-time Donor's Super Credit is a non-refundable tax credit for new first-time donors (more specifically with neither spouse has claimed the donation tax credit in the last 5 years). This will enhance your tax credits by 25% on donations up to \$1,000.

Fitness Tax Credit & Arts Tax Credits though being phased out for 2017 will still be available for 2016. These refundable tax credits are calculated on eligible amounts up to \$500 per child to help offset the cost of enrollment in sports and arts activities

Ontario Children's Activity Credit though being phased out for 2017, will still be available for 2016. This is a refundable tax credit on eligible amounts up to \$560 intended to help offset the costs of enrollment in sports and arts activities.

Many tax slips are now only available on-line

We're finding more and more slip issuers are only providing slips electronically. While this might make things timelier for the tax payer, we're finding it also makes it easier for the taxpayer to forget about them as well.

You are required to report all income to CRA. Failing to report your income will result in penalties and interest charges. Repeated occurrences will not only be quite costly but can also result in additional fines and legal action by Canada Revenue Agency.

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New Client Contact Information and Personal Details:

| | | |
|-------------------------|----------------------------|---------------------|
| _____ <i>Name</i> | _____ <i>Birthdate</i> | _____ <i>SIN</i> |
| _____ <i>Spouse</i> | _____ <i>Birthdate</i> | _____ <i>SIN</i> |
| _____ <i>Address</i> | _____ <i>Home Phone</i> | |
| _____ | _____ <i>Work Phone</i> | |
| _____ | _____ <i>Email</i> | |

Details of Children Under 18:

| | | |
|----------------------|---------------------------|----------------------------------|
| _____ <i>Name</i> | _____ <i>Birthdate</i> | _____ <i>SIN if available</i> |
| _____ <i>Name</i> | _____ <i>Birthdate</i> | _____ <i>SIN if available</i> |

Are you a Canadian citizen?

Are you a US citizen?

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TAX SLIPS

Here are some of the federal tax slips you may receive.

- T4 - Employment Income
- T4A (OAS) - Old Age Security
- T4A (P) - Canada Pension Plan

- T4A – Other sources of income, including pensions, annuities, payments from a RESP, self-employment commissions, scholarships
- T4RRSP – RRSP income and T4RRIF – RRIF income
- T5 - Interest and dividends including bank accounts
- T3 – Allocations or distributions from trusts (including segregated funds, mutual funds and exchange-traded funds)
- T4E - Employment insurance income
- T600 - Canada Savings Bond interest
- T5007 – Worker's Compensation income
- T5003, T5004 and T5013 - Tax shelter information
- Capital gains (attach schedule of cost and proceeds of each security / asset sold)
- Interest, dividends & other income for which no slips were received
- Rental income (provide details of income, expenses, additions and disposals)
- Self-employed, business, professional or partnership income
(provide details of income and expenses)
- Alimony or child support received (provide details)
- Post secondary school scholarships and bursaries
- On-line securities trading transactions and income

RECEIPTS

Deductions and credits can reduce your tax bill. To back up your claims, you may need receipts for:

- Charitable donations
(include official receipts) plus any unused donations from previous years
- Political contributions
(include official receipts)
- Medical expenses
(including private insurance premiums and out of country health insurance for any twelve month period ending in 2017 (include receipts) less any reimbursements)
- RRSP contributions
(include official receipts) including prior years un deducted contributions
- T2202 - Tuition fees, books and education deduction amounts
- Student loan interest expense

- Rent or property taxes for Ontario Tax Credit

- Public transit tax credit
- Childcare expenses
(include name, address & SIN of babysitter and daycare fees, camp fees, etc.)
- Professional or union dues
(include official receipts)
- Alimony or child support paid
(provide name & address of recipients)
- T2200 – Employment Expenses
(travel expenses, automobile expenses and office in home expenses)
- Home office expenses
(place used primarily to perform duties or used exclusively and on a regular basis)
- Moving expenses
(job change, school attendance further than 40km– include receipts)
- Automobile for self-employed: Lease/purchase date, amount, financing rate, make/model, total KM driven in year, total KM driven to earn an income, gas, car repair, car insurance, licence and registration, parking, ETR
- Investment counselling fees
- Tool expenses (for tradespeople)
- Interest on money borrowed to earn investment income