



THE Tax Tipper

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We take your taxes personally!

Issue 16

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Dear Clients and Friends,

It's 6:00 a.m. on the ranch, and while sipping a cup of piping hot tea I am preparing to start another busy day in tax season 2009. With the sun rising over the golden prairie and reflecting off the snow-capped mountains, I anticipate summer as much as the rest of you. I'm an avid outdoors person and can't wait for camping, summer stargazing parties, or just taking a mountain cruise in one of my hotrods, which have been hibernating all winter. I'm actually trying to get one of those new 2010 Camaros that some of you may have seen advertised, but they are a hard catch, to say the least. When I ordered mine back in early February, there were no guarantees (though they gladly took my deposit) because the US gets first priority. OK, enough daydreaming!

The longer daylight sure helps me during the height of the tax season, and my first priority is serving you. More and more clients are taking advantage of the free help available on www.ptccanada.com. I add new items at least once a month, so if you want to stay updated, there is a free service called www.watchthatpage.com that automatically alerts you to changes to your favourite webpage. I suggest you start with our checklist. If you need several years filed or your situation is complicated, use our Get Started Now form. Both are interactive, so you don't have to print anything and can email them directly to me.

In this age of mobility, I have come to realize that taxpayers need solutions that not only work but are practical in a busy world. Most of my clients run their own business by day and spend the majority of their after-hours with their family, so, with time being scarce, convenient tax solutions are of the essence. I am delighted to say that you can do almost everything online, even for the most complicated situations—which is a huge benefit for you, the taxpayer. I must thank my clients for the constant feedback, emails, and suggestions I get almost daily. These responses are the “breakfast of champions,” and I am, of course, grateful for them.

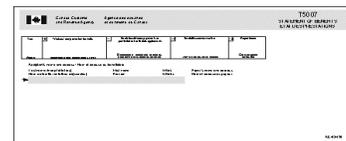
With the winter now past, I recall a conversation a few other truck owners and I were having at my mechanics shop here in Vulcan. We were comparing features of our vehicles to keep us warm during those -40 degree days. One of the guys bragged about his “leather heated seats.” I thought I could top that with my “heated steering wheel,” but the last guy, who owned a 30-year-old rust bucket pickup, boasted about his “heated tailgate.” “Heated tailgate!” we exclaimed. “How the heck is that useful?” “Well,” the owner explained in a gun-shy manner, “I just wanted my hands to be warm while I pushed it between breakdowns!” As we approach the Easter Holidays, enjoy the latest **Tax Tipper!**

Neel Roberts
President and Editor

What's Happening

Are All Your T-slips In?

By now most of your 2008 T-slips should be in, including those for investments. March 31, 2009, is the deadline for all investment T3s, T5s, T5013s, etc. If you have not received them, you should contact the issuer and have them sent. If you are not sure who the issuer is, you can call CRA at 1-800-959-8281 and ask if they have received any additional T-slips beyond what you have. Believe it or not, not many taxpayers are aware that CRA keeps a copy of these slips, including RRSP contributions, for their pre- and post-assessment reviews. (I will talk more about this in the next newsletter—late June). If you receive a slip after you have submitted your return, you can file an adjusted return!



New Release of My Account (CRA online services for individuals)

In early February CRA revamped its My Account online services for individuals, not only to sport a new look but also to make it easier to access some of the features it offers taxpayers. For example, you can now get your NETFILE access code without waiting for your mail package, and there is a new calendar that lays out important dates such as tax/installment due dates, GST/HST, Child Tax Benefits payments, and more. To use this, you need an Epass. For further information contact the help desk at 1-800-714-7257.



CRA Now Has Videocasts

If you believe a picture is worth a thousand words, how much more do you suppose a movie is worth? Well, CRA now has videocasts to help explain the services they offer. While this may seem like a mini-commercial, their goal is to make these more like training videos to save you reading pages of material. If a picture is worth a thousand words, my guess is that these videocasts are worth several thousand words, if they make their point while saving you time!



“You’ve earned it. Claim it.”

Back in mid-February CRA launched a new campaign to promote tax relief introduced in the recent budget, called You’ve earned it. Claim it. The Honourable Jean-Pierre Blackburn, Minister of National Revenue and Minister of State (Agriculture), explained “Reducing taxes stimulates the economy and helps build a solid foundation for future economic growth. We want to ensure Canadians have the information they need to take advantage of the tax savings that can help put money back in their pockets during these difficult economic times.” You can get details at a special resource page set up especially for you. Check out the quick facts list!



Tax Tool for Non-Residents

Are you a “non-resident” of Canada? The CRA has come up with a quick calculation method that factors in current tax treaties with other countries. Now a person can almost instantly figure out their tax liability with little hassle. For further information check out the International Tax webpage or contact the office at 1-800-267-5177 or 1-613-952-3741 collect!



More on What's Happening

New Webpage for Senior Citizens

CRA now has a [webpage especially for senior citizens](#) that covers a variety of topics from [pension income splitting](#), [tax treaties](#) if you live overseas, and the [new proposed measure for annuitants of registered retirement income funds \(RRIF\)](#). There is a lot of potential for seniors to reduce their taxes significantly, and this is a great place to start!



Students and Taxes

CRA has set up a [webpage especially for students](#). Back in February CRA issued a bulletin called [Everything students need to know about taxes](#), which covered a variety of topics for current, past, and future students. Whether you file your own return or pay a professional to do it, it's important to understand the various deductions such as tuition, time, and textbook credits that students are entitled to claim, carry forward, or transfer to a spouse or parents/guardians. Most scholarships are now tax-free if you're attending full-time, but income earned outside, like a part-time job, is taxed at the normal rate. Also, taxpayers can take money out of their RRSPs tax-free, as with the [Home Buyers' Plan](#) under the [Lifelong Learning Plan](#), as long as they pay it back later!



Disability Webpage

Many Canadians experience substantial setbacks from a variety of disabilities. On the positive side, CRA offers a number of tax breaks like the [disability tax credit](#) and incentives like the [registered disability savings plan](#). One of the new items I was surprised to find was that those who suffer from Celiac Disease (gluten intolerance) are entitled to [claim the incremental costs of purchasing Gluten-Free \(GF\) products](#) as a medical expense (this is the difference between the higher cost for GF versus regular products). For more information visit the [Disability webpage!](#)



Home Renovation Tax Credit for 2009 only!

If you're planning to fix a few things around the house, this is the year to do it. I've lived on the farm for over 10 years, and there is a never-ending list of things to do. You will now get a one-time non-refundable tax credit of up to \$10,000 for renovations done between January 27, 2009, and February 1, 2010. For full details check out the [Home Renovation Tax Credit \(HRTC\) webpage!](#)



Keep Those Receipts and Records

One of the best practices I always recommend to my clients is to keep every receipt, record, and transaction, even if you can't use it for that tax year. Why? Occasionally rules change, and the changes can even be retroactive, so if you have proof of purchase, etc., you now have a valid claim. Also, in most cases you have to keep records at least six years in case you are audited. Check out the [CRA records page for details!](#)



More on What's Happening

Now That's a Lot of New Cash!

For those of you wondering where all the stimulus money is coming from, check out last month's newscast from [Fox News Glenn Beck](#) called "Inconvenient Debt" aired about March 17, 2009. Now, don't you wish you could solve your financial problems this way? You have to empathize when some folks say, "Why even bother!"



2008 Tax Filing Deadline at the End of April!

The deadline for most personal returns is now 24 days away. Waiting until the last minute to get your taxes done is never a good idea, especially if you need them assessed soon. Once you're ready to file your 2008 return, make arrangements TODAY rather than on April 29. I am jammed to the rafters with appointments, and you may have to wait weeks before getting in. Take advantage of our email, fax, phone, or mail service. The days of office locations and 9-5 hours are becoming a thing of the past, and regrettably businesses stuck in yesterday's ways of doing things will get left there. Most clients are demanding more options, and—no surprise—appointments are no longer necessary!



Just Asking ... Just Answering

Behind and Can't Pay?

Real People with Real Questions About Real Situations



Dear Neel,

I'm having too many nightmares each tax season because I haven't filed in three years. I'm a self-employed lawyer, and I'm sure I owe at least \$100,000 in overdue taxes. I'm too embarrassed to deal with this, and although CRA hasn't contacted me, I'm sure one day the inevitable will happen and I don't think

I can pay. Am I as alone as I feel? How would you handle this?

Arnold P.

Dear Arnold,

You are by no means alone, as thousands of Canadians face a similar situation (check out our handout [10 Reasons People Don't File a Tax Return](#)). CRA has a structure set up to deal with this called the [Voluntary Disclosures Program](#). Basically, a taxpayer can apply to have all penalties and interest waived if their

application is successful, which would mean several thousand dollars in tax relief for you. While the system does not exempt you from the actual taxes owed, you are still entitled to claim all legitimate deductions to earn your living.

Our [Small Business Tax Booklet](#) will help you put your information together. Even so, you should consider getting a professional to do this for you, because it can be quite an involved process and the CRA can disqualify your request at any time if they don't feel you have complied. Take a look at our handout [10 Reasons Taxpayers Hire a Professional](#). All the best!

**Are You *Just Asking* tax questions?
Neel can *Just Answer* them.**



It's a Photo Finish! The World's Largest Easter Bunny



What's up, Doc?
Courtesy of www.corbis.com

This 35-foot-high Easter Bunny, made of papier mâché, was on display in the centre of Philadelphia's 69th Street shopping center for the Easter season in 1933. Over 75 years later, it still boasts to be the world's largest. The two spectators unconsciously show their comparative size against the huge dummy. So next time Bugs Bunny asks you his favourite question, look up for the answer ... way up, that is!

Send us your fascinating photo or story.

Our readers respond!

Hi, Neel,
My husband, Garry, and I appreciate the services of PTC Canada and wouldn't go anywhere else. Thanks for everything over the years, Neel!

Robyn Jacobson
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