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President and Founder
Neel Roberts
PTC Canada
Box 1347
Vulcan, Alberta
T0L 2B0

Phone 866-485-2683
Fax 866-485-2761
taxes@ptccanada.com
<http://ptccanada.com>

Our Readers Respond

"Hello Neel! Yes, I did get my tax assessments and I would like to thank you for all your help; much appreciated as everything went well. Again, thank you for PTC Canada helping me sort out my mess and I will talk to you again!"

Mike Goodsir
Calgary, Alberta

Check out our [Media Room](#) and [testimonials page!](#)

Need tax help now? Click [here](#) to get started right away!

As usual, we [welcome your comments](#) on the **Tax Tipper!**

Valentine's Message

Dear Clients and Friends,

Well now that 2021 is here, I am sure everybody is hoping for a healthier year than 2020. I think it is going to be a better one with many more to come. Lots has happened since the New Year and as always, I will be here to bring you the "real news" through the [newsletters](#), bulletins, [Facebook](#), and more. Our website www.ptccanada.com has been established for over 20 years, which is quite an accomplishment in my industry, and it is there to keep you informed with the latest. Can you believe some accountants still do not have a website? How do they stay in business? Designed to get your stuff on the go with minimal time and maximum help, www.ptccanada.com is built for you, the client, and I challenge myself to make it better than ever moving forward.

Last month, Bitcoin had one of the most profitable years so far. With gains of almost 8 times from its March low of about \$5K to highs of \$40K last month, those who cashed out in January did extremely well. While many like [Warren Buffet](#) and the [European Central Bank](#) despise it, I'm not ready to jump on the [Bitcoin is dead](#) bandwagon. With institutions moving into it, I would not be surprised if it is going to have another run and pass the 100,000 mark this year. However, I am still not in it as I have my reservations and it is still not commonly accepted like debit, credit cards, PayPal, etc. My research indicates something better is coming, which is backed by commodities like silver, gold, oil, etc.

At the time of writing, [silver is having a buoyant day](#) with over 8% up on the overnight market. While there may be some truth that the [Reddit's "WallStreetBets"](#) forum is trying to [fight back against hedge funds](#), I've believed for a long time silver's been underpriced for decades. For those who have been following me, I have been accumulating

it for a long time and happy days may be around the corner. If Bitcoin, which is virtual money not easily movable, can go up 8 times in under a year, I believe silver has much more potential and those estimating 10 times projection are reasonable.

Lockdown protests are exploding all over the world and the governments have become so dictatorial that they are fining, arresting, and locking up innocent civilians for no justification. There are over 800,000 citizens, doctors, scientists, and medical practitioners who have signed the [Great Barrington Declaration](#), stating they have *"grave concerns about the damaging physical and mental health impacts of the prevailing COVID-19 policies and recommend an approach we call Focused Protection."* I personally believe COVID-19 will go down as the greatest crime against humanity in modern times. [Countless businesses have permanently closed](#) but that pales in comparison to deaths, homelessness, and those thrown into COVID isolation facilities.

There seems to be a very aggressive clampdown on human rights which doesn't seem related to COVID, and according to a recent Fraser Institute article, [Canada still rates #6 in the Human Freedom Index](#). Our American and British cousins come in at #17 which is amazing considering the Constitution of the US and sovereignty traditions of England. Here in Alberta, we were comparatively lucky as we did not have a full lockdown and quite a few businesses could remain open at a reasonable capacity.

Is it a coincidence now that Joe Biden is president that the [lockdowns are starting to end globally](#)? Here in Alberta, the province will be fully open by the spring and I am sure the remaining regions will follow. It's amazing how [CNN is saying it would have been better we fight the virus naturally like a common](#)

cold and the WHO is admitting that you don't need a mask. I do not buy that Biden was legitimately elected as it was one of the most publicly stolen elections in modern times as even Antifa is calling it out. I'm one of the few that believe Trump will be back sooner than you think as the original pre-1871 Constitution inauguration date was March 04th.

As things play out, I will continue in keeping you posted on these stories and more. With the upcoming Family Day long weekend coming up in Alberta, one of my favorite rituals was to go snowmobiling with friends on a frozen lake weather permitting. Its totally awesome to slip out at night, roast wieners over an open fire while you hear waves crashing a few feet under you and gazing at a clear, starry mountain sky.

While some think that is dangerous, it is one of the most exhilarating things to do which you have to try at least once. Let us face it, no risk means no reward. You cannot win all the time but when you do, man does it feel good. Since I sold my sled last year, I will be homesteading it this year. Remember PTC Canada clients, we are playing to win---the right way! I wish you and your loved ones a Happy Valentine's and Family Day long weekend. Remember, THE BEST IS YET TO COME!



Neel Roberts
President and Founder

What's Happening

Upcoming for the 2021 Tax Season

There are a variety of changes for this tax season including amounts received related to COVID-19, Canada training credit, other employment expenses, and more service improvements from CRA. Check out the main tax page, including reporting COVID income, etc. For further information contact general enquiries at 1-800-959-8281.



RRSP Deadline Approaching!

This year's contribution deadline is Monday, March 01st, 2021 for your 2020 income tax return. If you miss the deadline, you can always use it for your 2021 return. You should make sure you have relevant information like your contribution room, Home Buyer/Lifelong Learning Plan repayment requirements, and so forth. Check out the RRSP webpage for details or call 1-800-267-6999 and use your CRA Account to get your information on-line.



More & Improved E-Services for 2020 Personal Returns

It is official, "E-File" starts Monday, February 22nd, 2021 for all 2020 personal returns. Most refunds are in 1-2 weeks, and I suggest you get direct deposit. Also, there are a variety of slips now available on-line as far back as 10 years with on-line mail, and now you can link between My Account and My Service Canada Account with more. When you file your return, simply take your banking information or a blank cheque and you can have your refund, GST Credit, and Child Benefits all done. If for some reason you forget, simply sign up for Direct Deposit with CRA and they should be able to start right away. For further information contact general enquiries at 1-800-959-8281.



Canada Emergency Response Benefit (CERB) & 2020 Taxes

The rules seem to change all the time about payments during COVID, and I have had non-stop questions since last spring. Knowledge Bureau has articles on the complexity of the payments while defining the types of income paid out. CRA has started to issue T4A slips, and they are the best starting point for Q & A so call them at 1-800-959-8281, or visit their COVID webpage.



Working From Your Home & 2020 Taxes

Millions of Canadians may be eligible to [claim in-home expenses due to COVID](#) restrictions. Here is a breakdown of:



The temporary flat rate method

This [new method](#) will simplify the claim for home office expenses. An employee will be eligible to use this method if they 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. This would include employees who were not required to work from home, but their employer provided them with the choice to work at home because of the Covid-19 pandemic.

The employee can claim \$2 for each day they worked from home during that 4-week period plus any additional days worked from home in 2020 due to the Covid-19 pandemic. The maximum that can be claimed using the new temporary flat rate method is \$400 (200 working days) per individual.

The employer will NOT be required to complete and sign form T2200/[T2200S](#), and employees will NOT be required to keep documents to support the expense claim.

Each employee working from home who meets the eligibility criteria can use the temporary flat rate method. That is, the claim is not limited per household, but per qualifying employee. A day of part-time work also qualifies for the \$2/day deduction.

This method cannot be used if the employee is also claiming other employment expenses such as automobile deductions, or if the employee was fully reimbursed for their home office expenses.

The \$2/day deduction cannot be claimed for vacation or sickness days or paid or unpaid leave.

Temporary Relief for Claiming Child Care

Starting this year, CERB and EI recipients are eligible to claim [daycare expenses](#) as well as disabled employees. [Knowledge Bureau has a detailed article](#) on how this works and while it is still in the legislation, it's expected to be valid for this tax season and moving forward.



The detailed method

The detailed method applies to employees working from home due to the Covid-19 pandemic or other employees who are required by the terms of their contract to work from home. With this method, an employee can claim the actual amounts paid, supported by documents. There are specific rules as to what is eligible to be claimed under the detailed method that is beyond the scope of this article.

Under the detailed method, an employer must also have completed and signed form [T2200S](#) or form T2200. The T2200 is the usual form that an employer would complete to certify a variety of employment related expenses which an employee was required to pay, and to indicate if any allowances were provided by the employer. The T2200S is a one-page, simplified version of the T2200, to be used for employees who worked from home due to the Covid-19 pandemic but who opt out of the flat rate method. The T2200S is simplified because the employer will only have to confirm that the employee worked at home due to the pandemic, whether they were reimbursed for home office costs, and whether those reimbursements are reported on the employee's T4.

The T2200S can **only** be used to justify claiming home office expenses. An employee wanting to claim motor vehicle expenses, tools, or other employment expenses will need the T2200 from their employer. For employees who rent rather than own their home, they will likely be better off using the detailed method rather than the flat rate method. Employers will have to consider whether they will produce and distribute T2200S forms for all employees who were working from home because of the pandemic, or only if requested by the employee.

This [article from Jamie Golombek](#) gives more information.

Have Your Say for Budget 2021

You still have time to have your say in the upcoming [2021-2022 federal budget](#) so take advantage of it while you can. Many Canadians are still suffering from low incomes, high taxes, and much more. For further information you can email them at budget2021@canada.ca.



2021 Tax Service Schedule Filling Up!



Friends, waiting until the last minute to get your taxes done is never a good idea; especially if you need it assessed soon. Once you're ready to file your 2020 return, plan TODAY rather than April 30th. Unfortunately, most pros like me are jammed to the rafters with appointments and you may have to wait weeks before getting a chance. Take advantage of our email, fax, phone, or mail service. The days of office locations and 9-5 hours are really becoming a thing of the past and, regrettably, businesses stuck in yesterday's perception will get left there. Most clients are demanding more options and no surprise conventional appointments are becoming a thing of the past!



us on Facebook!



Just Asking ... Just Answering

Paying in Bitcoin—Good, Bad, or Ugly?

Real People with Real Questions About Real Situations



Dear Neel,
I have been a Bitcoin collector from day 1 and have done well the last few months. I now have the option of paying for some

items online and for car repair services in Bitcoin. Are there any tax liabilities?

Manny V.

Dear Manny V.,
Great question, and there seems to be a variety of opinions ranging from the profits to be treated as business income to nothing as it's hard to trace. Amazingly, there's little information in the CRA website outside of saying "Digital currencies, such as bitcoins, are not considered to be money

issued by a government of a country and are not qualified investments." I can see why the "no action necessary" folks aren't bothering because this gives them some legal basis. However, one could make a case that the net increases could be capital gains which are taxed at lower rates. CRA does not make it black and white and while I think the business income scenario seems harsh, the avoiders may have issues down the road. Going the capital gains route is not only safe but if ever there is an audit, you cannot get accused of avoiding taxes. Good Luck!

Neel

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



Astronomy fans or enthusiasts can follow Neel's monthly column Sky's the Limit in the Vulcan Advocate printed the first Wednesday of every month!

It's a Photo Finish!

A Valentine Calf



Courtesy of: www.unilad.co.uk

As someone who lives on a farm and did several calving seasons, it is not uncommon for these critters to be born around Valentine's Day. But what are the odds of one being born on February 14th, 2020 with an actual heart shaped mark on its forehead? These rancher's kids found out firsthand at [Parkshaw Farm in Northern Ireland](#) what it is like. What are the chances of another one being born on Valentine's Day in their lifetimes and with this type of mark? You have a better likelihood of meeting the real cupid----and being shot by him!



Did You Know?



Arizona, Nebraska, Texas, and Virginia have towns named "Valentine."

"Now that's got heart!"



Got an interesting fact? Email it to us!

Newsletter Editing by Patrycja Adam
Business, Personal, and Academic Editing — pentopaperediting@gmail.com

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