

PERSONAL INCOME TAX RETURN 2023 CHECKLIST

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Watch OUT!

T1135 Foreign Income Verification

Refer to questions **9** and **10**

Make sure you review the income slips -

Refer to the listing noted in question **13** and ensure you have received all the ones you are expecting. If you changed your address, the income slips may have been sent to your old address. There are significant penalties for missing a single slip.

Questions on the Tax Return

- 1** Are you a Canadian citizen?
Yes **No**

- 2** If you are a Canadian citizen, do you authorize the Canada Revenue Agency (CRA) to provide your name, address and date of birth to Elections Canada?
Yes **No**

- 3** Would you like to register for CRA online mail? If so, please provide your email address
E-mail Address: _____

- 4** Do you want your tax refund or credit deposited directly to your account in a financial institution? If so, attach a void cheque or your banking information (i.e. branch, institution and account number)
Yes **No**

- 5** Are you a U.S. citizen, Green Card Holder, or were you, or your parents born in the United States? If yes, you likely have U.S. filing obligations.
Yes **No**

Background Information

If your 2022 personal tax return was prepared by Fazzari + Partners, please only indicate the changes during 2023.

- 6 Your name, address, date of birth, social insurance number (S.I.N) and province of residence on December 31, 2023.

Name:
Address:
Date of Birth: D/ M/ Y/
Social Insurance Number (S.I.N):
Province of residence on December 31, 2023:

- 7 Marital/common-law status, spouse/partner's income, S.I.N and date of birth

Marital/Common-law status:	Single	Married	Separated	Divorced	Widowed	Common-law
Spouse/Partner's Name:						
Spouse/Partner's Income:						
Social Insurance Number (S.I.N):						
Date of Birth: D/ M/ Y/						

- 8 List of dependents/children, their 2023 income, S.I.N., and date of birth

Name of Dependant/Child One:	Name of Dependant/Child One:
2023 Income:	2023 Income:
Social Insurance Number (S.I.N):	Social Insurance Number (S.I.N):
Date of Birth: D/ M/ Y/	Date of Birth: D/ M/ Y/
Name of Dependant/Child One:	Name of Dependant/Child One:
2023 Income:	2023 Income:
Social Insurance Number (S.I.N):	Social Insurance Number (S.I.N):
Date of Birth: D/ M/ Y/	Date of Birth: D/ M/ Y/

Foreign Property Information –

To determine whether you are required to file information returns

- 9 Did you at any time during 2023 own a foreign property? (including cash, stocks, interest in trusts or partnerships, real estates, tangible and intangible properties, contingent interests or convertible properties, etc)

Yes No

NOTE – Even if all your investments are held at a Canadian financial institution, you are considered to own a foreign property if your portfolio held any shares of a foreign corporation (i.e. shares of Apple Inc.) or any mutual funds that are not resident in Canada.

- 10 If the answer to Question #9 is yes, was the total cost of your foreign properties exceed \$100,000 (CDN) at any time during the year?

Yes No

- 11 Did you, or you together with family members, have more than 10 percent interest in any of the foreign corporations, partnerships or trusts?

Yes No

- 12 Did you have any transactions (i.e. transfer, loans or income distributions) with a foreign trust during the year?

Yes No



Income Information

- 13 **Ensure to provide all the information slips received. Please double check whether you had received all the slips for the following types of income you earned during 2022:**

T3	Income from trust or mutual funds
T4	Employment wages or salary
T4A	Pensions, retiring allowances, annuities, fees or commissions, scholarships, etc
T4A(OAS)	Old Age Security
T4A(P)	Income from Canada Pension Plan
T4E	Income under Employment Insurance and Other Benefits
T4PS	Income from Profit Sharing Plan
T4RIF	Income from Registered Retirement Income Plan
T4RSP	Income from Registered Retirement Pension Plan
T5	Investment Income (including dividend, interest, foreign income, etc)
T5003	Statement of Tax Shelter Information
T5007	Statement of Benefits such as Social Assistance or Worker's Compensation, etc
T5008	Statement of Securities Transactions
T5013	Income from Partnership
T5018	Statement of Contract Payments (for subcontractors in a construction industry)
Provincial	Any Provincial Slips Corresponding to Any of the Above

- 14 **Other Income - Details of any of the below income where no T slips may have been received:**

Other employment income (including stock options and Election Form T1212)
Business or professional income. Also provide the details of relevant expenses
Partnership or joint venture income
Rental income. Also provide the details of relevant expenses
Alimony, separation allowances or child maintenance
Pension income from foreign sources (i.e. U.S. and German Social Security Payments)

- 15 Details of capital gains and losses realized in 2023. If you have an investment portfolio, please provide us with a realized gain/(loss) report for dispositions in 2023. For other dispositions, provide us with the details.
- 16 If you, or any member of your family unit, disposed of a principal residence after January 1, 2023, please provide us with the details. Reporting is mandatory for dispositions on or after January 1, 2016. The penalties for not doing so can be very high. **Dispositions may include changes of use from personal to rental and vice versa.**

Deductions/Credits Information

17 Please provide the receipts for the following expenses:

Registered Retirement Savings Plan (RRSP) Contributions

University/College Tuition Fees for both full-time and part-time courses for you or your dependant. Ensure to include Forms T2202 (for Canadian schools) and TL11A, B, C or D (for Foreign) schools

Tuition fees paid for occupational skills courses even if they are not at a post-secondary level

Interest paid on a student loan

Medical expenses for you or a dependant person (including attendant care)

Do you or your family member (including parent or grandparent) have any disability? If so, please provide Form T2201 – *Disability Tax Credit Certificate* or explain the nature of disability. If you had not been advised about the tax credits that may be available to you or your family member, please consult with us.

Charitable Donations and Federal/Provincial Political Contributions

Union or Professional Dues

Childcare expenses

Allowable business investment losses

Commission and employment expenses if you were required to incur your own expenses while carrying out your employment responsibilities. **Note eligible employees who worked from home in 2023 will be required to use the detailed method to claim home office expenses. The temporary flat rate method provided during the pandemic does not apply to the 2023 tax year.** Also provide Form T2200 – *Declaration of Conditions of Employment*

Effective for 2022 and later years, tradespersons and apprentices in the construction industry may be able to claim a “labour mobility deduction” of up to \$4,000 per year for certain travel and relocation expenses incurred in connection with a temporary relocation.

First-time home buyers’ tax credit: The amount used to calculate the first-time home buyers’ tax credit has increased to \$10,000 (from \$5,000) for a qualifying home purchased after December 31, 2021.

Supplies purchased by eligible teachers and early childhood educators

Digital News Subscription Tax Credit – temporary 15% non-refundable credit on amounts paid up to \$500 annually for eligible digital news subscriptions. Ends in 2024.

Canada Training Credit – refundable tax credit to help Canadians with training fees.

Home Accessibility Tax Credit – non-refundable tax credit for eligible renovations on an eligible dwelling occupied by a qualifying individual. Max \$20,000 in expenses at 15% credit of \$3,000.

Multigenerational Home Renovation Tax Credit: This new refundable tax credit is available for up to \$7,500 (15 per cent of \$50,000) of the costs of a qualifying renovation to an eligible dwelling that is completed to allow a qualifying individual to live with a qualifying relation. You can claim the credit for qualifying expenditures made or incurred after December 31, 2022, for services performed or goods acquired after that date.

18 Please provide the details of the following expenses (if applicable):

Starting in 2023, employees can deduct up to the \$1,000 for tradesperson's tools expenses (increased from \$500).

Alimony, separation allowances, child maintenance

Capital expenditures (i.e. equipment, vehicle) for your employment or business

Interest on money borrowed to purchase investments

Investment counsel fees

Moving expenses

Accounting fees

Pension plan contributions (include T10 – Pension Adjustment Reversal, if you received one)

Expenses qualifying for investment tax credits (i.e. film and video production, resource expenditures re: mining or oil & gas)

Adoption related expenses

Clergy residence deduction. Provide us with Form T1223

Investments in labour-sponsored funds. Provide us with Form T5006

Other Information/Important Considerations

19 Details regarding any withdrawals or repayments under Home Buyers' Plan or Lifelong Learning Plan

20 Advance Canada Workers Benefit payments – Taxpayers no longer have to apply for advance payments of the Canada Workers Benefit (CWB) when they file their tax returns. These payments are now issued automatically to those who were entitled to receive the benefit in the previous tax year.

21 Receipts for 2023 income tax installments or payments of tax to the CRA

22 Copy of 2023 personal tax returns (if not prepared by us), notice of assessments or any correspondences from the CRA

23 Do you, or any member of your family unit, inhabit a home owned by an estate or trust? If yes, please consult with us as tax laws have changed significantly in this area and planning opportunities may be available to allow for the principal residence exemption to be claimed in the event of an eventual sale.

24 If you have children under the age of 18 and are currently not receiving the Canada Child Benefit (CCB), please consult with us.

25 Annual contribution limit increase for the Tax-Free Savings Account ("TFSA") is \$7,000 for 2023. Individuals who have never contributed will have \$95,000 of contribution room in 2024.

26 If you are an eligible apprentice, there may be additional grants/credits available. Please inform us if you believe you qualify for the benefits.

27 Do you have, or share, custody of a child after a relationship breakdown? You may be entitled to the enhanced CCB and GST/HST credits.

28 Electronic payments - newly enacted legislation requires taxpayers to remit tax payments over \$10,000 electronically or pay a penalty of \$100 per payment.

Wills & Shareholder Agreements

Without a proper estate planning, you will not be able to control how, when and to whom your assets would be distributed. It could also result in a significant time delay in distributing the assets to your remaining family members and a significant extra tax liability if it is not properly planned.

Tax rules and personal circumstances change over time. Therefore, Wills and Shareholder's Agreements should be reviewed periodically. Please consult with us to review these documents and potentially identify areas where your tax liability could be significantly reduced.

Multiple Wills and Estate Administration Tax (EAT)

Do you have multiple wills in place? The tax laws have changed for estate and testamentary trusts. With soaring real estate prices, safeguarding valuable assets from EAT is beneficial and preserves wealth. Please consult with us to review these documents as planning is required to help reduce future tax liability.

Underused Housing Tax

If you hold title to residential real estate as a trustee of a trust, as a partner of a partnership or through a corporation, you are likely required to file a UHT return by April 30. Penalties are \$1,000 for non-compliant individuals and \$2,000 for all other non-compliant filers. If this is applicable to your situation, please contact us for further details. Note changes have been proposed to exclude "specified Canadian corporations," partners of "specified Canadian partnerships," and trustees of "specified Canadian trusts" from filing for 2023 and future years.

First Home Savings Account (FHSA)

Individuals who qualify as a "first-time home buyer" should consider opening a FHSA. The FHSA is a registered plan that allows prospective first-time home buyers the ability to save funds for the purchase of a home on a tax-free basis. The lifetime limit on contributions is \$40,000, with an annual contribution limit of \$8,000.

Enhanced Trust Reporting

Most personal trusts are now required to file annual income tax returns with beneficial ownership information even if there is no income tax liability or distributions/allocations during the year. This includes traditional family trusts but also extends to other common arrangements. Trusts that include an arrangement where the trust can reasonably be considered to act as an agent for its beneficiaries, commonly known as 'bare trusts', are also required to file. This can include:

- nominee corporations for real estate acquisitions
- in trust accounts - i.e., adult children added to an elderly parents account for probate or administrative reasons or parents holding in trust bank accounts for minor children and
- co-signing mortgage – parents co-signing a mortgage for their adult child and taking a 1% interest in the property. The 1% interest is likely held in trust for the adult child.

In addition to filing, additional disclosures are also required. Penalties for non-compliance are severe. Please contact us to discuss any trust arrangements you may have.

Residential Property Flipping Rule

Starting on January 1, 2023, a new deeming rule applies to ensure profits from flipping residential real estate are always fully taxed. The rule deems profits from dispositions of residential property (including rental property) that was owned for less than 365 days to be taxable business income instead of capital gain, with exemptions for death, breakdown of a marriage or common-law partnership, eligible relocations and other life events. The flipping rules also apply to assignment sales.

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Important 2024 Tax Dates for Individuals

- **January 1, 2024** – Additional \$7,000 of TFSA contribution room available
- **January 30, 2024** – Deadline to pay interest on prescribed rate loans to family members
- **February 29, 2024** – Deadline to contribute to RRSP for 2023 (max for 2023 is \$30,780 and \$31,560 for 2024)
- **March 15, 2024** – First quarter personal tax instalments due for 2024 tax year
- **April 2, 2024** (since March 30, 2024 falls on a long weekend)
 - o Deadline for individuals to file 2023 T1-OVP Returns for excess RRSP contributions
 - o Deadline to file T3 Trust Income Tax Returns with beneficial ownership reporting
- **April 30, 2024**
 - o 2023 tax year income tax payment due date for individuals and self-employed (including GST/HST owing for self-employed individuals)
 - o 2023 income tax filing deadline for personal income tax returns
 - o Underused Housing Tax Return deadline for affected owners (for 2022 and 2023 tax years)
- **June 15, 2024**
 - o Second quarter personal tax instalments due for 2024 tax year
 - o 2023 income tax and GST/HST filing deadlines for self-employed individuals
- **September 15, 2024** – Third quarter personal tax instalments due for 2024 tax year
- **October 31, 2024** – Filing deadline for Form T1134 - Information Return Relating to Controlled and Not-Controlled Foreign Affiliates
- **December 15, 2024** – Fourth quarter personal tax instalments due for 2024 tax year
- **December 27, 2024** – Last day to settle trades for calendar 2024 (may change to December 30 if settlement cycles change)
- **December 31, 2024**
 - o Deadline to make charitable donations for the 2024 tax year
 - o Deadline to contribute to a FHSA for the 2024 tax year
 - o Deadline to contribute to your RRSP if you turn age 71 in the year.
 - o Deadline to convert your RRSP to a Registered Retirement Income Fund (RRIF) if you turn age 71 in the year.

Thank you for reviewing the
2023 Personal Income Tax Return Checklist

Contact Fazzari + Partners LLP with any specific questions
or clarification you may need.

905.738.5758 or

info@fazzaripartners.com



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