



It's Tax Time!

7C-114 Anderson Avenue
Markham, ON L6E 1A5

February 2019



It's that time of the year again... time to file your personal income tax return.

Thank you for nominating us as the #1 Accounting Firm and #1 Accountant or the 14th year.

JP Accounting & Tax Services Inc. understands that for most people tax-structuring and tax-form filing can be a "confusing" process. With this in mind, if you have any questions or concerns regarding any of your tax or financial matters (no matter how great or small), or if you wish to arrange an appointment with me personally, please do not hesitate to telephone us or email info@jpaccountingtax.com and we will gladly assist you in this regard.

We require the completed 2018 Client Data Sheet and the supporting documentation as soon as possible. The completion of this form is mandatory each year, so that your return can be processed well in advance of the April 30, 2019 deadline (June 17th for self employed persons), for those individuals with taxes owing.

Please note that additional fees may be applied should CRA request a review of your original tax documents.

We thank you for your business and for the trust that you have extended to us throughout this past year...and we thank you for your kind referrals.

We at JP Accounting & Tax Services Inc. wish you, and your family, much happiness and health now and throughout 2019.

Yours Truly,

Reminders:

1) The office will be closed for the following holidays:

Summer - Wednesday June 26, 2019 @ 4:30pm and will re-open Monday July 15, 2019 @ 8:30am.

Christmas-Thursday December 19, 2019 @ 11:30am and will re-open Monday January 6, 2020 @ 8:30am

2) The RRSP deadline this year is March 1, 2019.

3) Please have your pharmacy prepare a printout of your prescription medication for 2018. Please have your Health Insurance company provide you with a total of premiums you paid in the year.

4) Our Website has been updated and our Client Data Sheet and Checklist are available for download if you require additional copies.

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Special points of interest:

- For your convenience, payment to JP Accounting & Tax Services Inc. for services rendered can be made by **Cheque, Direct Debit, Visa, Interac E-Transfers or MasterCard**. At your appointment please bring your preferred payment with you. Payment may also be made with your credit card over the phone but please note that client consent in writing allowing this procedure must be provided to our office beforehand.
- We have an onsite fully equipped Boardroom for rent on a daily, weekly or monthly basis, please call the office for further information.

Tel: 905-471-7979

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Website:

www.jpaccountingtax.com

Email: info@jpaccountingtax.com



Protect Your Refund

- As per Interpretation Bulletin IT-518, Food, Beverage and Entertainment. "Records should be maintained of the names and business address of the customers or other persons being entertained, together with the relevant places, dates, times and amounts supported by such vouchers as are reasonably obtainable".
- Please send your Rent and/or Property Tax receipts to our office along with proof of payment as CRA requires proof.
- Anyone claiming auto expenses **MUST** keep an automobile logbook which properly documents business usage of the vehicle. CRA has new information on its website regarding how to keep an accurate log book. You can view the circular at:
www.cra-arc.gc.ca/whtsnw/lgbk
- Please have your children sign the back of their tuition slip to complete the transfer.

Canada Revenue Agency



CRA warns all Canadians to beware of telephone calls, mail or emails that claim to be from the CRA but are not. These are phishing scams that could result in identity thefts. Email scams may also contain embedded malware, or malicious software, that can harm your computer and put your personal information at risk. The CRA does not email Canadians to request personal information.

Canadians should especially beware of phishing scams asking for their personal information, such as social insurance number, credit card, bank account and passport numbers. Some of these scams ask for this personal information directly, and others refer the taxpayer to a Website resembling the CRA's where the person is asked to verify their identity by entering personal information. For information please visit CRA's website at www.cra-arc.gc.ca



What's new for this tax-filing season?

The following measures are effective for 2018:

Federal Income Tax Changes

The home relocation loans deduction is repealed, effective as of January 1, 2018.

The cost of a service animal and certain related expenses are eligible for the medical expense tax credit, effective for expenses incurred after December 31, 2017.

The availability of the mineral exploration tax credit for flow-through investors has been extended again. The credit is extended to flow-through share agreements entered into on or before March 31, 2019.

Eligibility for clean energy CCA class 43.2 is extended by five years, and it therefore includes eligible equipment acquired before 2025.

In response to a decision by the Federal Court of Appeal, the government has clarified that the at-risk rules for limited partnerships apply to a partnership that is a partner in a lower tier partnership (i.e., a multi-tier partnership).

The anti-avoidance rule which prevents a non-resident from stripping the surplus of a corporation is amended to ensure that it cannot be circumvented by selling a trust or partnership that owns the shares of the corporation.

The period during which the CRA can reassess a taxpayer is now extended in situations where there has been a transaction with a non-arm's length non-resident and a loss carry back, and also where the CRA issues a requirement to provide information.

Tax on Split Income

The proposed changes to the tax on split income ("TOSI") were originally released as draft legislation on July 18, 2017, and were significantly revised and re-released on December 13, 2017 and subsequently enacted in Bill C-74. For 2018 and later years, the TOSI is expanded so it applies to "split income" from a "related business" received by adults. The definition of split income is also expanded so the TOSI applies to additional types of income. The rules provide numerous exclusions from the TOSI, which depend on the taxpayer's age, involvement in the business, and the reasonability of the income, to name a few.

Progress of Legislation

Bill C-74, which contained many measures announced in Budget 2018, has received Royal Assent. On October 29, 2018, Bill C-86 was introduced, which proposes to enact most of the remaining measures from Budget 2018.

Provincial Tax Changes

Since last year's edition, many personal tax changes have been announced at the provincial/territorial level. Many of the provinces have added, removed, extended, or modified their personal tax credits.

For more information on the above changes you can visit Canada Revenue Agencies Website:

<http://www.cra-arc.gc.ca>