

# Taxes and The Benefits of Taxes



## TIPI TEACHING - ULTIMATE PROTECTION

Drawing from the wisdom of the Tipi Teaching, this section emphasizes the importance of protecting and nurturing our financial environments, akin to the stewardship of the Earth as emphasized by Qwatsinas of the Nuxalk Nation. We explore how responsible tax management can safeguard our financial journey and benefit future generations.

## UNDERSTANDING TAXES AND THEIR BENEFITS

### ROLE OF TAXES

The contributions you make through your taxes are essential in helping fund many things—from building roads and bridges to Canada’s education and health care system. Paying taxes is a fundamental part of being a responsible citizen, as well as an obligation.

### ACCESS TO BENEFITS

Indigenous peoples have access to the same benefits and credits as other Canadians. If you don’t file a tax return, you won’t be able to get some of those benefits and credits.

### WHY FILE TAXES?

- ◆ You owe tax or want to receive a refund
- ◆ Recover any tax you overpaid from your pay cheque
- ◆ Take advantage of refundable tax credits
- ◆ Create contribution room in an RRSP
- ◆ You might be eligible for the Canada Learning Bond for your child’s education
- ◆ Confirm your eligibility for some benefits
- ◆ Peace of mind

There are many good reasons to keep up to date on your tax filing each year. You may file a tax return even if you don’t have any income. It could help you access certain refundable tax credits and other benefits.



# Taxes and Benefits of Taxes



## BENEFITS OF FILING A TAX RETURN

- ✦ **Various Credits and Benefits:** Includes GST/HST credit, Canada child benefit, disability tax credit, northern residents' deduction, Canada workers benefit, and more.
- ✦ **Continued Eligibility:** To continue receiving benefits and credits, it's essential to file taxes on time every year, even with tax-exempt income or no income.

## WHAT DO YOU NEED TO FILE?

Begin by gathering your documents to report income and claim deductions and choose how you want to file and send your completed tax return to the CRA.

- ✦ **Tax information slips such as T3, T4, T5A or a T5**  
These are documents that will be physically mailed to you or emailed directly by the companies or agencies that paid you income during the tax year.
- ✦ **Receipts for any taxable credits that you want to claim**  
Example. Medical Receipts, Tuition/Training amount, Charitable Donations, Tool Allowance, Work from Home Allowance.

If your employer does not give you a T4 slip the CRA will have a copy on your CRA account.



# Canada Tax Prep Checklist

## It's Almost Tax Season



When doing your taxes preparation is key and will help with becoming overwhelmed and discouraged during the process.

This Canada Tax Prep Checklist was made to assist in your preparation of the forms and receipts you will need to file your taxes.

Prepare for tax filing by listing all income sources and potential taxable benefits. Create a folder for storing relevant documentation for the next tax season. Utilize tools like the MyBenefits CRA mobile app for personalized benefit information and reminders.

### ACTIVITY START

Go over our Tax Prep checklist and collect items from the list below if the following applies. Don't worry if you can't find something, there is always a way to get the information if needed later.

	<b>Personal Information</b>
<input type="checkbox"/>	Social Insurance Number
<input type="checkbox"/>	Date of Birth
<input type="checkbox"/>	Information about your spouse common law partner
<input type="checkbox"/>	Information about dependents
<input type="checkbox"/>	Spouse and/or child net income amounts
<input type="checkbox"/>	Last year's tax return
<input type="checkbox"/>	Notice of Assessment from last year's return
<input type="checkbox"/>	Tuition transfer amounts from spouse or child
<input type="checkbox"/>	List of previous payments made to CRA (if applicable)
<input type="checkbox"/>	Other CRA correspondents



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<b>Income</b> (if applicable)	
<input type="checkbox"/>	Employment Income (T4)
<input type="checkbox"/>	Self-Employment Business Income (T2125, T55013, T4A)
<input type="checkbox"/>	Interest Dividends, Mutual Funds (T3, T5, T5008)
<input type="checkbox"/>	Old Age Security and Canadian Pension Plan benefits (T4A-OAS, T4A-P)
<input type="checkbox"/>	Pension and Annuity Income (T4A)
<input type="checkbox"/>	RRSP and RIF Income (T4RSP, T4RIF)
<input type="checkbox"/>	Employment Insurance benefits (T4E)
<input type="checkbox"/>	Rental Income and Expenses (T776)
<input type="checkbox"/>	Social Assistance Payments (T5007)
<input type="checkbox"/>	Workers' compensation Benefits (T5007)
<input type="checkbox"/>	Other income not provided on a slip (ex. Tips)
<input type="checkbox"/>	RL-1 Employment and other income (QC only)

<b>Receipts</b> (if applicable)			
<input type="checkbox"/>	RRSP Contributions	<input type="checkbox"/>	Personal attendant/facility care expenses
<input type="checkbox"/>	Employment Expenses (T2200-signed by an employer)	<input type="checkbox"/>	Northern residents' deduction
<input type="checkbox"/>	Political Contributions	<input type="checkbox"/>	Disability tax credit for self or dependents
<input type="checkbox"/>	Moving Expenses	<input type="checkbox"/>	Digital news subscription expenses
<input type="checkbox"/>	Tool Expenses	<input type="checkbox"/>	Union Dues not Included on your T4 slip
<input type="checkbox"/>	Exam fees for personal certification	<input type="checkbox"/>	Home accessibility expenses
<input type="checkbox"/>	Teacher's school supplies	<input type="checkbox"/>	Home Buyers Amount
<input type="checkbox"/>	Childcare Expenses	<input type="checkbox"/>	Work from home expenses due to COVID-19 (T22005)
<input type="checkbox"/>	Support payments paid or received	<input type="checkbox"/>	Tuition Expenses
<input type="checkbox"/>	Adoption expenses	<input type="checkbox"/>	Student Loan Interest Amounts
<input type="checkbox"/>	Charitable Deductions	<input type="checkbox"/>	Tax exempt scholarships
<input type="checkbox"/>	Medical expenses		



# Canada Tax Prep Checklist

	<b>Other Collectable Information</b> (That may be needed if applicable)
<input type="checkbox"/>	Sale of Principal Residence
<input type="checkbox"/>	Sale or deemed sale of stocks, bonds, or real estate
<input type="checkbox"/>	RRSP deduction limit and unused amounts
<input type="checkbox"/>	Tuition carryforward amounts
<input type="checkbox"/>	Loss carryforward amounts
<input type="checkbox"/>	Other carry forward amounts (donation, etc.)
<input type="checkbox"/>	Recent union or separation agreements
<input type="checkbox"/>	Custody or Parenting Arrangements

## GOOD TO KNOW

Use the MyBenefits CRA mobile application or My Account so you can get your personalized benefit information anytime and anywhere. It will keep you updated on your benefit and credit payment dates. It sends reminders from their electronic mailing list so you know when you will get your next payment.

## How to file

You can file your taxes online or on paper or find other options such as having someone else complete them for you.

Options include:

- ✦ **NETFILE-certified tax software (electronic filing)**
- ✦ **Through a tax preparer using EFILE-certified tax software (electronic filing)**
- ✦ **Community volunteer tax clinic**
- ✦ **Paper tax return**
- ✦ **File my Return - Automated phone line (by invitation only)**



# Canada Tax Prep Checklist

**Your tax return MUST be filed on or before April 30th** of each year to avoid penalties and late fees.

Make sure you always get confirmation either by the service provider completing your taxes or the CRA that your taxes have been completed and submitted.

[www.canada.ca/en/services/taxes/income-tax/personal-income-tax/get-ready-taxes.html](http://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/get-ready-taxes.html)

## DOCUMENTATION

- ✦ Your notice of assessment (NOA) is an evaluation of your tax return that the Canada Revenue Agency sends you every year after you file your tax return.
- ✦ Your NOA includes the date we checked your tax return, and the details about how much you may owe, or get as a refund or credit.
- ✦ The NOA also gives your Registered Retirement
- ✦ Savings Plan (RRSP) deduction limit for that year.
- ✦ Your NOA is an important document. Keep it with your tax records.

**You need to keep your previous tax documents including receipts for up to 6 years.**

