



LEARNING ABOUT TAXES WITH INTUIT PROFILE: 2016 TY

Chapter 4 - How to complete a basic income tax and
benefit return

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EDUCATION PROGRAM

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Chapter 4 - How to complete a basic income tax and benefit return



Topics

- Introduction
- Getting started
- Where to get help with your return
- Preparing Paul's tax return
- What to include with your return and what records to keep
- What we learned
- Classroom Review (Quiz)

Introduction to Chapter 4



Estimated time

About 30-40 minutes

In this chapter, we will follow Paul through the process of preparing his income tax and benefit return. Through this process, you will learn:

- how to get started on your tax return;
- where to get help completing your return;
- how to complete a basic tax return;
- what documents you have to include with your return; and
- what records to keep?

Let's get started!

Getting started

The most valuable resource for completing your tax return is the *General Income Tax and Benefit Guide*. This guide contains all of the information you will need to complete and file your tax return with the CRA including:

- line-by-line explanations of the return;
- descriptions and details about various types of income and deductions;
- "What's new" for the tax year;
- what happens after you file your return;
- the services offered by the CRA; and
- other general information.

To file a paper return, you will need the following:

- a General Income Tax and Benefit Package for the province or territory you lived in on December 31. This package includes:
 - the *General Income Tax and Benefit Guide*;
 - the T1 General, *Income Tax and Benefit Return*; and
 - forms specific to your province or territory of residence.
- all of your information slips (such as, T4, T5 and T2202A slips);
- information relating to any amounts to be included in income that were not reported on an information slip;
- receipts for any deductions or credits that you intend to claim;
- paper, pen, pencil, and an eraser;
- a calculator



*NOTE: If you were a newcomer to Canada in 2016, use the tax package for your province or territory in conjunction with Guide T4055, *Newcomers to Canada*.*

Where to get help with your return

When you are preparing your tax return, you may be able to get answers quickly using the following resources:

- Completing a tax return;
- General Income Tax and Benefit Guide;
- TIPS at **1-800-267-6999**;

- the help feature of your software program, if you are using tax preparation software; and
- individual income tax and trust enquiries at **1-800-959-8281**.

Now, let's take a look at Paul's return.

A few days later, Paul went to his uncle's house to prepare his return. He didn't pick up a tax return at the post office so he is going to download one from the CRA Web site.

Paul selects the package for his province on the General income tax and benefit package page.

He notices that there are a lot of different schedules and forms in the General Income Tax and Benefit package. "Which forms should I use?" he asks his uncle.

"We will begin with the T1 General 2016, *Income Tax and Benefit Return*, and the Schedule 1, *Federal Tax*. If we need any other forms or schedules, we will get them then," replies his uncle.

Paul takes a look at the return he downloaded, "How will I know what to fill in?" he asks.

"Every part of the form is labelled, usually with a line number," his uncle replies. "You will fill in the lines that are right for you as you go along. We can look in the *General Income Tax and Benefit Guide* if we need to get more information on how to complete a line."

"So, because each line has a number, I can look it up in the guide?" asks Paul.

"That's right," replies his uncle. "Now let's get started. Do you have your T4 slip?"

Preparing Paul's tax return

Paul should become familiar with the information on his T4 slip before he starts to complete his return.

Employers should issue T4 slips by the end of February. If you have not received, or have lost or misplaced a slip for the current year, you have to ask your employer, or the issuer of the slip, for a copy.

Paul's T4 slip

Let's take a look at Paul's T4 slip  to find the following information:

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T4

Statement of Remuneration Paid
Etat de la rémunération payée

Employer's name – Nom de l'employeur PIZZERIA DI MARIO		Canada Revenue Agency Agence du revenu du Canada	Year Année 2016
Employer's account number / Numéro de compte de l'employeur 54		Employment income – line 101 Revenus d'emploi – ligne 101 14 1,440.00	Income tax deducted – line 437 Impôt sur le revenu retenu – ligne 437 22 211.28
Social insurance number Numéro d'assurance sociale 12 676 811 656	Exempt – Exemption CPP/QPP EI PPIP <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> RPC/RRQ AE RPAP	Province of employment Province d'emploi 10	Employee's CPP contributions – line 308 Cotisations de l'employé au RPC – ligne 308 16
Employee's name and address – Nom et adresse de l'employé	Employee's QPP contributions – line 308 Cotisations de l'employé au RRQ – ligne 308 17	EI insurable earnings Gains assurables d'AE 24	
Last name (in capital letters) – Nom de famille (en lettres moulées) LEBRUN	Employee's EI premiums – line 312 Cotisations de l'employé à l'AE – ligne 312 18 27.07	CPP/QPP pensionable earnings Gains ouvrant droit à pension – RPC/RRQ 26 0.00	
First name – Prénom PAUL	RPP contributions – line 207 Cotisations à un RPA – ligne 207 20	Union dues – line 212 Cotisations syndicales – ligne 212 44	
Initial – Initiale	Pension adjustment – line 206 Facteur d'équivalence – ligne 206 52	Charitable donations – line 349 Dons de bienfaisance – ligne 349 46	
123 Main Street Citiville, ON A1A 1A1	Employee's PPIP premiums – see over Cotisations de l'employé au RPAP – voir au verso 55	RPP or DPSP registration number N° d'agrément d'un RPA ou d'un RPDB 50	
Other information (see over)	Employee's PPIP insurable earnings Gains assurables du RPAP 56	Autres renseignements (voir au verso)	


- the employer's name;
- the year in which the income was earned;
- Paul's name and address;
- Paul's social insurance number (box 12);
- Paul's employment income (box 14);
- employment insurance premiums deducted (box 18);
- income tax deducted (box 22).

You will notice that box 28 is marked with an "X". This shows that Paul was exempt from paying Canada Pension Plan contributions during the past year, since he was under 18 years of age.


We will now follow along with Paul as he completes page 1 of his return.

Preparing Paul's tax return - Page 1

It is important to enter your name, address, **and** social insurance number (SIN) when you complete your tax return. If you file your return with incomplete or incorrect personal information, it could delay the processing of your return and any refund, credit, or benefit you may be entitled to receive.

Identification  area - Paul enters his full name and address.

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Canada Revenue Agency
 Agence du revenu du Canada

T1 GENERAL 2016

Income Tax and Benefit Return

Step 1 – Identification and other information
ON 8

Identification

Print your name and address below.

First name and initial

Last name

Mailing address: Apt No – Street No Street name

PO Box RR

City Prov./Terr. Postal code

Information about you

Enter your social insurance number (SIN):

Enter your date of birth:

Your language of correspondence: English Français

Is this return for a deceased person?

If this return is for a deceased person, enter the date of death:

Marital status

Tick the box that applies to your marital status on December 31, 2016:

Married
 Living common-law
 Widowed
 Divorced
 Separated
 Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Enter his or her SIN:

Enter his or her first name:

Enter his or her net income for 2016 to claim certain credits:

Enter the amount of universal child care benefit (UCCB) from line 117 of his or her return:

Email address

I understand that by providing an email address, I am registering for online mail. I have read and I accept the terms and conditions on page 17 of the guide.


Enter an email address:

Information about your residence

Enter your province or territory of residence on December 31, 2016:

Enter the province or territory where you currently reside if it is not the same as your mailing address above:

If you were self-employed in 2016, enter the province or territory of self-employment:

Information about your residence  area - Paul enters the province or territory where he lived on December 31, 2016. In this case we used "Ontario" as Paul's information.

Information about your residence

Enter your province or territory of residence on December 31, 2016:

Enter the province or territory where you currently reside if it is not the same as your mailing address above:

If you were self-employed in 2016, enter the province or territory of self-employment:

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Enter his or her SIN:

Enter his or her first name:

Enter his or her net income for 2016 to claim certain credits:

Enter the amount of universal child care benefit (UCCB) from line 117 of his or her return:

Information about you area - Paul enters his SIN, his date of birth, and he ticks the correct box about his language of choice and his marital status.

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Canada Revenue Agency / Agence du revenu du Canada **T1 GENERAL 2016**

Income Tax and Benefit Return

Step 1 – Identification and other information ON 8

Identification

Print your name and address below.

First name and initial
Paul

Last name
Lebrun

Mailing address: Apt No – Street No Street name
123 Main Street

PO Box _____ RR _____

City Prov./Terr. Postal code
Citiville **ON** **A1A 1A1**

Information about you

Enter your social insurance number (SIN): **6 7 6 8 1 1 6 5 6**

Enter your date of birth: **2 0 0 0 0 5 0 5**
Year Month Day

Your language of correspondence: English Français

Is this return for a deceased person?

If this return is for a deceased person, enter the date of death: _____

Marital status

Tick the box that applies to your marital status on December 31, 2016:

1 Married 2 Living common-law 3 Widowed
4 Divorced 5 Separated 6 Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Information about your residence

Email address

I understand that by providing an email address, I am registering for online mail. I have read and I accept the terms and conditions on page 17 of the guide.

Enter an email address: _____

Elections Canada - Paul ticks **Yes** to both questions. By doing this, he is giving the CRA permission to give his name, address, and date of birth to Elections Canada.

Do not use this area

Elections Canada (For more information, see page 19 in the guide.)

A) Do you have Canadian citizenship?.....Yes 1 No 2

Answer the following question **only if you have Canadian citizenship**.

B) As a Canadian citizen, do you authorize the Canada Revenue Agency to give your name, address, date of birth, and citizenship to Elections Canada to update the National Register of Electors?Yes 1 No 2

Your authorization is valid until you file your next tax return. Your information will only be used for purposes permitted under the *Canada Elections Act*, which include sharing the information with provincial/territorial election agencies, members of Parliament, registered political parties, and candidates at election time.

Do not use this area 172 _____ _____ _____ _____ 171 _____ _____ _____ _____

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Goods and services tax/harmonized sales tax (GST/HST) credit application is automatically answered and calculated by CRA based on filing his return.

Paul has now completed page 1 of his tax return and is ready to complete page 2.

Preparing Paul's tax return - Page 2

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. This is done on page 2 of the return.

Certain amounts however are not taxed, and do not have to be included in income.

Amounts that are not taxed

You do not have to include certain amounts in your income, including the following:


- any GST/HST credit or Canada child tax benefit payments, as well as those from related provincial and territorial programs;
- child assistance payments and the supplement for handicapped children paid by the province of Quebec;
- compensation received from a province or territory if you were a victim of a criminal act or a motor vehicle accident;
- lottery winnings;
- most gifts and inheritances;
- amounts paid by Canada or an ally (if the amount is not taxable in that country) for disability or death due to war service;
- most amounts received from a life insurance policy following someone's death;
- most payments of the type commonly referred to as strike pay you received from your union, even if you perform picketing duties as a requirement of membership



NOTE: *Income earned on any of the above amounts (such as interest you earn when you invest lottery winnings) is taxable.*

Now let's get back to Paul

Paul gathers the information he needs to calculate his total income for last year. He has his T4 slip from his employer and after checking his bank records, he has determined that he made \$500 last summer when he helped landscape Omar's neighbour's backyard. He is ready to start completing page 2 of his return.

Please answer the following question  area - Paul ticks **No** as he did not own any foreign property during the year.

Step 1 – Identification and other information (continued)

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Please answer the following question:

Did you own or hold specified foreign property where the total cost amount of all such property, at any time in 2016, was more than CAN\$100,000?

See "Specified foreign property" in the guide for more information. **266** Yes 1 No **2**


If **yes**, complete Form T1135 and attach it to your return.

If you had dealings with a non-resident trust or corporation in 2016, see "Other foreign property" in the guide.

Step 2 – Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips)		101		
Commissions included on line 101 (box 42 of all T4 slips)	102			
Wage loss replacement contributions (see line 101 in the guide)	103			
Other employment income		104 +		
Old age security pension (box 18 of the T4A(OAS) slip)		113 +		

Employment income  - Paul enters his income from box 14 of his T4 slip online 101, and the \$500 he earned landscaping on line 104.

Step 1 – Identification and other information (continued)

Protected B when completed **2**

Please answer the following question:

Did you own or hold specified foreign property where the total cost amount of all such property, at any time in 2016, was more than CAN\$100,000?

See "Specified foreign property" in the guide for more information. **266** Yes 1 No **2**

If **yes**, complete Form T1135 and attach it to your return.


If you had dealings with a non-resident trust or corporation in 2016, see "Other foreign property" in the guide.

Step 2 – Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. When you come to a line on the return that applies to you, go to the line number in the guide for more information.


Employment income (box 14 of all T4 slips)		101		1,440.00
Commissions included on line 101 (box 42 of all T4 slips)	102			
Wage loss replacement contributions (see line 101 in the guide)	103			
Other employment income		104 +		500.00
Old age security pension (box 18 of the T4A(OAS) slip)		113 +		
CPP or QPP benefits (box 20 of the T4A(P) slip)		114 +		
Disability benefits included on line 114 (box 16 of the T4A(P) slip)	152			
Other pensions and superannuation		115 +		
Deferred split pension amount (attach Form T1032)		116 +		

Paul does not have any other income to enter so he can now calculate his total income on line 150.

Line 150  - This is Paul's total income. He adds the amounts on lines 101 and 104 and enters it here.

Rental income	Gross	160			Net	126 +		
Taxable capital gains (attach Schedule 3)						127 +		
Support payments received	Total	156			Taxable amount	128 +		
RRSP income (from all T4RSP slips)						129 +		
Other income Specify:						130 +		
Self-employment income								
Business income	Gross	162			Net	135 +		
Professional income	Gross	164			Net	137 +		
Commission income	Gross	166			Net	139 +		
Farming income	Gross	168			Net	141 +		
Fishing income	Gross	170			Net	143 +		
Workers' compensation benefits (box 10 of the T5007 slip)		144						
Social assistance payments		145 +						
Net federal supplements (box 21 of the T4A(OAS) slip)		146 +						
Add lines 144, 145, and 146 (see line 250 in the guide).						147 +		
Add lines 101, 104 to 143, and 147.					This is your total income .	150 =		1,940.00

Preparing Paul's tax return - Page 3

Paul is now ready to calculate his net income and taxable income on page 3 of his return. He copies his total income from line 150 on page 2 to **line 150 on page 3** .


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Attach only the documents (schedules, information slips, forms, or receipts) requested in the guide to support any claim or deduction. Keep all other supporting documents.

Step 3 – Net income

Enter your total income from line 150.	150			1,940.00
Pension adjustment (box 52 of all T4 slips and box 034 of all T4A slips)	206			
Registered pension plan deduction (box 20 of all T4 slips and box 032 of all T4A slips)	207			
RRSP/pooled registered pension plan (PRPP) deduction (see Schedule 7 and attach receipts)	208 +			
PRPP employer contributions (amount from your PRPP contribution receipts)	205			
Deduction for elected split-pension amount (attach Form T1032)	210 +			
Annual union, professional, or like dues (box 44 of all T4 slips, and receipts)	212 +			
Universal child care benefit repayment (box 12 of all RC62 slips)	213 +			

Lines 206-232 - Paul does not have any deductions for 2016.

Lines 234 and 236  - Since Paul has no deductions, he enters the amount from line 150. The amount on line 236 is his net income.

Carrying charges and interest expenses (attach Schedule 4)	221 +		
Deduction for CPP or QPP contributions on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	222 +		
Exploration and development expenses (attach Form T1229)	224 +		
Other employment expenses	229 +		
Clergy residence deduction	231 +		
Other deductions Specify:	232 +		
Add lines 207, 208, 210 to 224, 229, 231, and 232.	233 =		
Line 150 minus line 233 (if negative, enter "0")			1,940.00
This is your net income before adjustments . 234 =			
Social benefits repayment (if you reported income on line 113, 119, or 146, see line 235 in the guide) Use the federal worksheet to calculate your repayment.			
Line 234 minus line 235 (if negative, enter "0")			1,940.00
If you have a spouse or common-law partner, see line 236 in the guide. This is your net income . 236 =			

Step 4 – Taxable income

Canadian Forces personnel and police deduction (box 43 of all T4 slips)	244		
Employee home relocation loan deduction (box 37 of all T4 slips)	248 +		
Security options deductions	249 +		



NOTE: Net income is used to calculate certain federal, provincial, and territorial non-refundable tax credits. It is also used to calculate the CCB, GST/HST credit, WITB, and the social benefits repayment amounts.

Line 260 - Paul enters the amount from line 236 here. This is his taxable income.

Line 234 minus line 235 (if negative, enter "0")			
If you have a spouse or common-law partner, see line 236 in the guide.			
This is your net income . 236 = 1,940.00			

Step 4 – Taxable income

Canadian Forces personnel and police deduction (box 43 of all T4 slips)	244		
Employee home relocation loan deduction (box 37 of all T4 slips)	248 +		
Security options deductions	249 +		
Other payments deduction (if you reported income on line 147, see line 250 in the guide)	250 +		
Limited partnership losses of other years	251 +		
Non-capital losses of other years	252 +		
Net capital losses of other years	253 +		
Capital gains deduction	254 +		
Northern residents deductions (attach Form T2222)	255 +		
Additional deductions Specify:	256 +		
Add lines 244 to 256.	257 =		
Line 236 minus line 257 (if negative, enter "0")			1,940.00
This is your taxable income . 260 =			

Step 5 – Federal tax and provincial or territorial tax

Use Schedule 1 to calculate your federal tax and Form 428 to calculate your provincial or territorial tax.



NOTE: Your taxable income is the amount you use to calculate your federal tax on your Schedule 1, and your provincial or territorial tax on Form 428.

Before he can complete page 4 of his return, Paul will need to complete Schedule 1 to calculate his federal tax.

Preparing Paul's tax return - Schedule 1, Federal tax

Schedule 1 is used to calculate the non-refundable tax credits and the federal tax on taxable income. It is divided into three sections:

- Step 1 - Federal non-refundable tax credits;
- Step 2 - Federal tax on taxable income; and
- Step 3 - Net federal tax.

Step 1 - Federal non-refundable tax credits

Non-refundable tax credits reduce your federal tax. However, if the total of these credits is more than your federal tax you will not get a refund for the difference. This is why they are called "non-refundable".

Paul enters the basic personal amount of \$11,474 on line 300.



Note: You can claim the basic personal amount if you live in Canada throughout the year. If you immigrate to Canada or emigrate from Canada during the tax year, the basic personal amount you can claim is based on the part of the year that you were resident in Canada.

Line 312 - Paul enters \$27.07, the amount from box 18 of his T4 slip as he can claim the employment insurance premiums he paid in 2016.

Line 363 - Paul enters \$1,161 as he has employment income of \$1,940 (line 101 plus line 104) and is eligible for the Canada employment amount.



NOTE: The Canada employment amount you can claim is \$1,161 or the total employment income reported on line 101 and line 104, whichever is less.

Line 364 - Paul enters \$600 ($\50×12 months) as he can claim the public transit amount for his monthly bus passes.



NOTE: You can claim the total amount paid for public transit passes for 2016. This includes the cost of monthly passes or of longer duration such as an annual pass for travel on public transit.

Let's take a look at Paul's **Schedule 1**

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T1-2016 Federal Tax Schedule 1

This is **Step 5** in completing your return. Complete this schedule and attach a copy to your return. For more information, see the related line in the guide.

Step 1 – Federal non-refundable tax credits

Basic personal amount	claim \$11,474	300	11,474.00	1
Age amount (if you were born in 1951 or earlier) (use the federal worksheet)	(maximum \$7,125)	301 +		2
Spouse or common-law partner amount (attach Schedule 5)		303 +		3
Amount for an eligible dependant (attach Schedule 5)		305 +		4
Family caregiver amount for infirm children under 18 years of age				
Number of children for whom you are claiming the family caregiver amount	302 × \$2,121 =	307 +		5
Amount for infirm dependants age 18 or older (attach Schedule 5)		308 +		6
CPP or QPP contributions:				
through employment from box 16 and box 17 of all T4 slips (attach Schedule 8 or Form RC381, whichever applies)		309 +		7
on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)		310 +		8
Employment insurance premiums:				
through employment from box 18 and box 55 of all T4 slips (maximum \$955.04)		312 +	27.07	9
on self-employment and other eligible earnings (attach Schedule 13)		317 +		10
Volunteer firefighters' amount		302 +		11
Search and rescue volunteers' amount		305 +		12
Canada employment amount (If you reported employment income on line 101 or line 104, see line 363 in the guide.) (maximum \$1,161)		363 +	1,161.00	13
Public transit amount		364 +	600.00	14
Children's arts amount		370 +		15
Home accessibility expenses (attach Schedule 12)		308 +		16
Home buyers' amount		309 +		17
Adoption expenses		313 +		18
Pension income amount (use the federal worksheet) (maximum \$2,000)		314 +		19
Caregiver amount (attach Schedule 5)		315 +		20
Disability amount (for self) (claim \$8,001, or if you were under 18 years of age, use the federal worksheet)		316 +		21
Disability amount transferred from a dependant (use the federal worksheet)		318 +		22
Interest paid on your student loans		319 +		23
Your tuition, education, and textbook amounts (attach Schedule 11)		325 +		24
Tuition, education, and textbook amounts transferred from a child		324 +		25
Amounts transferred from your spouse or common-law partner (attach Schedule 2)		326 +		26
Medical expenses for self, spouse or common-law partner, and your dependent children born in 1999 or later	330		27	
Enter \$2,237 or 3% of line 236 of your return, whichever is less.	-		28	
Line 27 minus line 28 (if negative, enter "0")	=		29	
Allowable amount of medical expenses for other dependants (do the calculation at line 331 in the guide)	331 +		30	
Add lines 29 and 30.	=	▶ 332 +		31
Add lines 1 to 28, and line 31.		335 =		32
Federal non-refundable tax credit rate		×	15%	33
Multiply line 32 by line 33.		338 =		34
Donations and gifts (attach Schedule 9)		349 +		35
Add lines 34 and 35.				
Enter this amount on line 48 on the next page.		Total federal non-refundable tax credits 350 =		36

Continue on the next page.

Line 335 - Paul does not qualify for any other federal non-refundable tax credits so he adds up the amounts and enters the total here.

Line 338 - Paul multiplies the amount on line 335 by 15% and enters \$1,989.31 here.

Line 350 - Paul copies \$1,989.31 here. This is his total federal non-refundable tax credits. These are his **calculations**.

Your tuition, education, and textbook amounts (attach Schedule 11)	323 +		24
Tuition, education, and textbook amounts transferred from a child	324 +		25
Amounts transferred from your spouse or common-law partner (attach Schedule 2)	326 +		26
Medical expenses for self, spouse or common-law partner, and your dependent children born in 1999 or later	330		27
Enter \$2,237 or 3% of line 236 of your return, whichever is less.	-		28
Line 27 minus line 28 (if negative, enter "0")	=		29
Allowable amount of medical expenses for other dependants (do the calculation at line 331 in the guide)	331 +		30
Add lines 29 and 30.	=	332 +	31
Add lines 1 to 26, and line 31.	=	335 =	13,262.07 32
Federal non-refundable tax credit rate	x	15%	33
Multiply line 32 by line 33.	=	338 =	1,989.31 34
Donations and gifts (attach Schedule 9)	349 +		35
Add lines 34 and 35.	=		
Enter this amount on line 48 on the next page.		Total federal non-refundable tax credits 350 =	1,989.31 36

Continue on the next page.

Step 2 - Federal tax on taxable income


Line 37 (line 40 for Quebec residents) - Paul enters his taxable income which he calculated on page 3 of his return.

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Enter your taxable income from line 260 of your return.						1,940.00	37
Complete the appropriate column depending on the amount on line 37.	Line 37 is \$45,282 or less	Line 37 is more than \$45,282 but not more than \$90,563	Line 37 is more than \$90,563 but not more than \$140,388	Line 37 is more than \$140,388 but not more than \$200,000	Line 37 is more than \$200,000		
Enter the amount from line 37.							38
Line 38 minus line 39 (cannot be negative)	- 0.00	- 45,282.00	- 90,563.00	- 140,388.00	- 200,000.00		39
Multiply line 40 by line 41.	x 15%	x 20.5%	x 26%	x 29%	x 33%		40
	=	=	=	=	=		41
	+ 0.00	+ 6,792.00	+ 16,075.00	+ 29,029.00	+ 46,317.00		42
	=	=	=	=	=		43
Add lines 42 and 43.	=	=	=	=	=		44

Line 38 (line 41 for Quebec residents) - He enters \$1,940 in the first column since his taxable income is less than \$45,282.

Lines 42 and 44 (lines 45 and 47 for Quebec residents) - Paul calculates 15% of \$1,940 and enters the result (\$291). He will use this amount to calculate his net federal tax.

Paul has now completed **Step 2** .

Protected B when completed

Step 2 – Federal tax on taxable income


Enter your **taxable income** from line 260 of your return. 1,940.00 37

Complete the appropriate column depending on the amount on line 37.	Line 37 is \$45,282 or less	Line 37 is more than \$45,282 but not more than \$90,563	Line 37 is more than \$90,563 but not more than \$140,388	Line 37 is more than \$140,388 but not more than \$200,000	Line 37 is more than \$200,000	
Enter the amount from line 37.	1,940.00					38
Line 38 minus line 39 (cannot be negative)	0.00	45,282.00	90,563.00	140,388.00	200,000.00	39
Multiply line 40 by line 41.	15%	20.5%	26%	29%	33%	40
	291.00					41
	0.00	6,792.00	16,075.00	29,029.00	46,317.00	42
Add lines 42 and 43.	291.00					43
						44

Step 3 – Net federal tax

Step 3 - Net federal tax

Lines 45 and 47 (lines 48 and 50 for Quebec residents) - Paul enters the \$291 he calculated in Step 2.

Lines 48 and 51  (lines 51 and 54 for Quebec residents) - He enters \$1,989.31 (the amount of his non-refundable tax credits he calculated in Step 1).


Add lines 42 and 43.	291.00					44
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Step 3 – Net federal tax

Enter the amount from line 44.		291.00	45
Federal tax on split income (from line 5 of Form T1206)	424+		46
Add lines 45 and 46.	404 =	291.00	47
Enter your total federal non-refundable tax credits from line 36 on the previous page.	350	1,989.31	48
Federal dividend tax credit	425+		49
Minimum tax carryover (attach Form T691)	427+		50
Add lines 48, 49, and 50.	=	1,989.31	51
Line 47 minus line 51 (if negative, enter "0")			52
			52
Federal foreign tax credit (attach Form T2209)	405-		53
			53

Line 52 (line 55 for Quebec residents) - Paul subtracts line 51 (line 54 for Quebec residents) from line 47 (line 50 for Quebec residents). The result is a negative amount so he enters "0".

Line 64 (line 67 for Quebec residents) - Paul enters the amount from line 52 here.


Paul's **calculations**  show his net federal tax to be zero.

Step 3 – Net federal tax

Enter the amount from line 44.		291,00	45
Federal tax on split income (from line 5 of Form T1206)	424+		•46
Add lines 45 and 46.	404 =	291,00	▶ 291,00 47
Enter your total federal non-refundable tax credits from line 36 on the previous page.	350	1,989,31	48
Federal dividend tax credit	425+		•49
Minimum tax carryover (attach Form T691)	427+		•50
Add lines 48, 49, and 50.	=	1,989,31	▶ - 1,989,31 51
Line 47 minus line 51 (if negative, enter "0")		Basic federal tax 429 =	0,00 52
Federal foreign tax credit (attach Form T2209)		405 -	53
Line 52 minus line 53 (if negative, enter "0")		Federal tax 406 =	0,00 54
Total federal political contributions (attach receipts)	409	55	
Federal political contribution tax credit (use the federal worksheet)	(maximum \$650) 410		•56
Investment tax credit (attach Form T2038(IND))	412+		•57
Labour-sponsored funds tax credit (see lines 413, 414, 411 and 419 in the guide)			
Net cost of shares of a federally registered fund	411	Allowable credit 410+	•58
Net cost of shares of a provincially registered fund	413	Allowable credit 414+	•59
Add lines 56 to 59.	416 =		▶ - 60
Line 54 minus line 60 (if negative, enter "0") If you have an amount on line 46 above, see Form T1206.		417 =	0,00 61
Working income tax benefit advance payments received (box 10 of the RC210 slip)		415+	•62
Special taxes (see line 418 in the guide)		418 +	63
Add lines 61, 62, and 63. Enter this amount on line 420 of your return.		Net federal tax 420 =	0,00 64

Paul can now continue on to page 4 of his tax return.

Preparing Paul's tax return - Page 4

Line 420  - Paul enters "0" from line 64 on Schedule 1.

Step 6 – Refund or balance owing


Protected B when completed **4**

Net federal tax: enter the amount from line 64 of Schedule 1 (attach Schedule 1, even if the result is "0")	420		0,00
CPP contributions payable on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	421 +		
Employment insurance premiums payable on self-employment and other eligible earnings (attach Schedule 13)	430 +		
Social benefits repayment (amount from line 235)	422 +		
Provincial or territorial tax (attach Form 428, even if the result is "0")	428 +		
Add lines 420, 421, 430, 422, and 428. This is your total payable .	435 =		
Total income tax deducted	437		
Refundable Quebec abatement	440 +		
CPP overpayment (enter your excess contributions)	448 +		
Employment insurance overpayment (enter your excess contributions)	450 +		

Using Form 428 for his province or territory of residence, Paul determines his provincial or territorial tax on line 428 also to be zero.



*NOTE: Amounts calculated and entered on lines 428 and 479 vary for each province and territory. For the purpose of this example, Paul's provincial and territorial amounts are zero. For information about the provincial or territorial tax and credits for your province or territory, see *Provincial and territorial tax and credits for individuals*. <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/ncm-tx/rtrn/cmptng/prvncl/menu-eng.html>*

Line 435  - Paul adds the amounts on lines 420 to 428 and enters "0". This is his total payable.

Step 6 – Refund or balance owing

Protected B when completed **4**

Net federal tax: enter the amount from line 64 of Schedule 1 (attach Schedule 1, even if the result is "0")	420		0,00
CPP contributions payable on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	421 +		
Employment insurance premiums payable on self-employment and other eligible earnings (attach Schedule 13)	430 +		
Social benefits repayment (amount from line 235)	422 +		
Provincial or territorial tax (attach Form 428, even if the result is "0")	428 +		0,00
Add lines 420, 421, 430, 422, and 428. This is your total payable .	435 =		0,00
Total income tax deducted	437		
Refundable Quebec abatement	440 +		
CPP overpayment (enter your excess contributions)	448 +		
Employment insurance overpayment (enter your excess contributions)	450 +		
Refundable medical expense supplement (use the federal worksheet)	452 +		

Total credits

Line 437 - Paul enters \$211.28 income tax deducted, from box 22 of his T4 slip.

Line 482 - Paul adds the amounts on lines 437 to 479, and enters \$211.28. These are his total credits.

Step 6 – Refund or balance owing Protected B when completed **4**

Net federal tax: enter the amount from line 64 of Schedule 1 (attach Schedule 1, even if the result is "0")	420		0,00
CPP contributions payable on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	421	+	
Employment insurance premiums payable on self-employment and other eligible earnings (attach Schedule 13)	430	+	
Social benefits repayment (amount from line 235)	422	+	
Provincial or territorial tax (attach Form 428, even if the result is "0")	428	+	0,00
Add lines 420, 421, 430, 422, and 428. This is your total payable .	435	=	0,00
Total income tax deducted	437		211,28
Refundable Quebec abatement	440	+	
CPP overpayment (enter your excess contributions)	448	+	
Employment insurance overpayment (enter your excess contributions)	450	+	
Refundable medical expense supplement (use the federal worksheet)	452	+	
Working income tax benefit (WITB) (attach Schedule 6)	453	+	
Refund of investment tax credit (attach Form T2038(IND))	454	+	
Part XII.2 trust tax credit (box 38 of all T3 slips)	456	+	
Employee and partner GST/HST rebate (attach Form GST370)	457	+	
Children's fitness tax credit Eligible fees 458 × 15% =	459	+	
Eligible educator school supply tax credit Supplies expenses 468 × 15% =	469	+	
Tax paid by instalments	476	+	
Provincial or territorial credits (attach Form 479 if it applies)	479	+	
Add lines 437 to 479. These are your total credits .	482	=	211,28
Line 435 minus line 482 This is your refund or balance owing .		=	211,28

If the result is negative, you have a **refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Refund 484 • **Balance owing 485**

Refund or balance owing

Paul is now ready to find out if he has a refund or a balance owing. He subtracts the amount on line 482 from the amount on line 435.

Line 484 - Since the result is negative, Paul enters the difference here. This amount is his refund.

supply tax credit Supplies expenses 468 × 15% =	469	+	
Tax paid by instalments	476	+	
Provincial or territorial credits (attach Form 479 if it applies)	479	+	
Add lines 437 to 479. These are your total credits .	482	=	211,28
Line 435 minus line 482 This is your refund or balance owing .		=	211,28

If the result is negative, you have a **refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Refund 484 • **Balance owing 485**

For more information on how to make your payment, see line 485 in the guide or go to cra.gc.ca/payments. Your payment is due no later than April 30, 2017.

Line 485 - If the result had been positive, Paul would have entered the amount here as a **balance owing**.

Direct deposit - Start or change area - Paul fills in his information so his refund can be deposited directly into his bank account.

ADD LINES 437 TO 473. These are your **total credits**. 402 = 211,28 - 211,28
 Line 435 minus line 482 This is your **refund or balance owing**. = 211,28

If the result is negative, you have a **refund**. If the result is positive, you have a **balance owing**.
 Enter the amount below on whichever line applies.


Generally, we do not charge or refund a difference of \$2 or less.

Refund 484 211,28 • **Balance owing 485** •

For more information on how to make your payment, see line 485 in the guide or go to cra.gc.ca/payments. Your payment is due no later than April 30, 2017.

Direct deposit – Enrol or update (see line 484 in the guide)
You do not have to complete this area every year. Do not complete it this year if your direct deposit information has not changed.
 To enrol for direct deposit, to update your banking information, or to request that all of your CRA payments you may be receiving or owed be deposited into the same account as your T1 refund, complete lines 460, 461, and 462 below.
 By providing my banking information I **authorize** the Receiver General to deposit in the bank account number shown below **any amounts payable** to me by the CRA, until otherwise notified by me. I understand that this authorization will replace all of my previous direct deposit authorizations.

Branch number 460 55555 (5 digits) Institution number 461 333 (3 digits) Account number 462 1212121212 (maximum 12 digits)

 **NOTE:** If you calculate a balance owing when completing your return, the amount is due no later than April 30, 2017. You can make your payment in several ways

Now that Paul has completed his tax return, he signs it and adds his telephone number and the date.

I certify that the information given on this return and in any documents attached is correct, true, complete and fully discloses all my income.
Sign here *[Signature]*
 It is a serious offence to make a false return.
 Telephone 905-555-5555 Date 2017-04-10

490 If a fee was charged for preparing this return, complete the following:
 Name of preparer: _____
 Telephone: _____
 EFILE number (if applicable): **489**

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 005.

Do not use this area 487 488 _____ • **486** _____ •

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As we learned in **Chapter 2 - The tax-filing process**, Paul can send his tax return to the CRA using one of several filing options. The CRA usually processes paper returns within four to six weeks. EFILE and NETFILE returns are usually processed within two weeks.

What to include with your return and what records to keep

Electronic filing

If you file your return electronically you do not need to send your tax information slips, receipts or other documents used to prepare your tax return. You are still required to keep your receipts for **six years** in case the CRA asks to see them.

Paper filing

If you are filing a paper return you should attach the following:

- one copy of each of your information slips;
- your Schedule 1;
- your provincial or territorial Form 428 (if you were not a resident of Quebec on December 31, 2016); and
- any other supporting forms, schedules, or documents that apply to your return (the explanations in the guide will tell you when to attach additional documents).

Records

Generally, you should keep your supporting documents for **six years**. Have the receipts and documentation to support your claim ready in case you are selected for review.



NOTE: If a tax professional will be preparing or sending your return to the CRA, show him or her all of your supporting documents, such as your information slips and receipts.

Chapter 4 - What we learned

You have finished Chapter 4. Congratulations!

In this chapter we learned:

- what you need to get started on your tax return;
- where you can get help completing your tax return;
- the steps to complete a basic tax return;
- what documents you should include with your return; and
- what records to keep?

If there are any details that you would like to review, please go through the chapter again.

Full copy of Paul's 2016 T1 Jacket & Schedule 1

Clear Data
Help

Protected B when completed

Canada Revenue Agency
Agence du revenu du Canada

T1 GENERAL 2016

Income Tax and Benefit Return

Step 1 – Identification and other information ON 8

Identification

Print your name and address below.

First name and Initial
Paul

Last name
Lebrun

Mailing address: Apt No – Street No Street name
123 Main Street

PO Box _____ RR _____

City Prov./Terr. Postal code
Citville ON A 1 A 1 A 1

Email address

I understand that by providing an email address, I am registering for online mail. I have read and I accept the terms and conditions on page 17 of the guide.

Enter an email address: _____

Information about your residence

Enter your province or territory of residence on December 31, 2016: **Ontario**

Enter the province or territory where you currently reside if it is not the same as your mailing address above: _____

If you were self-employed in 2016, enter the province or territory of self-employment: _____

If you became or ceased to be a resident of Canada for income tax purposes in 2016, enter the date of:

entry Month Day or departure Month Day

Information about you

Enter your social insurance number (SIN): **6 7 6 8 1 1 6 5 6**

Enter your date of birth: **2 0 0 0 0 6 0 6**

Your language of correspondence: English Français

Is this return for a deceased person?

If this return is for a deceased person, enter the date of death: _____

Marital status

Tick the box that applies to your marital status on December 31, 2016:

1 Married 2 Living common-law 3 Widowed
4 Divorced 5 Separated 6 Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Enter his or her SIN: _____

Enter his or her first name: _____

Enter his or her net income for 2016 to claim certain credits: _____

Enter the amount of universal child care benefit (UCCB) from line 117 of his or her return: _____

Enter the amount of UCCB repayment from line 213 of his or her return: _____

Tick this box if he or she was self-employed in 2016:

Do not use this area

Elections Canada (For more information, see page 19 in the guide.)

A) Do you have Canadian citizenship? Yes 1 No 2

Answer the following question **only if you have Canadian citizenship.**

B) As a Canadian citizen, do you authorize the Canada Revenue Agency to give your name, address, date of birth, and citizenship to Elections Canada to update the National Register of Electors? Yes 1 No 2

Your authorization is valid until you file your next tax return. Your information will only be used for purposes permitted under the Canada Elections Act, which include sharing the information with provincial/territorial election agencies, members of Parliament, registered political parties, and candidates at election time.

Do not use this area

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Step 1 – Identification and other information (continued)

Please answer the following question:

Did you own or hold specified foreign property where the total cost amount of all such property, at any time in 2016, was more than CAN\$100,000?

See "Specified foreign property" in the guide for more information. 266 Yes 1 No 2

If yes, complete Form T1135 and attach it to your return.

If you had dealings with a non-resident trust or corporation in 2016, see "Other foreign property" in the guide.

Step 2 – Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips)		101	1,440.00
Commissions included on line 101 (box 42 of all T4 slips)	102		
Wage loss replacement contributions (see line 101 in the guide)	103		
Other employment income		104 +	500.00
Old age security pension (box 18 of the T4A(OAS) slip)		113 +	
CPP or QPP benefits (box 20 of the T4A(P) slip)		114 +	
Disability benefits included on line 114 (box 16 of the T4A(P) slip)	152		
Other pensions and superannuation		115 +	
Elected split-pension amount (attach Form T1032)		116 +	
Universal child care benefit (UCCB)		117 +	
UCCB amount designated to a dependant	185		
Employment insurance and other benefits (box 14 of the T4E slip)		119 +	
Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (attach Schedule 4)		120 +	
Taxable amount of dividends other than eligible dividends, included on line 120, from taxable Canadian corporations	180		
Interest and other investment income (attach Schedule 4)		121 +	
Net partnership income: limited or non-active partners only		122 +	
Registered disability savings plan income		125 +	
Rental income	Gross 160	Net 126 +	
Taxable capital gains (attach Schedule 3)		127 +	
Support payments received	Total 156	Taxable amount 128 +	
RRSP income (from all T4RSP slips)		129 +	
Other income Specify:		130 +	
Self-employment income			
Business income	Gross 162	Net 135 +	
Professional income	Gross 164	Net 137 +	
Commission income	Gross 166	Net 139 +	
Farming income	Gross 168	Net 141 +	
Fishing income	Gross 170	Net 143 +	
Workers' compensation benefits (box 10 of the T5007 slip)	144		
Social assistance payments	145 +		
Net federal supplements (box 21 of the T4A(OAS) slip)	146 +		
Add lines 144, 145, and 146 (see line 250 in the guide).	=	147 +	
Add lines 101, 104 to 143, and 147.		This is your total income. 150 =	1,940.00

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Protected B when completed 3

Attach only the documents (schedules, information slips, forms, or receipts) requested in the guide to support any claim or deduction. Keep all other supporting documents.

Step 3 – Net income

Enter your total income from line 150.	150	1,940.00
Pension adjustment (box 52 of all T4 slips and box 034 of all T4A slips)	206	
Registered pension plan deduction (box 20 of all T4 slips and box 032 of all T4A slips)	207	
RRSP/pooled registered pension plan (PRPP) deduction (see Schedule 7 and attach receipts)	208 +	
PRPP employer contributions (amount from your PRPP contribution receipts)	205	
Deduction for elected split-pension amount (attach Form T1032)	210 +	
Annual union, professional, or like dues (box 44 of all T4 slips, and receipts)	212 +	
Universal child care benefit repayment (box 12 of all RC62 slips)	213 +	
Child care expenses (attach Form T778)	214 +	
Disability supports deduction	215 +	
Business investment loss	Gross 228	Allowable deduction 217 +
Moving expenses	219 +	
Support payments made	Total 230	Allowable deduction 220 +
Carrying charges and interest expenses (attach Schedule 4)	221 +	
Deduction for CPP or QPP contributions on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	222 +	
Exploration and development expenses (attach Form T1229)	224 +	
Other employment expenses	229 +	
Clergy residence deduction	231 +	
Other deductions Specify:	232 +	
Add lines 207, 208, 210 to 224, 228, 231, and 232.	233 =	
Line 150 minus line 233 (if negative, enter "0")	This is your net income before adjustments.	234 = 1,940.00
Social benefits repayment (if you reported income on line 113, 119, or 148, see line 235 in the guide) Use the federal worksheet to calculate your repayment.	235 -	
Line 234 minus line 235 (if negative, enter "0") If you have a spouse or common-law partner, see line 236 in the guide.	This is your net income.	236 = 1,940.00

Step 4 – Taxable income

Canadian Forces personnel and police deduction (box 43 of all T4 slips)	244	
Employee home relocation loan deduction (box 37 of all T4 slips)	248 +	
Security options deductions	249 +	
Other payments deduction (if you reported income on line 147, see line 250 in the guide)	250 +	
Limited partnership losses of other years	251 +	
Non-capital losses of other years	252 +	
Net capital losses of other years	253 +	
Capital gains deduction	254 +	
Northern residents deductions (attach Form T2222)	255 +	
Additional deductions Specify:	256 +	
Add lines 244 to 256.	257 =	
Line 236 minus line 257 (if negative, enter "0")	This is your taxable income.	260 = 1,940.00

Step 5 – Federal tax and provincial or territorial tax

Use Schedule 1 to calculate your federal tax and Form 428 to calculate your provincial or territorial tax.

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Step 6 – Refund or balance owing

Protected B when completed **4**

Net federal tax: enter the amount from line 64 of Schedule 1 (attach Schedule 1, even if the result is "0")	420		0.00
CPP contributions payable on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)	421 +		
Employment insurance premiums payable on self-employment and other eligible earnings (attach Schedule 13)	430 +		
Social benefits repayment (amount from line 235)	422 +		
Provincial or territorial tax (attach Form 428, even if the result is "0")	428 +		0.00
Add lines 420, 421, 430, 422, and 428.		This is your total payable.	435 = 0.00
Total income tax deducted	437	211.28	
Refundable Quebec abatement	440 +		
CPP overpayment (enter your excess contributions)	448 +		
Employment insurance overpayment (enter your excess contributions)	450 +		
Refundable medical expense supplement (use the federal worksheet)	452 +		
Working income tax benefit (WITB) (attach Schedule 6)	453 +		
Refund of investment tax credit (attach Form T2038(IND))	454 +		
Part XII.2 trust tax credit (box 38 of all T3 slips)	456 +		
Employee and partner GST/HST rebate (attach Form GST370)	457 +		
Children's fitness tax credit Eligible fees 458 × 15% =	459 +		
Eligible educator school supply tax credit Supplies expenses 468 × 15% =	469 +		
Tax paid by instalments	476 +		
Provincial or territorial credits (attach Form 479 if it applies)	479 +		
Add lines 437 to 479.		These are your total credits.	482 = 211.28
Line 435 minus line 482		This is your refund or balance owing.	= 211.28

If the result is negative, you have a refund. If the result is positive, you have a balance owing.

Enter the amount below on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Refund 484 **211.28** Balance owing 485

For more information on how to make your payment, see line 485 in the guide or go to cra.gc.ca/payments. Your payment is due no later than April 30, 2017.


Direct deposit – Enrol or update (see line 484 in the guide)

You do not have to complete this area every year. Do not complete it this year if your direct deposit information has not changed.

To enrol for direct deposit, to update your banking information, or to request that all of your CRA payments you may be receiving or owed be deposited into the same account as your T1 refund, complete lines 460, 461, and 462 below.

By providing my banking information I authorize the Receiver General to deposit in the bank account number shown below any amounts payable to me by the CRA, until otherwise notified by me. I understand that this authorization will replace all of my previous direct deposit authorizations.

Branch number 460 **55555** (5 digits) Institution number 461 **333** (3 digits) Account number 462 **1212121212** (maximum 12 digits)

 Ontario Ontario opportunities fund You can help reduce Ontario's debt by completing this area to donate some or all of your 2016 refund to the Ontario opportunities fund. Please see the provincial pages for details.	Amount from line 484 above		1
	Your donation to the Ontario opportunities fund	465	- 2
	Net refund (line 1 minus line 2)	466	= - 3

I certify that the information given on this return and in any documents attached is correct and complete and fully discloses all my income.
 Sign here _____
 It is a serious offence to make a false return.
 Telephone **905-555-5555** Date **2017-04-10**

490 If a fee was charged for preparing this return, complete the following:
 Name of preparer: _____
 Telephone: _____
 EFILE number (if applicable): **489**

Personal information is collected under the Income Tax Act to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/privacy/information/eng.html, personal information bank CRA PPU 005.

Do not use this area 487 488 _____ . 486 _____

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Protected B when completed

T1-2016
Federal Tax
Schedule 1

This is **Step 5** in completing your return. Complete this schedule and attach a copy to your return.
 For more information, see the related line in the guide.

Step 1 – Federal non-refundable tax credits

Basic personal amount	claim \$11,474	300	11,474.00	1
Age amount (if you were born in 1951 or earlier) (use the federal worksheet)	(maximum \$7,125)	301 +		2
Spouse or common-law partner amount (attach Schedule 5)		303 +		3
Amount for an eligible dependant (attach Schedule 5)		305 +		4
Family caregiver amount for infirm children under 18 years of age				
Number of children for whom you are claiming the family caregiver amount	352 × \$2,121 =	367 +		5
Amount for infirm dependants age 18 or older (attach Schedule 5)		306 +		6
CPP or QPP contributions:				
through employment from box 16 and box 17 of all T4 slips (attach Schedule 8 or Form RC381, whichever applies)		308 +		7
on self-employment and other earnings (attach Schedule 8 or Form RC381, whichever applies)		310 +		8
Employment insurance premiums:				
through employment from box 18 and box 55 of all T4 slips (maximum \$955.04)		312 +	27.07	9
on self-employment and other eligible earnings (attach Schedule 13)		317 +		10
Volunteer firefighters' amount		352 +		11
Search and rescue volunteers' amount		305 +		12
Canada employment amount (if you reported employment income on line 101 or line 104, see line 363 in the guide.) (maximum \$1,161)		363 +	1,161.00	13
Public transit amount		364 +	800.00	14
Children's arts amount		370 +		15
Home accessibility expenses (attach Schedule 12)		398 +		16
Home buyers' amount		365 +		17
Adoption expenses		313 +		18
Pension income amount (use the federal worksheet) (maximum \$2,000)		314 +		19
Caregiver amount (attach Schedule 5)		315 +		20
Disability amount (for self) (claim \$8,001, or if you were under 18 years of age, use the federal worksheet)		316 +		21
Disability amount transferred from a dependant (use the federal worksheet)		318 +		22
Interest paid on your student loans		319 +		23
Your tuition, education, and textbook amounts (attach Schedule 11)		320 +		24
Tuition, education, and textbook amounts transferred from a child		324 +		25
Amounts transferred from your spouse or common-law partner (attach Schedule 2)		325 +		26
Medical expenses for self, spouse or common-law partner, and your dependent children born in 1999 or later	330			27
Enter \$2,237 or 3% of line 236 of your return, whichever is less.	-			28
Line 27 minus line 28 (if negative, enter "0")	=			29
Allowable amount of medical expenses for other dependants (do the calculation at line 331 in the guide)	331 +			30
Add lines 29 and 30.	=	332 +		31
Add lines 1 to 26, and line 31.		333 =	13,262.07	32
Federal non-refundable tax credit rate		x	15%	33
Multiply line 32 by line 33.		333 =	1,989.31	34
Donations and gifts (attach Schedule 9)		345 +		35
Add lines 34 and 35.				
Enter this amount on line 48 on the next page.	Total federal non-refundable tax credits	350 =	1,989.31	36

Continue on the next page.

5000-61

Clear Data
Help

Protected B when completed

Step 2 – Federal tax on taxable income

Enter your **taxable income** from line 260 of your return. 1,940.00 37

Complete the appropriate column depending on the amount on line 37.	Line 37 is \$45,282 or less	Line 37 is more than \$45,282 but not more than \$90,563	Line 37 is more than \$90,563 but not more than \$140,388	Line 37 is more than \$140,388 but not more than \$200,000	Line 37 is more than \$200,000
Enter the amount from line 37.	1,940.00				
Line 38 minus line 39 (cannot be negative)	- 0.00	- 45,282.00	- 90,563.00	- 140,388.00	- 200,000.00
Multiply line 40 by line 41.	= 1,940.00	=	=	=	=
	x 15%	x 20.5%	x 26%	x 29%	x 33%
	= 291.00	=	=	=	=
	+ 0.00	+ 6,792.00	+ 16,075.00	+ 29,029.00	+ 46,317.00
Add lines 42 and 43.	= 291.00	=	=	=	=

Step 3 – Net federal tax

Enter the amount from line 44. 291.00 45

Federal tax on split income (from line 5 of Form T1206) 42+ -46

Add lines 45 and 46. 404 = 291.00 47

Enter your total federal non-refundable tax credits from line 36 on the previous page. 350 1,989.31 48

Federal dividend tax credit 42+ -49

Minimum tax carryover (attach Form T891) 427+ -50

Add lines 48, 49, and 50. = 1,989.31 51

Line 47 minus line 51 (if negative, enter "0") Basic federal tax 429 = 0.00 52

Federal foreign tax credit (attach Form T2209) 405 - 53

Line 52 minus line 53 (if negative, enter "0") Federal tax 406 = 0.00 54

Total federal political contributions (attach receipts) 400 55

Federal political contribution tax credit (use the federal worksheet) (maximum \$650) 410 -56

Investment tax credit (attach Form T2038(IND)) 412+ -57

Labour-sponsored funds tax credit (see lines 413, 414, 411 and 419 in the guide)

Net cost of shares of a federally registered fund 411 Allowable credit 410+ -58

Net cost of shares of a provincially registered fund 419 Allowable credit 414+ -59

Add lines 56 to 59. 416 = 60

Line 54 minus line 60 (if negative, enter "0") 417 = 0.00 61

If you have an amount on line 46 above, see Form T1206.

Working income tax benefit advance payments received (box 10 of the RC210 slip) 415+ -62

Special taxes (see line 418 in the guide) 418+ 63

Add lines 61, 62, and 63. Net federal tax 420 = 0.00 64

Enter this amount on line 420 of your return.

5000-91 See the privacy notice on your return.