

LEARNING ABOUT TAXES WITH INTUIT PROFILE: 2016 TY Chapter 7 – T1 Practice exercises



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Chapter 7 – T1 Practice exercises

Topics



Introduction

Getting Started

- Use the Personal information worksheet to enter new client information
- Exercise 1 High school student, Client Review & Quiz
- Exercise 2 Post-secondary student, Client Review & Quiz
- Exercise 3 Employed individual with spouse, Client Review & Quiz
- Exercise 4 Single-parent, Client Review & Quiz
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- Business statements
- Exercise 6 Individual with Business income (T2125), Client Review & Quiz
- What we learned
- Appendix: Checklist for tax preparers
- Appendix: Quick Reference Chart

Introduction to Chapter 7

Destimated time

About 120 min

In this chapter, we will:

- Basic Data Entry in Forms and Worksheets
- Various T1 scenarios
- Business statements

Let's get started!

Disclaimer:

All characters appearing in the tax scenarios are fictitious. Any resemblance to real persons, living or dead, is purely coincidental.

Examples are based using Ontario as the Province. You may change provinces accordingly. Federal calculations will not change, but Provincial calculations will differ.

Getting Started

Follow the step-by-step exercises contained in this handbook to build your knowledge of how to use ProFile. To maximize your practice, open ProFile in one monitor and view this guide in a second monitor, or, refer to a printed copy.

With the objective of minimizing tax payable, prepare each exercise using 2012 tax files in ProFile. List any assumptions you have made, and any notes and tax planning issues you feel should be placed I the file and discuss them after with your instructor or class.

Basic Data Entry in Forms and Worksheets

The activities included in this handbook cover the end-to-end tax preparation process. Here you'll practice creating a new client file and enter sample data pertaining to some of the most commonly encountered scenarios in tax preparation.

It is recommended that you complete each exercise in the order presented. Then, check your work by reviewing the completed return in the appendix at the end of this guide. (There is no need to print or save a .PDF of the practice return from within ProFile.) When you have completed each of the exercises to build this return, view the completed return in Print Preview mode and compare your results with the answer key provided.

Use the Personal information worksheet to enter new client information

The Personal Information Worksheet is used to collect most of the general taxpayer information, such as name, address, social insurance number, spousal information, etc. in one convenient place. The information you enter here transfers to other related forms or schedules you use to prepare the return.

Sample File: For this exercise, you will create a new client file.

Steps to create a New Client File:

- 1. Launch ProFile.
- 2. From the Icon bar, click the New Client File icon in the Icon Bar (looks like a white piece of paper).
- 3. This will create a new file and open the Personal Information Worksheet.

Info	2016 Personal information
Taynayor percenal information	Marital status
SIN Title First name Last name Last name changed in 2016? Yes Street address P.O. Box	Indicate your marital status on December 31, 2016 1 Married 2 Living common-law 3 Widowed 4 Divorced 5 Separated 6 X Single If status changed in 2016, enter date of change mm/dd Were you married or living common-law at any time in this tax year? Yes No
City	Province of residence on 2016/12/31 NA Province of self-employment If you became or ceased to be a Canadian resident in 2016, enter date of: entry mm/dd or departure mm/dd
address: By providing an email address, I understand I am registering for online mail and accept the following Terms and Conditions.	Are γou a non-resident? Yes X No Residency status Resident Country (other than Canada) X X
Email address: Use preparer address for: <u>Notice</u> of Assessment and <u>R</u> efund <u>Nof A</u> <u>I</u> 1 mailing address Efficient	

4. Enter the following Taxpayer Personal information:

<u>Taxpayer</u>			
SIN:	532 957 883		
First name:	Catherine	Last name:	Casey
Street address:	123 Main Street	City:	Citiville
Province:	ON	Postal code:	A1A 1A1
Home phone:	(905) 555-5555		
Birth date:	1999/11/13	Marital Status	: Single
Email address:	catherine.casey@ema	ail.ca	

Info	2016 Personal information
Taxpaver personal information	Marital status
SIN 532 957 883 Title First name First name Catherine Last name Casey Last name changed in 2016? Yes Yes X No Care of Street address 123 Main Street Apt # P.O. Box R.R.	Indicate your marital status on December 31, 2016 1 Married 2 Living common-law 3 Widowed 4 Divorced 5 Separated 6 X Single If status changed in 2016, enter date of change mm/dd Were you married or living common-law at any time in this tax year? Yes No Residency Mo
City Citiville Province ON Postal code A1A 1A1 Home phone (905) 555-5555 Birth date 1999/11/13 Date of Death yyyy/mm/dd Gender Male Province or territory where taxpayer resides if different from mailing address:	Province of residence on 2016/12/31 Ontario Province of self-employment If you became or ceased to be a Canadian resident in 2016, enter date of: entry mm/dd or departure mm/dd
By providing an email address, I understand I am registering for online mail and accept the following Terms and Conditions. Yes <u>No</u> Email address: catherine.casey@email.ca Use preparer address for:	Are you a non-resident? Yes X No Residency status Resident Country (other than Canada)
X Nothing Notice of Assessment and Refund N of A I 1 mailing address	

5. After entering the personal information, save the file by clicking the Save icon in the Icon bar.



ProFile uses a default naming convention for files as the taxpayer's last name, first name(s). You may overwrite the file name if you choose.

File Name		
.dmin\Documents\My ProFile Data\2	2011 <mark>:</mark> T1\Casey, Cat	herine.16T
Online Backup		
Activate Online Backup		(A [®]
Password:	Save	Cancel
Confirm:	Help	Advanced >>

6. Click Save to finish saving the file.

You have now completed the Personal Information Worksheet for a new client. You're ready to start data entry for the taxpayer.

Exercise 1 – High school student

Continue to use Catherine Casey's Profile tax file from the previous section.

Taxpayer (Client) Information:

- Catherine Casey is a high school student who lives at home with her parents. She was born on November 13, 1999 and she works part time at Best Bookstore and Mario's Pizzeria.
- Last year, she earned \$300.00 in tips (not indicated on T4) at Mario's Pizzeria.
- In February, her employers sent her the attached T4 information slips.

Based on the information given, complete Catherine's tax return.

	Annee	2010	6		Statem	ent of	Remuneration Pa	id
	Annoc		E	Employment income – line Revenus d'emploi – ligne	101 101	eiaie	Income tax deducted – lin mpôt sur le revenu retenu –	e 437 ligne 437
1		14		3,600	00.00	22	150	00
Employer's account number / Numéro de compte de l'employeur	Provinc Pro	ce of employm wince d'emploi	ent En Coti	nployee's CPP contributio sations de l'employé au R	ns – line 308 PC – ligne 308		El insurable earnin Gains assurables d	igs /AE
Social insurance number Exempt - Exempt	ion 10		16			24	-	
Numéro d'assurance sociale CPP/QPP EI Pf 2 532.957.883 28 2 2 1		ployment code ode d'emploi	En Cotis	nployee's QPP contributio sations de l'employé au R	ns – line 308 RQ – ligne 308	B Ga	CPP/QPP pensionable ea ins ouvrant droit a pension –	mings RPC/RRQ
	29 PAP		17			26	0	00
mployee's name and address – Nom et adresse de l'employé	é		Coti	Employee's El premiums sations de l'employé à l'A	– line 312 E – ligne 312		Union dues – line 2 Cotisations syndicales –	212 ligne 212
Last name (in capital letters) – Nom de familie (en lettres moulées) First name –	Prénom Init	tial – Initiale	18	67	68	44		
CASEY CATHERINE				RPP contributions – Cotisations à un RPA -	line 207 - ligne 207		Charitable donations – I Dons de bienfaisance – I	line 349 ligne 349
		ļ	20			46	-	
23 Main Street itiville. ON A1A 1A1			`	Pension adjustment - Facteur d'équivalence	line 206 ligne 206		RPP or DPSP registration N° d'agrément d'un RPA ou	n number I d'un RPDB
		ļ	52	-		50	-	
			Er Cotisati	nployee's PPIP premiums ons de l'employé au RPA	– see over P – voir au ver	50	PPIP insurable earn Gains assurables du f	ings RPAP
			55			56	-	
Box - Case Amount - Montant	Box - (Case	Am	ount – Montant	Box – C	ase	Amount - Montant	
her information se over)								
Itres Box - Case Amount - Montant	Box - (Case	Am	ount – Montant	Box – C	ase	Amount – Montant	
	Employer's account number / Numéro de compte de l'employeur Social insurance number Numéro d'assurance sociale CPP/QPP EL PI 332 957 883 Exempt - Exempti Social insurance sociale CPP/QPP EL PI RPC/RRQ AE RF mployee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de familie (en lettres moulées) First name (in capital letters) – Nom de familie (en lettres moulées) CASEY CASEY CASEY CASEY CASEY CASEY Case Amount – Montant her information se over) Itres Box – Case Amount – Montant iseignements is au verso	Employer's account number / Numéro de compte de l'employeur Provin Social insurance number Exempt - Exemption Numéro d'assurance sociale CPP/QPP EI 532 957 883 28 Provin 29 RPC/RRQ AE RPAP Imployee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de familie (en lettres moulées) First name – Prenom Imployee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de familie (en lettres moulées) First name – Prenom CASEY CATHERINE 23 Main Street Itiville, ON A1A 1A1 her information se over) Box – Case Amount – Montant Box – iseignements is rau verso) Box – Case Amount – Montant Box – iseignements	Imployer's account number / Numéro de compte de l'employeur Province of employmer Province of employmer Province of employmer od assurance number Social insurance number Exempt - Exempt - Exemption Numéro d'assurance sociale CPP/GPP EI 532 957 883 Province of employmer code Code d'emploi 29 Imployee's name and address - Nom et adresse de l'employé Last name (in capital letters) - Nom de familie (en lettres moulées) Prist name - Prénom Initial - Initiale CASEY CATHERINE 23 Main Street Itiville, ON A1A 1A1 her information se over) Box - Case Amount - Montant Box - Case mesignements Box - Case Amount - Montant Box - Case Image: Case	Imployer's account number / Numéro de compte de l'employeur Id Social insurance number Exempt - Exemption Numéro d'assurance sociale CPP/QPP 532 957 883 Imployee's name and address - Nom et adresse de l'employé Imployee's name and address - Nom et adresse de l'employé Imployee's name and address - Nom et adresse de l'employé Imployee's name and address - Nom et adresse de l'employé Imployee's name and address - Nom et adresse de l'employé Iast name (in capital letters) - Nom de tamilie (en lettres moulees) First name - Prenom Initial - 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line 101 Revenus d'emploi - ligne 101 Imployer's account number / Numéro de compte de l'employeur Social insurance number Numéro d'assurance social Social insurance number Numéro d'assurance social Exempt - Exemption Numéro d'assurance social CPP/QPP EI SOCIA france Province d'emploi Social insurance number Numéro d'assurance social Cotisations de l'employé au RPC - ligne 301 Indication d'employé au RPC - ligne 301 Indication de l'employé au RPC - ligne 301 Indication d'employé au RPC - ligne 301 Indication de l'employé au RPC - ligne 302 Indication de l'employé au RPC - ligne 302 Indication de l'employé au RPA - ligne 30	Employee's account number / Numèro de compte de l'employeur 14 3,600 00 22 Social insurance number Exempt - Exemption Province of employment Employee's CPP contributions - line 308 24 10 10 16 24 23 23 257 83 28 - <td< td=""><td>Employee's account number / Numéro de compte de l'employeur Income tax deducted – In 10 Income tax deducted – In 10 14 3,600,00 22 150 Social insurance number Exempt – Exemption 16 24 24 Province of employment code d'employ d'assurance social Cotastions de l'employée au RPC – Igre 308 El insurable earnin Social insurance number Exempt – Exemption 10 16 24 Province of assurance social CPP/QPP En PPIP Cotastions de l'employée au RPC – Igre 308 CPP/QPP pensionable ea Social insurance number RPC/RRQ AE RPA Index detated – Intrase 0 Province of assurance social 29 17 Cotastions de l'employée au RRQ – ligne 308 Cotastions suprises au constructions syncholes a CASEY CATHERINE 18 67 68 44 0 Cotastions de l'employée à IAE – ligne 207 Cotastions suprises au constructions syncholes au consto cotastions de l'employée au RPA – voir au ve</td></td<>	Employee's account number / Numéro de compte de l'employeur Income tax deducted – In 10 Income tax deducted – In 10 14 3,600,00 22 150 Social insurance number Exempt – Exemption 16 24 24 Province of employment code d'employ d'assurance social Cotastions de l'employée au RPC – Igre 308 El insurable earnin Social insurance number Exempt – Exemption 10 16 24 Province of assurance social CPP/QPP En PPIP Cotastions de l'employée au RPC – Igre 308 CPP/QPP pensionable ea Social insurance number RPC/RRQ AE RPA Index detated – Intrase 0 Province of assurance social 29 17 Cotastions de l'employée au RRQ – ligne 308 Cotastions suprises au constructions syncholes a CASEY CATHERINE 18 67 68 44 0 Cotastions de l'employée à IAE – ligne 207 Cotastions suprises au constructions syncholes au consto cotastions de l'employée au RPA – voir au ve



Steps to complete:

1. Select the 🛄 button or Form Explorer list (F4). Select Slips and double-click on T4.

Form Explorer							? <mark>×</mark>
Tasey, Latherine					. . .	- 🗌 🔚 🛙	
Eorm:				<u>O</u> pen	<u>P</u> rint	<u>N</u> ew <u>L</u> ist <u>D</u>	etail <u>K</u> ey Lin <u>e</u>
Forms	Name	Description	Used	Last year	Step		
📒 1. Identification	🔲 💽 T2202/TL11	Tuition and education credit certificate	No	N/A	6		
No or	🔲 💽 ТЗ	Statement of trust income	No	N/A	7		
<u> </u>	🔲 💽 T4	Statement of remuneration paid	Yes	N/A	8		
📜 <u>3</u> . Income	🛄 🎑 T4A	Statement of pension, annuity and other income	No	N/A	9		
📒 4. Deductions	🔲 💽 T4AOAS	Statement of Old Age Security	No	N/A	10		
E Tau a andia	🔲 💽 T4AP	Statement of Canada Pension Plan benefits	No	N/A	11		
	🔲 💽 T4ARCA	Statement of distributions from a RCA	No	N/A	12		
<u>= 6</u> . Return + sch	🔲 💁 T 4E	Statement of Employment Insurance and other benefits	No	N/A	13		
🔰 <u>Z</u> . Filing	🔲 💽 T4PS	Statement of profit-sharing plan allocations and payments	No	N/A	14		
N Client	🔲 💽 T4RIF	Statement of income from a RRIF	No	N/A	15		
	🔲 💽 T4RSP	Statement of RRSP income	No	N/A	16		
<u>9</u> . All	🔲 🕵 T5	Statement of investment income	No	N/A	17		
📜 <u>A</u> . Used	🔲 💽 T101	Statement of renounced resource expense	No	N/A	18		
B Data entered	🔲 💽 T5006	Labour-sponsored funds tax credit	No	N/A	19		
	🔲 💽 T5007	Statement of benefits	No	N/A	20		
<u> </u>	🔲 💽 T5008	Statement of securities transactions	No	N/A	21		
	🔲 💽 T5013	Statement of partnership income	No	N/A	22		
	🔲 属 S3Details	Capital Gains Entry	No	N/A	27		
	🔲 💽 Foreign	Foreign employment, pension and investment income	No	N/A	23		
	🔲 💽 RC62	Universal Child Care Benefit	No	N/A	24		
	🔲 💽 RC210	WITB advance payment	No	N/A	25		
	🔲 📁 Slips	Slip Summary	Yes	N/A	26		

T4 Statement of Remuneration Paid T4 Slip							
		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
			•			•	
Description			Best Bookstore	Marios Pizzeria			
Province of employment		10	Ontario	Ontario		-	
Employment income		14	3,600.00	2,600.00	0.00	0.00	6,200.00
Employee's contributions	CPP	16	0.00	0.00	0.00	0.00	0.00
	QPP	17	67.68	48.88	0.00	0.00	116.56
	El premiums	18	0.00	0.00	0.00	0.00	0.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	Yes	Yes	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29			-	-	
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	150.00	101.00	0.00	0.00	251.00
El insurable earnings		24	3,600.00	2,600.00	0.00	0.00	6,200.00
CPP/QPP pensionable earn	nings	26	0.00	0.00	0.00	0.00	0.00
PPIP insurable earnings		56	0.00	0.00	0.00	0.00	0.00
Union dues		44	0.00	0.00	0.00	0.00	0.00
Charitable donations		46	0.00	0.00	0.00	0.00	0.00
Others information							

2. Enter information from the T4 Slip(s) in the T4 Slip Worksheet as shown.

3. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. From the GoTo menu, Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 1:

As a tax preparer you need to explain to your client in summary why there is either a Refund or Balance, and what Deductions were applied to the taxpayer's situation. Profile can help you review the areas you need to communicate to your client.

The Tax Summary is the main review area. The bottom of the page gives you the Estimated GST Credit, CCB credit amounts and RRSP contribution limit. Also, If you open the Client Letter in Form Explorer. Profile will announce to the taxpayer all the estimated amounts as well.

1. From the GoTo menu, Select the Form Explorer list (F4). Select Client and double-click on Letter.

View Form Explorer	V Form Explorer										?		×
T Casey, Catherine						<u>u</u> .	×.	- 🗋			7	• 1234 • 1234 • 1234	
Eorm: Letter		Select Client					<u>O</u> pen	<u>P</u> rint	<u>N</u> ew	<u>L</u> ist	<u>D</u> etail	<u>K</u> ey	Lin <u>e</u>
Forms	Name	Description	Used	Last year	Step								^
1. Identification 2. Slips 3. Income 4. Deductions 5. Tax + credits 6. Return + sch 7. Filing 8. Client 9. All 4. Used B. Data entereu	✓ Engage CTB CTB CTB(ON) TIEFILE GST Instalments Instalments Instalments SYear Syear TIReview Plantt Letter ✓ Lletter	Engagement letter Canada Child Benefit Ortario Child Benefit EFILE information GST/HST credit 2017 Instalments T1 Summary NRTC Comparative Summary Tax summary Comparative tax summary 5 year tax summary T1 Review worksheet Tax planner Client letter Joint client letter	Yes No No No Yes Yes No No No No No No No No	N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	2 437 446 447 448 449 451 451 450 452 454 452 454 455 455 455 455 459								
TP1	S Billing	Detailed billing information	No Ver	N/A N/A	465 410								~
Letter:Client letter													

- 2. Review the Tax Summary and Client Letter and answer the following questions.
 - a. What is the Refund/Balance amount?
 - b. What is the GST Credit amount, and explain why?
 - c. What is the CCB Credit amount, and explain why?

Exercise 1 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain why?
- 3. What Line # did you enter the Tips amount and explain why on that Line?
- 4. Explain why Line 363 was used?

Answers – Client Review 1

- a. What is the Refund/Balance amount?
 - a) \$251.00 R
- b. What is the GST Credit amount, and explain why?
 - a) \$0, Non-Eligible
- c. What is the CCB Credit amount, and explain why?
 - a) \$0, Non-Eligible

Answers – Exercise 1 Quiz

T1Summary

2016 Tax Return Summary

Taxpayer personal information	Spousal information	
SIN 532 957 883	SIN	
Name Casey, Catherine	Name	
Care of	Birthdate	
Street address 123 Main Street Apt #	Filing	_
P.O. Box, R.R.	Bravings of residence on 2016/12/21 Optario	
CityCitiville		
ProvinceON		
Postal code A1A 1A1	Lise preparer address for:	
Home phone (905) 555-5555	Ose preparer address for. Nothing	
Birthdate1999/11/13		
Marital status Single		
Total income		
Employment income (box 14 on all T4 slips)	101 6.200/00	
Other employment income	104 300 00	
	Total income 150 6.500 00 ► 6.500 00	
Net income	······································	•
	Net income 236 6.500 00	
Taxable income		•
	Taxable income 260 6.500/00	
Non-refundable tax credits		-
Basic personal amount	claim \$11 474 300 11 474 00	
Employment Insurance premiums from box 18 on all T4 slips	(maximum \$955.04) 312 116.56 •	
Canada employment amount (see the quide)	(maximum \$1.161) 363 1 161 00	
Add lines 1 to 26	<u>335</u> 12 751 56	
Multiply the amount on line 26 by 15%	= 338 1 912/73	
		1
	Total federal non-refundable tax credits: 27 and 28. 350 1,912 73	
Refund or Balance owing		•
·	Total payable 435 000	٠
Total income tax deducted (from all information slips)	437 251 00 •	•
· · · · ·	Total credits 482 251 00 ▶ 251 00	
	Total payable minus total credits (251 00)	
	Refund 484 251 00	•
2017 Estimated		•
RRSP contribution limit	1,170 00	_

Page 1 of 1

Catherine Casey 123 Main Street Citiville, ON A1A 1A1

Dear Catherine:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a refund of \$251.00.

Your RRSP deduction limit for 2017 is \$1,170.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

- 1. What amount is on Line 150?
 - a. \$6,500.00
- 2. What amount is on Line 236 & 260 and explain why?
 - a. \$6,500.00
- 3. What Line # did you enter the Tips amount and explain why on that Line?
 - a. Line 104, Tips not included on slips
- 4. Explain why Line 363 was used?
 - a. Eligible for Canada employment amount

Exercise 2 – Post-secondary student

Create a New T1 Return and Personal Information worksheet. Follow instructions from Steps to create a New Client File chapter.

Taxpayer (Client) Information:

- Sue Brown attends a post-secondary institution. She was born on August 2, 1996 and is single.
- The attached T2202A information slip that the post-secondary institution gave her shows she paid tuition fees of \$2,500 for the courses she took last year. According to the slip, she can claim the education and textbook amounts for eight months. She wants to carry forward any amount she cannot use this year.
- During the year, she received a scholarship of \$3,500 from her post-secondary institution, Town University. This amount is shown on the attached T4A information slip.
- Sue moved to her parents' home for the summer months (a distance of 500 kilometres) and got a job there at Streamers. She completed Form T1-M, Moving Expenses Deduction, listing her expenses of \$300 for the move, and determined that she can claim the expenses on her tax return.
- She earned \$12,300 at Streamers during the summer. They sent her the attached T4 information slip.
- She earned \$52 interest in her savings account at the Local Bank. The bank sent her the attached T5 information slip.
- Last year, Sue paid \$720.00 for her public transit passes (\$60 a month).

Based on the information given, complete Sue's tax return.

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Information for students: See the back of slip 1. If you want to transfer all or part of your tuition, education, and textbook amounts, complete the back of slip 2. T2202A E (16)

Steps to complete:

- 1. Select the Form Explorer list (F4). Select Slips and double-click on T4. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 2. Select the Form Explorer list (F4). Select Slips and double-click on T4A. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 3. Select the Form Explorer list (F4). Select Slips and double-click on T5. Enter information from the Slip(s) in the Slip Worksheet as shown.

T5 Statement of Investr	T5 Statement of Investment Income T5 Slip									
		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total			
			4			•				
Description			Local Bank							
% reported by spous	e		0.0	0.0	0.0	0.0				
% reported by taxpa	yer		100.0	0.0	0.0	0.0				
Currency				-	*	-				
Exchange rate to co	nvert to Cdn \$		0	0	0	0				
Eligible dividends	Actual Amount	24	0.00	0.00	0.00	0.00	0.00			
	Taxable Amount	25	0.00	0.00	0.00	0.00	0.00			
Interest from Canadia	an sources	13	52.00	0.00	0.00	0.00	52.00			
Source of Box 13 int	erest (for EFILE)		1/Bank	1/Bank	1/Bank	1/Bank				
Capital gains dividen	ds	18	0.00	0.00	0.00	0.00	0.00			
Dividends	Actual Amount	10	0.00	0.00	0.00	0.00	0.00			
	Taxable Amount	11	0.00	0.00	0.00	0.00	0.00			
Other income from C	anadian sources	14	0.00	0.00	0.00	0.00	0.00			
Name of foreign cour	ntry				-	<u> </u>				
Foreign income		15	0.00	0.00	0.00	0.00	0.00			
Foreign tax paid		16	0.00	0.00	0.00	0.00	0.00			
Royalties	Work or invention	17	0.00	0.00	0.00	0.00	0.00			
	Other		0.00	0.00	0.00	0.00	0.00			
Accrued income: An	nuities	19	0.00	0.00	0.00	0.00	0.00			
Box 19 received due	to death of spouse?		No	No	No	No				
Equity linked notes	Current year	30	0.00	0.00	0.00	0.00				
interest	Prior years	50	0.00	0.00	0.00	0.00				

4. Select the Form Explorer list (F4). Select Slips and double-click on T2202. Enter information from the Slip(s) in the Slip Worksheet as shown.

T2202A/TL11 Tuition and education credit certificates					Tuitio	n Slips
	Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
		•			Þ	
Description		Town Univeristy				
T2202A, TL11A, TL11B, TL11C						
Tuition fees paid	Α	2,500.00	0.00	0.00	0.00	2,500.00
Number of months in part-time enrolment	В	0	0	0	0	0
Number of months in full-time enrolment	С	8	0	0	0	8
TL11D						
Tuition fees paid		0.00	0.00	0.00	0.00	0.00
Charitable donations		0.00	0.00	0.00	0.00	0.00

- 5. Use the Form Explorer to locate other forms need for this exercise.
- 6. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 2:

- 1. Review the Tax Summary and Client Letter and answer the following questions.
 - a. What is the Refund/Balance amount?
 - b. What is the GST Credit amount, and explain why?
 - c. What is the CCB Credit amount, and explain why?

Exercise 2 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain why?
- 3. Explain why Line 364 was used?

Answers – Client Review 2

- a. What is the Refund/Balance amount?
 - a) \$1,995.00 R
- b. What is the GST Credit amount, and explain why?
 - a) \$338.00, Eligible
- c. What is the CCB Credit amount, and explain why?
 - a) \$0, Non-Eligible

Answers - Exercise 2 Quiz

T1Summary

2016 Tax Return Summary

			T			
Taxpayer pe	ersonal information		Spousal informatio	n		
SIN	_742 680 549		SIN			
Name	_Brown, Sue		Name			
Care of	_		Birthdate			
Street address	123 Main Street	Apt #	Filina			
P.O. Box, R.R.	_		Dravings of residence on	2016/12/21	Optario	
City	_Citiville		EIL E this roturn?	2010/12/31		
Province	_ON		Is return discounted?			
Postal code	_A1A 1A1		Lice property address for			
Home phone	_(905) 555-5555		Ose preparer address for		Nothing	
Birthdate	_1996/08/02					
Marital status	Single					
Total income						
Employment inc	come (box 14 on all T4 slips)		101	12,300 00		
Interest and oth	er investment income (Attach Schedule	e 4)	121	5200	-	
	······ (·······		Total income 150	12,352 00	•	12,352 00
Net income					· ·	
Moving expense	25		219	300100		
Add lines 207 to	224 229 231 and 232		233	300/00	•	300/00
////	, <u>22</u> , <u>22</u> , <u>20</u> , <u>and 202</u> .		100	Net income	236	12 052 00
Tavable incom	0					12,002 00
Taxable Incom	e			Tavable income	260	12 052/00
Non refundable	o tax aradita					12,002 00
Rosic personal	amount		claim \$11,474,300	11 474100		
CPP or OPP co	ntributions through employment		(maximum \$2.544.30) 308	435 60		
Employment Ins	surance premiums from box 18 on all T	1 clips	(maximum \$2,344.30) 300	231 24		
Canada employ	ment amount (see the quide)	4 siips	(maximum \$1.161) 363	1 161 00	•	
Public transit na	esses amount (see the guide)		364	720100		
Add lines 1 to 2			335	14 021 84		
Add lines 1 to 2	ount on line 26 by 15%		000		-	2 102/20
multiply the an	fount on line 26 by 15%			-	- 338	2,103/20
		Total fe	deral non-refundable tax c	redits: 27 and 28.	350	2.103 28
Refund or Bala	ince owing					
Refuind of Bala	ince on mg			Total pavable	435	0.00 •
Total income ta:	x deducted (from all information slips)		437	1 995100	•	
			Total credits 482	1,995,00	•	1 995 00
			Total pavable	minus total credits	·	(1.995 00)
				Refund	484	1.995 00 •
2017 Estima	ited				····	.,
GST/HST credi	 it	Annual	338/00	Quarterly	,	85 00
Provincial tax o	redit	Annual	291 00	Monthly		
PPSD contribut	ion limit	7 (11)(41)		Monthly		2 214 00
						2,21400

Page 1 of 1

Sue Brown 123 Main Street Citiville, ON A1A 1A1

Dear Sue:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a refund of \$1,995.00.

You will receive a GST credit of \$338.08, payable in quarterly instalments of \$84.52 in July and October 2017 and in January and April 2018.

We estimate that you will receive the Ontario Trillium Benefit of \$291.00 in July 2017.

Your RRSP deduction limit for 2017 is \$2,214.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

1. What amount is on Line 150?

a. \$12,352.00

- 2. What amount is on Line 236 & 260 and explain why?
 - a. \$12,352.00
- 3. Explain why Line 364 was used?
 - a. Public Transit Pass Amount

Exercise 3 – Employed individual with spouse

Create a New T1 Return and Personal Information worksheet.

Taxpayer (Client) Information:

- Last year, Trevor Nowen, who is married to Ivana (SIN 540 881 896, she was born December 8, 1989), started a job as a graphic artist at GracoDesigns. He was born August 2, 1990. During the year he earned \$28,000 and in February his employer sent him a T4 information slip.
- In December, he contributed \$1,180 to a registered retirement savings plan (RRSP) at his local bank. Trevor has determined he has \$3000 RRSP deduction limit to claim the full amount on his tax return.
- Trevor also received \$22 interest from his savings account at the bank.
- Ivana earned \$4,000 from consulting work but she did not have any business expenses.
 The payer withheld no deductions at source. Ivana will not be filing jointly with Trevor.

Based on the information given, complete Trevor's tax return.

Employer's name – Nom de l'employeur	*	Canada Rev Agency	enue	Agence du revenu du Canada		T4	4	
GRACODESIGNS	Year Année	2010	6		Stateme État de	ent of Ren e la rémur	nuneration Pa nération payé	aid e
			8	Employment income – line Revenus d'emploi – ligne 1	101 101	Inco Impôt s	ome tax deducted – li sur le revenu retenu -	ne 437 - ligne 437
		14		28,000	00	22	3,700	00
54 Employer's account number / Numéro de compte de l'employeur	Provin Pro	ce of employm wince d'emploi	ent Er Coti	nployee's CPP contributior sations de l'employé au RF	ns – line 308 PC – ligne 308		El insurable earni Gains assurables	ngs d'AE
Social insurance number Exempt - Exempti	on 10		16	1,212	75	24		
Numéro d'assurance sociale CPP/QPP EI PP		ployment code ode d'emploi	Er Coti	nployee's QPP contributior sations de l'employé au RF	ns – line 308 RQ – ligne 308	CPP Gains out	VQPP pensionable e vrant droit à pension	arnings – RPC/RR
	29 AP		17			26	28,000	.00
Employee's name and address – Nom et adresse de l'employé			Cot	Employee's El premiums – isations de l'employé à l'AB	line 312 – ligne 312	Col	Union dues – line tisations syndicales -	212 ligne 212
Last name (in capital letters) – Nom de famille (en lettres moulées) First name – P	Prénom Ini	tial – Initiale	18	526	40	44		
NOWEN TREVOR				RPP contributions – I Cotisations à un RPA –	ine 207 ligne 207	C	haritable donations – Ins de bienfaisance –	line 349 ligne 349
			20			46		
123 Main Street Citiville, ON_A1A 1A1				Pension adjustment – Facteur d'équivalence –	line 206 ligne 206	RP N° ďa	P or DPSP registratio agrément d'un RPA o	on number u d'un RPD
			52			50	-	
			Er	mployee's PPIP premiums ions de l'employé au RPAP	– see over – voir au vers	•	PPIP insurable ear Gains assurables du	nings RPAP
			55			56		
Box - Case Amount - Montant	Box-	Case	Am	ount – Montant	Box – Ca	ise	Amount - Montant	
Other information (see over)] [
Autres Box - Case Amount - Montant	Box-	Case	Am	ount – Montant	Box – Ca	ise	Amount – Montant	
renseignements (voir au verso)] [
Canada Revenue Agence du revenu du Canada T 5 Stater Agency du Canada T 5 Stater Dividendis from Canadan corporations – Dividendes de societés canadiennes 24 Actual amount of eligible dividendis 25 Taxable amount of eligible dividendis 10 Actual amount of dividendis 11 Taxable amount of eligible dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 10 Actual amount of dividendis 11 Taxable amount of dividendis 11 Taxable amount of dividendis 11 Taxable amount of dividendis 12 Actual amount of dividendis 11 Taxable amount of dividendis 11 Taxable amount of dividendis 11 Taxable amount of dividendis 25 Taxable amount	ment of des reve 6 26 Credit 12 s	Investmen enus de pla ederal credit - C Dividend tax cre dividen dividend tax cred other than eligit ixedit d'impôt pour	t In co aceme redit for elig ds endes dét t for dividen ke dividen r dividend des déter	ernines Code du feuillet	n Canadian so 22 uroe canadien 22 Recipie Numéro di	Protect when con urces 18 .00 ine Divis ent identification dentification du be	cted B / Proté mpleted / une fo Capital gains divide dendes sur gains en on number 23 Rec énéficiaire Type de	egé B bis remp nds capital bénéficiaire
Autres renseignements (voir au verso) Box / Case Amount / Montant	t	Box / Cas	e	Amount / Montant	Bo	x / Case	Amount / Montan	t
Recipient's name (last name first) and address – Nom, prénom et adress NOWEN, TREVOR 123 Main Street Citiville, ON A1A 1A1	se du bénéf	iciaire	Local	Payer's name a Bank	nd address –	Nom et adress	se du payeur	
Currency and identification codes Codes de devise et d'identification	Transit – Su	ccursale des renseignei	29	Recipient account luméro de compte du bén rsonneis, fichiers de renseig	eficiaire nements perso	For info	rmation, see tl r des renseign lisez l J 150 et ARC PPU 005	he back ements e verso

T5 (15)

Steps to complete:

1. When completing the Personal Information worksheet, continue down to Spousal information section.

- 2. Select the Form Explorer list (F4). Select Slips and double-click on T4. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 3. Select the Form Explorer list (F4). Select Deductions and double-click on RRSP. Enter information in the Slip Worksheet as shown.

RRSP/PRPP	DDOD			
	RKSP/	PRPP de	duction	
RRSP contributions				
Verify unused amount from Box B	Notice of Assessment or enter it as 'Prior to 2	016'.		
		Contributio	ns made to	
Description	Contribution period	Own RRSPs	Spousal RRSPs	
Local Bank	March 1 to December 31, 2016	1,180 00	000	
L	March 1 to December 31, 2016	1 180 00	000	
	Oublota	1,100,00	000	
PRPP Contributions				
		Employee Co	ontributions	
Description	Description Contribution period			
	January 1, 2016 to December 31, 2016	0 00		
	Subtotal	0 00		
DDD employer centributions: January 1	2016 to December 21, 2016			
(amount from your PRPP contribution rec	eints) - report on line 205	000		
<u></u>				
Total RRSP/PRPP contributions				
		Contributio	ns made to	
BBOB 11 1				
RRSP contributions		1,180,00	000	
	Subtotal	1 180 00	0.00	
Less: Designated Home Buyers' Plan (HB	P) repayment	0 00	000	
Designated Lifelong Learning Plan (I	LP) repayment	0 00		
Non-deductible contributions due to	HBP or LLP withdrawal	0 00	0 00	
Refund of undeducted contributions	included above	0 00	0 00	
Iotal RRSP/PRPP contributions		1,180 00	000	
SPP deduction		0 00		
RRSP/PRPP deduction limit				
Option 1: Enter limit from 2015 Notice of	(Re)Assessment		3 000	
Option 2: Coloulate the limit			0,000	
2015 carried income	0 X 18%		0	
Lossor of A or \$25,370	<u> </u>			
Less: Pension adjustment from 2015 T4/T4	4A slips		0	
2016 past service pension adjustme	nt		0	
Plus: 2016 pension adjustment reversal fro	om T10 slip		0	
		Subtotal	0	
Plus: Unused RRSP/PRPP deduction room	m from 2015		0	
		Subtotal	3,000	
Less:Saskatchewan Pension Plan deduct	ion		0	
RRSP/PRPP deduction limit for 2016			3,000	
DDSD/DDDD cummony				

- 4. Select the Form Explorer list (F4). Select Slips and double-click on T5. Enter information in the Slip Worksheet as shown.
- 5. Use the Form Explorer to locate other forms need for this exercise.
- 6. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 3:

- 1. Review the Tax Summary and Client Letter and answer the following questions.
 - a. What is the Refund/Balance amount?
 - b. What is the GST Credit amount, and explain why?
 - c. What is the CCB Credit amount, and explain why?

Exercise 3 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain why?
- 3. Explain why Line 303 was used?
- 4. What Schedule did you use for the spouse's amount and what Line Letter was used?

Answers – Client Review 3

- a. What is the Refund/Balance amount?
 - a) \$2,158.96 R
- b. What is the GST Credit amount, and explain why?
 - a) \$552.00, Eligible
- c. What is the CCB Credit amount, and explain why?
 - a) \$0, Non-Eligible

Answers - Exercise 3 Quiz

T1Summary

2016 Tax Return Summary

Taxpayer pe	ersonal information		Spousal information	า		
SIN	672 063 625		SIN 540 881	596		
Name	Nowen, Trevor		Name Nowen,	Ivana		
Care of	_		Birthdate 1989/12	/08		
Street address	123 Main Street	Apt #	Filing			
P.O. Box, R.R.					<u> </u>	
City	Citiville		Province of residence on 2	2016/12/31		, ,
Province			EFILE this return?			
Postal code			Is return discounted?			MNo
Home phone			Use preparer address for:		Nothing	l .
Birthdate	- 1990/08/02					
Marital status	Married					
i otal income	ame (hey 14 on all T4 -line)		101			
Employment inc	come (box 14 on all 14 slips)	4	101_	28,000,00	-	
Interest and oth	er investment income (Attach Schedul	e 4)	121_	22,00	. <u>.</u>	
			Total income 150	28,022 00	. •	28,022,00
Net income						
RRSP deduction	n /pooled registered pension plan (PRI	PP) deduction	202	1 190 00		
(see Schedule /			208_	1,10000	· .	1 100/00
Add lines 207 to	5 224, 229, 251 and 252.		233_	1, 10000		1,10000
				Net income	236	20,042,00
Taxable incom	e					
				Taxable income	260	26,842 00
Non-refundable	e tax credits					
Basic personal	amount		claim \$11,474 300	11,474 00	-	
Spouse or com	mon-law partner amount (if negative, e	nter "0")	303	7,474 00	-	
CPP or QPP co	ntributions through employment	((maximum \$2,544.30) 308	1,212 75	•	
Employment Ins	surance premiums from box 18 on all T	4 slips	(maximum \$955.04) 312	526 40	•	
Canada employ	ment amount (see the guide)		(maximum \$1,161) 363	1,161 00	-	
Add lines 1 to 2	6		335	21,848 15		
Multiply the am	nount on line 26 by 15%			=	338	3,277 22
		Total fed	leral non-refundable tax cr	edits: 27 and 28	350	3 277 22
Refund or Bala	unce owing	, otal loa				0,211 22
Refutite of Data	lice owing			Not fodoral tax	420	74908
Provincial tax				Net rederar tax.	428	79196
				Total navable	/35	1 5/1 0/
Total incomo to	v deducted (from all information cline)		497	3 700/00	433 •	1,04104
Total income ta	x deducted (nonn an information slips)		437	3,700,00		3 700/00
					·	(2,159,06)
			i otal payable r	ninus total credits	404	2,150,90
2017 Estima	tod			Refund	404	2,100,90
		Appuc	552100	Quarter	,	13800
	nt	Annual	400/00	Quarterly		130 00
Provincial tax c	reait	Annual	468 00	Monthly		38 98
RRSP contribut	ion limit					6,860 00

Page 1 of 1

Trevor Nowen 123 Main Street Citiville, ON A1A 1A1

Dear Trevor:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a refund of \$2,158.96.

You will receive a GST credit of \$552.00, payable in quarterly instalments of \$138.00 in July and October 2017 and in January and April 2018.

We estimate that you will receive the Ontario Trillium Benefit of \$467.72, payable in twelve monthly installments of \$38.98 commencing on July 2017.

Your RRSP deduction limit for 2017 is \$6,860.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

1. What amount is on Line 150?

a. \$28,022

- 2. What amount is on Line 236 & 260 and explain why?
 - a. \$26,842, RRSP contribution
- 3. Explain why Line 303 was used?
 - a. Spousal or common-law amount
- 4. What Schedule did you use for the spouse's amount?
 - a. Schedule 2



Create a New T1 Return and Personal Information worksheet.

Taxpayer (Client) Information:

- Karen Partridge is a single mother of a young child, Annie, born June 4, 2013. Karen's date of birth is May 15, 1982.
- During the year, she worked for 40 weeks and earned \$34,790. This income, plus other relevant information, is shown on the attached T4 information slip.
- She also received \$950 in social assistance payments and \$960 in Universal Child Care Benefit payments. These payments are shown on the attached information slips T5007, Statement of Benefits Benefit.
- Karen sent her child to Beacon Nursery while she was working and has determined that she is entitled to claim \$5,600 for child care expenses on her tax return.
- Karen paid \$9,000 in rent last year.

Based on the information given, complete Karen's tax return.

	Employer's name – Nom de l'employeur	*	Canada Rev Agency	enue	Agence du revenu du Canada			T4	
	AQUAITIC	Year Année	2010	6]	Stateme État de	nt of la réi	Remuneration Pa munération payée	id e
				I	Employment income – line Revenus d'emploi – ligne 1	101 101	In	Income tax deducted – lin mpôt sur le revenu retenu –	ie 437 ligne 437
			14		34,790	00	22	5,250	00
mpli	54 Employer's account number / Numéro de compte de l'employeur	Provin	ce of employms vince d'emploi	ent Er Cot	mployee's CPP contributior isations de l'employé au RF	ns – line 308 PC – ligne 308		El insurable earnir Gains assurables d	igs l'AE
sre	Social insurance number Exempt – Exempt	on 10		16	1,548	85	24		
e foi	Numéro d'assurance sociale CPP/QPP EI PF 12 275 0.55 9.37 28		ployment code ode d'emploi	Coti	mployee's QPP contribution sations de l'employé au RF	ns – line 308 RQ – ligne 308	Gai	CPP/QPP pensionable ea ns ouvrant droit à pension -	mings - RPC/RRQ
E B		29 AP		17			26	34,790	.00
gé	Employee's name and address – Nom et adresse de l'employé			Cot	Employee's El premiums – isations de l'employé à l'AB	line 312 – ligne 312		Union dues – line 2 Cotisations syndicales –	212 ligne 212
roté	Last name (in capital letters) – Nom de familie (en lettres moulées) First name – I	Prénom Init	lai – Initiale	18	654	05	44	165	.00
P P	PARTRIDGE KAREN				RPP contributions – li Cotisations à un RPA –	ine 207 ligne 207		Charitable donations – Dons de bienfaisance –	line 349 ligne 349
leted				20	. 782	50	46		
dmo	Citiville, ON A1A 1A1				Pension adjustment – Facteur d'équivalence –	line 206 ligne 206		RPP or DPSP registratio N° d'agrément d'un RPA ou	n number I d'un RPDB
S C				52	1,565	00	50		
whe				E Cotisat	mployee's PPIP premiums ions de l'employé au RPAP	– see over 9 – voir au verso	•	PPIP insurable earn Gains assurables du	ings RPAP
a B				55			56		
tecte	Box - Case Amount - Montant	Box –	Case	Am	ount – Montant	Box – Ca	se	Amount – Montant	
Pro	(see over)								
Ŧ	Autres Box - Case Amount - Montant	Box –	Case	An	ount – Montant	Box - Ca	se	Amount – Montant	
T4 (1	(voir au verso)								



recipients name and address - nom et adresse d	iu benendane		
Last name (print) Nom de famille (en lettres moulées)	First name Prénom	Initials Initiales	Payer's name and address Nom et adresse du payeur
PARTRIDGE	KAREN		Local Social Assistance Office
123 Main Street Citiville, ON A1A 1A1			

See the privacy notice on your return. Consultez l'avis de confidentialité dans votre déclaration. T5007 (16)

	UNIVERSAL CHILD CARE BENEFIT STATEMENT RC62 ÉTAT DE LA PRESTATION UNIVERSELLE POUR LA GARDE D'ENFANTS								
Year 2016 Année	Social Insurance Number 275 055 937 Numéro d'assurance sociale	10 P	Total benefit paid 960.00 rrestation totale versée	12 Repaym	ent of previous-years benefits t de prestations d'années précédentes				
Issued by: Human Émis par : Resson Dévelo PAR 123 City	n Resources and Skills Development Canada urces humaines et ppement des compétences Canada RTRIDGE Karen Main Street , Province XOX 0X0	Year / Année	Amount / Montant	Year / Année	Amount / Montant				
RC62 (10/12)					Canadä				

Steps to complete:

1. After completing the Personal Information worksheet. Select the Form Explorer list (F4). Select Identification and double-click on Dependant. Enter Dependant information from information given.

Dependant			Depe	ndant info	ormation
Are you eligible to receive the Child Tax Benefit? Family caregiver amount claimed by		Yes X You X	<u>N</u> o Spouse		
	Dependan	nt #1	Dependant	#2 De	ependant #3
Social Incurance Number	•				<u> </u>
First name	Annie				
Last name	Partridge				
Relationship	Daughter	N/A		N/A	
Birth date	2013/06/04	VVVV	/mm/dd	yyyy/mm/d	d
Net income	960.00		0.00	(0.00
Claim as eligible dependant?	Yes	No		No	
Dependant claiming GST credit?	No	No		No	
Dependant claiming PST	No	No		No	
credit (MB)?			_		-
Did dependant live with you in 2016?	Yes	NO		NO	
Street address	123 Main Street				
P.U. BOX, R.R.					
Apt No.	Citivillo				
Dravinco					
Postal code					
Province of residence on 2016/12/31	Ontario	NA		NA	

Child care expense de (Please use the drop down	etails list to select the first name of an eligible child)						
Child first name	Organization or name	SIN	# weeks*	Amount	Claim		
Annie	Beacon Nursery		0	5,600.00	5,600.00		
	•		0	0.00	0.00		
Total 5,600.00 5,600.00							

*Enter the # of weeks spent at boarding school, overnight sports school or overnight camp.

- 2. Select the Form Explorer list (F4). Select Slips and double-click on T4. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 3. Select the Form Explorer list (F4). Select Slips and double-click on T5007. Enter information from the Slip(s) in the Slip Worksheet as shown.

T5007 Statement of Benefits					Т50	07 Slip
	Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
		4			•	
Description		Local Social Assistance Office				
Workers' compensatio	n benefits 10	0.00	0.00	0.00	0.00	0.00
Social assistance	Taxpayer 11	950.00	0.00	0.00	0.00	950.00
payments	Spouse	0.00	0.00	0.00	0.00	0.00
Manitoba resident:						
Percentage of social	Taxpayer 44	1.000	0.000	0.000	0.000	1.000
assistance - MB	Spouse 14	1.000	0.000	0.000	0.000	1.000

4. Select the Form Explorer list (F4). Select Slips and double-click on RC62. Enter information from the Slip(s) in the Slip Worksheet as shown.

RC62 Universal Child Care Benefit Statement			RC62
		Box	
Total benefit paid		10	960.00
Repayment of previous-year benefits	Taxpayer	42	0.00
	Spouse	12	0.00
Single-parent only: Do you elect to include UCCB amounts in the income of the dependant for whom yo Credit (or if the Eligible Dependant Credit is not available, elect to include the aggreg income of one of the children for whom the benefit is paid)?	u claim the Eligible Dependant gate amount of benefits in the		Yes
(Be sure the benefit is claimed by that eligible dependant or child)			

5. Select the Form Explorer list (F4). Select Tax+credits and double-click on ONBEN.

View Form Explorer											?		×
🔟 Partridge, Karen						~	<u>ti</u> .	ж.				2	• 1254 • 1254
Eorm: ONBEN							<u>O</u> pen	<u>P</u> rint	New	List	<u>D</u> etail	<u>K</u> ey	Lin <u>e</u>
Forms	Name	Description	Used	Last year	Step								^
👅 1. Identification	<i>🚚</i> GST370	Employee and partner GST/HST rebate a	No	N/A	208								
	ntedits 🖉	Provincial Worksheet	No	N/A	255								
<u> </u>	🏴 ON428	Ontario Tax	Yes	N/A	256								
<u>🔰 3</u> . Income	/ ON479	Ontario tax credits	No	N/A	258								
👅 4. Deductions	🔎 ONBEN	Application for the 2017 Ontario Senior Ho	Yes	N/A	259								
E Tana and a	/ ONS2	Provincial amounts transferred from your s	No	N/A	260								
<u>o</u> . Tax + credits	/ ONS11	Provincial tuition and education amounts	No	N/A	261								
🦰 <u>6</u> . Return + sch	/ ONS12	Ontario Healthy Homes Renovation Tax C	No	N/A	262								
👅 7. Filina	🝁 T 691	Alternative minimum tax	No	N/A	290								
	/ T1014	British Columbia Training Tax Credit (Indivi	No	N/A	280								
<u>a</u> . Lilent	/ T10141	British Columbia training tax credit (employ	No	N/A	281								
<u>9</u> . All	🍠 T10141worksh	British Columbia Training Tax Credit (Empl	No	N/A	282								
👅 A. Used	🄎 T10142worksh	British Columbia Shipbuilding and Ship Re	No	N/A	284								
B Data enteren	/ T10142	British Columbia Shipbuilding and Ship Re	No	N/A	283								
T1	🍁 T1172	Tax on RESP accumulated income paym	No	N/A	73								
	🝁 T1198	Statement of Qualifying Retroactive Lump	No	N/A	74								
191	📥 T1206	Tev on Solit Income	No	NDA	291								×

• Enter the information supplied.

Complete Part B if you are applying for the OEPTC, the NOEC, or the OSHPTG.								
Part B – Declaration								
In the column "Amount paid for 2016", enter the amount(s) paid for rent, property tax, home energy costs on a reserve, and/or accommodation in a public long-term care home.								
I declare the following information	about my	principal reside	ence(s) in Ont	ario durin	g 2016:			
		Number of months	Amount paid in	Payment	Check this box if this is a "long-term care home" (see page 15 of the	Name of landlord, municipality or supplier to whom payment was		
Address	Postal Code	resident in 2016	2016	Туре	guide.)	made, as applicable		
123 Main Street, Citiville	0	12	9,000.00	6110				
0 0.00 NA -								

If on December 31, 2016, you and your spouse or common-law partner occupied separate principal residences for medical reasons and you are **choosing** to apply individually for the OEPTC, the NOEC, or the OSHPTG, enter his or her address below.

- 6. Use the Form Explorer to locate other forms need for this exercise.
- 7. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 4:

- 1. Review the Tax Summary and Client Letter and answer the following questions.
 - a. What is the Refund/Balance amount?
 - b. What is the GST Credit amount, and explain why?
 - c. What is the CCB Credit amount, and explain why?

Exercise 4 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain why?
- 3. Explain why Line 305 was used?

Answers – Client Review 4

- a. What is the Refund/Balance amount?
 - a) \$4516.40 R
- b. What is the GST Credit amount, and explain why?
 - a) \$697, Eligible
- c. What is the CCB Credit amount, and explain why?
 - a) \$7,077, Eligible

Answers - Exercise 4 Quiz

T1Summary

2016 Tax Return Summary

Taxpayer personal information		Spousal information	atior	า		
SIN 275 055 937		SIN				
Name Partridge, Karen		Name				
Care of		Birthdate				
Street address 123 Main Street Apt #						
P.O. Box, R.R.		Filing			<u> </u>	
City Citiville		Province of residence	e on 2	2016/12/31	Onta	¹⁰
Province ON		EFILE this return?	<u>, </u>			
Postal code A1A 1A1		is return discounted?				s <u>Min</u> o
Home phone (905) 555-5555		Use preparer addres	s for:		Nothir	ng
Birthdate 1982/05/15						
Marital status Single						
Total income						
Employment income (box 14 on all T4 slips)			101	34,790 00		
UCCB amount designated to a dependant	185	960 00			•	
Social assistance payments	145	950 00				
Add lines 144, 145, and 146				1		
(see line 250 in the guide)		950 00	147	950 00	_	
		Total income	150	35,740 00	▶	35,740 00
Net income						
Pension adjustment (box 52 on T4 slips, box 34 on T4A slips)	206	1,565 00				
Registered pension plan deduction (box 20 on T4 slips and box	32 on T4	4A slips)	207	782 50		
Annual union, professional, or like dues (box 44 on T4 slips, or f	rom rece	eipts)	212	165 00	-	
Child care expenses (Attach Form T778)			214	5,600 00		
Add lines 207 to 224, 229, 231 and 232.			233	6,547 50		6,547 50
				Net income	236	29,192 50
Taxable income						
Other payments deduction (if you reported income on line 147, s	see line 2	250 in the guide)	250	950 00		
Add lines 244 to 256.			257	950 00	<u> </u>	950 00
				Taxable income	260	28,242 50
Non-refundable tax credits						
Basic personal amount		claim \$11,474	300	11,474 00		
Amount for an eligible dependant (if negative, enter "0")			305	10,514 00		
CPP or QPP contributions through employment	(1	maximum \$2,544.30)	308	1,548 85	•	
Employment Insurance premiums from box 18 on all T4 slips		(maximum \$955.04)	312	654 05	•	
Canada employment amount (see the guide)		(maximum \$1,161)	363	1,161 00		
Add lines 1 to 26			335	25,351 90		
Multiply the amount on line 26 by 15%				=	338	3,802 78
т	otal fed	eral non-refundable f	ax ci	redits: 27 and 28	350	3 802 78
Refund or Balance owing						0,00210
Norana or Balance owing				Net federal tax.	420	43360
Provincial tax				Hot rou or ar tax.	428	300.00
				Total navable	435	733.60
Total income tax deducted (from all information slips)			437	5 250100	•	70000
		Total credits	482	5 250 00		5 250100
		Total paw	ahle r	ninus total credite	· –	(4,516,40)
		i otai paya		Refund	484	4,516 40 •
2017 Estimated						,
GST/HST credit An	nual	697 00		Quarterly	r	17400
Provincial tax credit An	nual	970 00		Monthly	, —	80 80
Child Tax Benefit An	nual	7 077 00		Monthly		590 00
RRSP contribution limit				monthly		4 667 00
						-,00,00

Page 1 of 1

Karen Partridge 123 Main Street Citiville, ON A1A 1A1

Dear Karen:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a refund of \$4,516.40.

You will receive a GST credit of \$697.00, payable in quarterly instalments of \$174.25 in July and October 2017 and in January and April 2018.

We estimate that you will receive the Ontario Trillium Benefit of \$969.55, payable in twelve monthly installments of \$80.80 commencing on July 2017.

Total estimated federal and provincial Child Benefit of \$7,077.08 are payable for the year starting in July 2017 and ending in June 2018.

Your RRSP deduction limit for 2017 is \$4,667.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

- 1. What amount is on Line 150?
 - a. \$35,740
- 2. What amount is on Line 236 & 260 and explain why?
 - a. Line 236 = \$29,192.50, RRSP, Dues, & Child Care amounts

Line 260 = \$28,242.50, Other payments deduction (Social Assistance Payments)

- 3. Explain why Line 305 was used?
 - a. Eligible Dependant amount



Create a New T1 Return and Personal Information worksheet.

Taxpayer (Client) Information:

- Ronald Lacroix is a single, registered Indian, born on July 8, 1981. Last year, he worked as a full-time administrator for a medical clinic located on a reserve. His employer, Big Isle Health Clinic, has elected to participate in the CPP.
- Ronald also works part-time for an organization dedicated to developing social programs for local youth. The organization is located off reserve and all of Ronald's work is carried out off reserve.
- To get tax information for Aboriginal peoples, go to cra.gc.ca/aboriginalpeoples

	Employer's name – Nom de l'employeur BIG ISLE HEALTH CLINIC	Year Année	Canada Rev Agency 2016	enue S	Agence du revenu du Canada	Stateme État de	ent of e la réi	T4 Remuneration Pa munération payée	id e
				1	Employment income – line Revenus d'emploi – ligne (101	Ir	Income tax deducted - lin	ie 437 ligne 437
			14		revenus a emplor – lighe l		22	npot sur le revenu retenu -	light 407
mpli	54 Employer's account number / Numéro de compte de l'employeur	Provinc	ce of employme vince d'emploi	ent Er Coti	nployee's CPP contributior sations de l'employé au Rf	ns – line 308 PC – ligne 308		El insurable earnir Gains assurables o	igs 'AE
sre	Social insurance number Exempt - Exempt	ion 10		16	1,543	16	24	34,675	.00
e foi	Numéro d'assurance sociale CPP/QPP EI PF	PIP Emp Co	oloyment code ode d'emploi	Er Coti	nployee's QPP contributior sations de l'employé au RF	ns – line 308 RQ – ligne 308	Gai	CPP/QPP pensionable ea ns ouvrant droit a pension -	mings - RPC/RRQ
nn 8		29 AP		17			26	34,675	.00
gé E	Employee's name and address – Nom et adresse de l'employé	6		Cot	Employee's El premiums - isations de l'employé à l'AB	line 312 – ligne 312		Union dues – line Cotisations syndicales –	212 ligne 212
oté	Last name (in capital letters) – Nom de familie (en lettres moulées) First name –	Prénom Initi	iai – initiale	18	651	89	44		
I / Pr	LACROIX RONALD				RPP contributions – I Cotisations à un RPA –	ine 207 ligne 207		Charitable donations – Dons de bienfaisance –	line 349 ligne 349
eted				20			46		
Idua	123 Main Street Citiville, ON A1A 1A1				Pension adjustment – Facteur d'équivalence –	line 206 ligne 206		RPP or DPSP registratio N° d'agrément d'un RPA ou	n number I d'un RPDB
n co				52			50		
whe				Ei Cotisat	mployee's PPIP premiums ions de l'employé au RPAP	– see over – voir au vers	50	PPIP insurable earr Gains assurables du	ings RPAP
d B				55			56		
ecte	Box – Case Amount – Montant	Box – (Case	Am	ount – Montant	Box - Ca	ase	Amount - Montant	
Prote	Other information (see over) 71 34,675 00								
14)	Autres Box – Case Amount – Montant	Box - (Case	Am	ount – Montant	Box - Ca	ase	Amount – Montant	
T4 (1	(voir au verso)								

Based on the information given, complete Ronald's tax return.



Steps to complete:

- 1. Select the Form Explorer list (F4). Select Slips and double-click on T4. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 2. Use the Form Explorer to locate other forms need for this exercise.
- 3. ProFile has an Indian Status question you need to answer on the Personal Info Sheet.

Filing			
EFILE this return?	X Yes No	Are you a Canadian Citizen?	X Yes No
EFILE multiple years?	Yes X No	Provide information to Elections Canada?	X Yes No
Authorization for efiler to represent taxpayer?	Yes X No	Did taxpayer own foreign property at any time	
First time filer in 2016?	Yes X No	in 2016 with a total cost of more than	
Method of contact for: Pre-assessment F	Post-assessment	CAN\$100,000?	<u> Y</u> es <u>X N</u> o
Contact preparer by mail		ls taxpayer's income zero?	Yes X No
Contact client X	X	Claim disability amount?	Yes X No
Is return discounted?	Yes X No	If yes, is this a first year claim?	Yes X No
Is return completed under the CRA's		Mentally or physically infirm?	Yes X No
volunteer program?	<u> Y</u> es <u>X N</u> o	Indian within the meaning of the Indian Act?	XYes No
Were you confined to a prison or similar institution	on	IS THIS AN EARLY FILED OF ELECTIVE DECEASED	
for a period of 90 days or more during the year?		return?	Yes <u>N</u> o
(Schedule 6, ON479 & GST / HST Credit)	<u> Y</u> es <u>X</u> No	Language of correspondence	English
If your province or territory of residence changed		Signing date	2017/01/13
in 2016, enter the date of your move.	yyyy/mm/dd		
Is the home address the same as the			
mailing address ?	Yes No		

4. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 5:

- 1. Review the Tax Summary and Client Letter and answer the following questions.
 - a. What is the Refund/Balance amount?
 - b. What is the GST Credit amount, and explain why?
 - c. What is the CCB Credit amount, and explain why?

Exercise 5 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain why?
- 3. Explain why Line 150 is missing \$34,675 in income?

Answers – Client Review 5

- a. What is the Refund/Balance amount?
 - a) \$107.27 R
- b. What is the GST Credit amount, and explain why?
 - a) \$276, Eligible
- c. What is the CCB Credit amount, and explain why?
 - a) \$0, Non-Eligible

Answers - Exercise 5 Quiz

T1Summary

2016 Tax Return Summary

Taxpayer personal information		Spousal information	า		
SIN 781 962 295		SIN			
Name Lacroix, Ronald		Name			
Care of		Birthdate			
Street address 123 Main Street Apt #	E	Filing			
P.O. Box, R.R.		Province of residence on 2	016/12/31	Ontario	
<u>City</u> Citiville		EEIL E this return?	2010/12/01		
Province ON		Is return discounted?		Yes	
Postal code A1A 1A1		Use preparer address for:		Nothing	
Home phone (905) 555-5555				Nouning	
Birthdate 1981/07/08					
Marital status Single					
Total income					
Employment income (box 14 on all T4 slips)		101	5,500 00		
		Total income 150	5,500 00	•	5,500 00
Net income		-	· · ·		
			Net income	236	5,500 00
Taxable income					,
			Taxable income	260	5.50000
Non-refundable tax credits					
Basic personal amount		claim \$11,474 300	11,474 00		
CPP or QPP contributions through employment	((maximum \$2,544.30) 308	1,642 16	•	
Employment Insurance premiums from box 18 on all T4 slip	s	(maximum \$955.04) 312	755 29	•	
Canada employment amount (see the guide)		(maximum \$1,161) 363	1,161 00		
Add lines 1 to 26		335	15,032 45		
Multiply the amount on line 26 by 15%			=	338	2,254 87
	T - 4 - 1 6		- dit 07 00	0.50	0.05407
	l otal rec	ieral non-refundable tax cr	euns: 27 and 26.	350	2,204 07
Refund or Balance owing			Tatal a sushis	405	oloo -
		407		430	• • •
I otal income tax deducted (from all information slips)		43/	107 27		107/27
			107 27		(107 27)
		i biai payable i	Pofund	101	107 27
2017 Estimated			Reiunu	-04	10/ 2/
GST/HST credit	Annual	276/00	Quarterly		69100
Provincial tax credit	Annual	291/00	Monthly		
PRSD contribution limit	Annual	20100	wontiny		00000
					330100

Page 1 of 1

Ronald Lacroix 123 Main Street Citiville, oN A1A 1A1

Dear Ronald:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a refund of \$107.27.

You will receive a GST credit of \$276.00, payable in quarterly instalments of \$69.00 in July and October 2017 and in January and April 2018.

We estimate that you will receive the Ontario Trillium Benefit of \$291.00 in July 2017.

Your RRSP deduction limit for 2017 is \$990.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

- 1. What amount is on Line 150?
 - a. \$5,550
- 2. What amount is on Line 236 & 260 and explain why?
 - a. \$5,550, N/A
- 3. Explain why Line 150 is missing \$34,675 in income?
 - a. No declaration needed, as too Native (Indian) working on a Reserve.

Business statements

Grouping business statement sets

Each new copy of a form appears on its own tab on the Edit window and has its own unique description in the Form Explorer. The ProFile business statements all belong to sets, identified by the set number. For example, T2125#1 will belong to set #1 that includes the related forms, T2125CCA#1 and T2125CEC#1.

Capital Cost Allowance (CCA) and Cumulative Eligible Capital (CEC)

Each of the business statements has additional schedules for CCA and CEC. For example, for the T2125, the additional forms are called T2125CCA and T2125CEC.

When you create a new business statement, ProFile will automatically create new CCA and CEC schedules related to that business statement. The CCA and CEC forms for a second business T2125#2 would be called T2125CCA#2 and T2125CEC#2.

Other business related forms

There may be additional forms associated with certain types of business statements. These are also included in the same numbered set. For example, there are inventory adjustments for farming operations, and additional automobile worksheets for Quebec TP1 business statements. All related forms will share the same set number in the Form Explorer name column. The Form Explorer descriptions of all related forms also include the business name.

Note: Revenu Quebec does not have a form for fishing or farming business income. However, ProFile includes the TP1Farming# and TP1Fishing# worksheets to correspond with the federal T2042# and T2121# forms.

Deleting business statement sets

If you delete any form in a business statement set, ProFile deletes all the related forms in the same set. ProFile will automatically select for printing any of the business statement forms that are used. Unused forms in a set have no impact on your tax return filing.

If you simply want to clear a particular form in the set, open that form in the Edit window, go to the Form menu and select '**Clear form**'. This option does not impact other forms in the same set.

Selecting a Standard Industry Code (SIC)

The CRA requires a SIC code (Standard Industry Code) on business statements. To select a **SIC code** from the list, right click on the **Industry Code** field and choose '**SIC Codes**' from the context-sensitive menu. You can also press <**F6**> to see the SIC codes.

Enter keywords to narrow your selection. For example, to find the SIC code for your client in the nightclub business, you could type in 'bar'. One of the items in the list will be 'Tavern, bar or nightclub'. Another item in the list would be 'Barber'.

Applying auto expenses to a business

To apply the auto expense to a business:

- 1. Create a business statement.
- 2. On the BusinessAuto form, select your business statement from the **Allocation of expenses** drop down menu. (If you have not yet opened a business statement, the drop down list will be empty.)
- 3. Enter a percentage into the Allocation of Expenses table on the form.

The expenses transfer to the **Expenses** section of the relevant business statement.

Converting a business to a December 31st year-end

To convert a business from an alternate fiscal year-end to December 31st ProFile:

- 1. Open one of the following related business statements: (your selection will depend on the type of business)
 - T2042#: Farming activities
 - T2121#: Fishing activities
 - T2125#: Business or professional activities
- 2. Enter the start of the fiscal period.

Note: If you carried forward the file from a previous year, the start, end and type of fiscal period will already appear.

ProFile will calculate the year end

- 3. Select 'Convert first period' from the drop-down list
- Enter the revenue and deductions for the first period.
 ProFile automatically creates a second business statement to treat the stub period.
 If the first business statement was a T2125#1 Business activities for Harold's business,
 ProFile creates a second 'stub' business statement (T2125#2) with the description of Stub:
 Business activities for Harold's business. Both business statements appear in the Form Explorer.
- Go the Form Explorer and open the 'stub' business statement.
 ProFile automatically completed the stub fiscal period in the Identification section of the form and selected 'Convert stub period' from the drop-down list.
 ProFile posts unused UCC, business use of home expenses and reserves to the stub period statement.
- 6. Enter the revenue and deductions for the stub period.

ProFile automatically completes Part 1 of the T1139.

The taxpayer must sign and date the T1139 when they convert to a December 31st year-end.

Electing to keep a non-calendar year-end

To elect to use a non-calendar year-end in ProFile:

- 1. Depending on the type of business, open one of the following related business statements:
 - T2042#: Farming activities
 - T2121#: Fishing activities
 - T2125#: Business or professional activities
- 2. Enter the start of the fiscal period in the Identification section of the business statement. ProFile automatically calculates the fiscal year-end.
- 3. Select '**Elect non-calendar year-end**' from the drop-down list. ProFile automatically completes Part 2 of the T1139 form.

The taxpayer must sign and date the T1139 when they first elect to have alternate year-end.

Taxpayers can revoke the election to have an alternative fiscal year-end at any time and change the fiscal period end to December 31st of the year in which they file the revocation. See Converting a business to a December 31st year-end to revoke the election to have an alternative fiscal year-end.

Claiming the Employee and Partner GST rebate (GST-370)

ProFile can automatically calculate the GST rebate for employees on form GST-370. To do so:

- 1. Open the T777 Statement of employment expenses form and answer 'Yes' to the question **Do you qualify for a GST rebate?**
- 2. Open the T777Auto worksheet.
 - If you are claiming the GST rebate, enter expense amounts (including GST) under the 'GST' column (or 'HST' column, if applicable) of the 'Calculation of allowable motor vehicle expenses' section.
 - If you are not claiming the GST rebate, enter the total receipt amounts (including GST), in the 'Non-Eligible' column.

The amounts from the T777 and T777Auto forms automatically post to the GST-370 for further calculations.

Exercise 6 – Individual with Business Income

Create a New T1 Return and Personal Information worksheet.

Taxpayer (Client) Information:

- Michael Ford a single male. Michael's date of birth is May 15, 1974.
- During the year, he carries on a business writing and editing instructions manuals on a contract basis. He has six different clients and operates under the business name Read & Write Consulting from an office in his home. Michael provides a detail income & expense sheet.
- Michael knows from past experience that one of his clients will issue him a T4A for the work that he has done for them and has included this information.
- The mortgagee of Michael's house, the Town Bank, does not require life insurance, but given Michaels state of health. He feels it is advisable to have life insurance on the mortgage.
- Michael's property taxes paid for the year is \$2533.01

Based on the information given, complete Michael's tax return.

P	ayer's name – Nom du payeur	*	Canada Reve Agency	nue	Agence du revenu du Canada			T4A	
3	Job Canada inc	Year Année	2016			Stater État du	nent o reven	of Pension, Retirement, A and Other Income u de pension, de retraite, ou d'autres sources	nnuity, de rente
061	Payer's account number / Numéro de compte du payeur				Pension or superannuation Prestations de retrai autres pensions – ligr	n – line 115 te ou ne 115		Income tax deducted – line Impôt sur le revenu retenu – lig	437 jne 437
_				016			022		
	Social insurance number Recipient's Numéro d'assurance sociale Numéro de cor	account numb npte du bénéf	ber liciaire		Lump-sum payments – Paiements forfaitaires –	line 130 ligne 130		Self-employed commissio Commissions d'un travail indép	ns endant
012	2 269 617 551 013 9876543	21 RT 000)1	018			020		
iduma s	tecipient's name and address – Nom et adresse du bénéficiai Last name (print) – Nom de famille (en lettres moules) First name – Prén	ire Iom	initiais – initiaies]	Annuities Rentes			Fees for services Honoraires ou autres somm pour services rendus	nes
le tols	FORD MICHAEL			024			048	20,000.00	
otégé B un	123 Main Street Citiville ON A1A 1A1				O Autres	ther inform renseigne	nation ments	(see over) s (voir au verso)	
I / Pr				Box-	Case Amount – Mo	ntant	Box	- Case Amount - Mont	ant
pletec									
en com				Box -	Case Amount – Mo	ntant	Box	– Case Amount – Mont	ant
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otected	Box – Case Amount – Montant Box – Case Am	ount – Montar	nt	Box -	Case Amount – Mo	ntant	Box	- Case Amount – Mont	ant
4A (15) Pr	Box - Case Amount - Montant Box - Case Am	ount – Montar	nt	Box-	Case Amount – Mo	ntant	Box	- Case Amount - Mont	ant

Business Income – 2016	
Read & Write Consulting	
c/o Michael Ford	
Income	
Revenues (w/o T4A)	\$ 41,603.17
from T4A	\$ 20,000.00
GST HST Withheld	\$ 4,786.21
Expenses	
Meals & entertainments	\$ 887.12
Business insurance	\$ 126.16
Bank services charges	\$ 156.20
Membership dues	\$ 231.00
Supplies	\$ 2,982.17
Professional Fees - Accounting	\$ 500.00
Travel - Air fare	\$ 526.97
Travel - Hotels	\$ 1,240.91
Travel - Meals	\$ 607.14
Business phone line	\$ 577.86

Cell Phone	\$ 485.27
Postage & delivery	\$ 110.00
UCC Furniture - Beginning of year	\$ 2,254.94
UCC Computer software - Beginning of year	\$ 219.15
UCC Computer hardware (Class 50) - Beginning of year	\$ 426.00
Computer software purchased - May 12, 2016	\$ 525.00
Laptop computer purchased, May 12, 2016	\$ 2,048.00
House Costs	
Area of home used for business (sqft)	160
Total area of home (sqft)	1500
Gas/Heating	\$ 1,712.86
Hydro	\$ 1,641.18
Insurance – House	\$ 757.55
Mortgage life insurance premiums	\$ 375.00
Snow plowing contract	\$ 440.00
Installation of new gas furnace	\$ 3,675.00
Painting of house interior	\$ 2,548.05
Mortgage interest paid to Town Bank	\$ 8,456.22
Property taxes	\$ 2,533.01
Vehicle Costs	
Description – 2013 Car, cost = \$35,000 bought 2013-02-15	
January 1 odometer	89726
December 31 odometer	124701
Business kilometers driven	8412
Fuel	\$ 2582.12
Vehicle insurance	\$ 779.00
License & registration fees	\$ 49.87
Maintenance & repairs	\$ 458.63
Parking	\$ 321.71
Interest on 4 year car loan granted on purchase date	\$ 597.89
UCC Class 10.1 - Beginning of year	\$ 15,470.00

Steps to complete:

- 1. Select the Form Explorer list (F4). Select Slips and double-click on T4A. Enter information from the Slip(s) in the Slip Worksheet as shown.
- 2. Use the Form Explorer to locate other forms need for this exercise.
- 3. Click Save button in the icon bar to save your work.

Preview your T1 Return:

- 1. Select T1 Summary (Ctrl+F10)
- 2. How does it look? Does it confirm with current ITA?

Client Review 6:

- 1. Review the Tax Summary and Client Letter and answer the following questions.
 - d. What is the Refund/Balance amount?
 - e. What is the GST Credit amount, and explain?
 - f. What is the CCB Credit amount, and explain?
 - g. What is the total 2013 tax installment amount, and explain?
 - h. How would you advise your client on tax planning in order reduce his balance due?

Exercise 6 Quiz:

- 1. What amount is on Line 150?
- 2. What amount is on Line 236 & 260 and explain?
- 3. What amount is on Line 310 and 421 and explain?
- 4. Review Schedule T2125:
 - a. What amount is on Line code A?
 - b. What amount is on Line 8523, and explain?
 - c. What amount is on Line 9281?
 - d. What amount is on Line 9945?

Answers – Client Review 6

- a. What is the Refund/Balance amount?
 - a) \$9,849.03 B
- b. What is the GST Credit amount, and explain?
 - a) \$186.00, Eligible
- c. What is the CCB Credit amount, and explain?
 - a) \$0, Non- Eligible
- d. What is the total 2013 tax installment amount, and explain?
 - a) \$9,849.04, any amounts owing over \$3,000 are subject to pre-paid installments for next tax year.
- e. How would you advise your client on tax planning in order reduce his balance due?
 - a) Class discussion

Answers - Exercise 6 Quiz

T1Summary

2016 Tax Return Summary

Taxpayer pe	ersonal informati	on		Spousal information	า		
SIN	269 617 551			SIN			
Name	Ford, Michael			Name			
Care of				Birthdate			
Street address	123 Main Street		Apt #	Filing			
P.O. Box, R.R.					004.014.0104	Ontori	-
City	Citiville			Frovince of residence on 2	2016/12/31		
Province	ON			EFILE this return?			
Postal code	A1A 1A1						
Home phone	(905) 555-5555			Use preparer address for.		Nouning	3
Birthdate	1974/05/15						
Marital status	Single						
Total income				•			
Self-employmer	nt income						
Business incom	e	Gross 162	56,816 96	Net 135	42,562 81		
				Total income 150	42,562 81	•	42,562 81
Net income				-			
Deduction for C	PP or QPP contribution	ons on self-emp	loyment and other	earnings			
(attach Schedu	le 8 or Form RC381,	whichever appli	es)	222	1,933 61	_	
Add lines 207 to	224, 229, 231 and 2	32.		233	1,933 61	▶	1,933 61
					Net income	236	40,629 20
Taxable incom	e						
					Taxable income	260	40,629 20
Non-refundable	e tax credits						<u>_</u>
Basic personal	amount			claim \$11.474 300	11.474 00		
CPP or QPP co	ntributions on self-em	plovment and c	ther earnings	310	1,933 61	•	
Add lines 1 to 2	6		y-	335	13,407 61	-	
Multiply the an	- nount on line 26 by 1	5%		····	=	338	2 011 14
manapiy are an		0,0					2,01114
			Total fee	deral non-refundable tax cr	redits: 27 and 28.	350	2,011 14
Refund or Bala	ince owing						
	5				Net federal tax.	420	4,083 24
CPP contributio	ns payable on self-en	ployment and o	other earnings				
(attach Schedu	le 8 or Form RC381,	whichever appli	es)			421	3,867 22
Provincial tax						428	1,898 57
					Total payable	435	9,849 03 •
				Total credits 482		▶	
				Total payable r	minus total credits		9,849 03
					Balance owing	485	9,849 03 •
2017 Estima	ted				_		
GST/HST cred	t		Annual	18600	Quarterly	/	
Provincial tax o	redit		Annual	16800	Monthly		
RRSP contribut	ion limit						7 661 00
i di con contribut							.,00100

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*	Canada Revenue Agency	Agence du rev du Canada	ənu	Busines	State s or Prof	ment of essional Activities		Protected B when completed
Identificat	tion					I		
Your name	Ford, Michael					Your social insurance num	ber	269 617 551
Business N	lame					Account Number		
Read & W	rite Consulting					(15 characters)	98765	5 4321 RT 0001
Business a Number 123	ddress Street, P.O. Box Main Street			Apai	tment or su	ite		
City			Provin	ce or territory	Postal co	de		
Citiville			ON		A1A 1A1			
Fiscal Peri From:	od Year/Month/Day 2016/01/01 to	Year/Mo : 2016/12/	nth/Day 31 Calen	ıdar Year		Was 2016 your last year of	busines	s? <u>Y</u> es <u>N</u> o X
Main produ Business v	uct or service writing & editing					Industry code (see the appendix in Guide	T4002)	711513
Tax shelter TS	r identification numb	er	Partnership B (9 digits)	usiness Numb	er			Your percentage of the partnership 100.0000 %
Name and address of person or firm preparing this form								
Interr	net business ac	tivities —						
How many Internet webpages and websites does your business earn income from? Enter "0" if none.								
Provide the main webpage or site address(es) (also known as URL address(es)): http://								
Percentag (If no gros	Percentage of your gross income generated from the webpages and websites. (If no gross income was generated from the Internet, enter "0")%							

T2125 E (16)

Page 1 of 4 Canada

Read & Write Consulting Protected B when c	completed
Part 1 – Business income	
2. X If you have business income, tick this box and complete this part. Do not complete parts 1 and 2 on the same form. Gross sales, commissions, or fees (including GST/HST collected or collectible) 61,	603 17_ A
Minus any GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included on line A above) 4,	786 <mark>21</mark> (i)
Subtotal (amount A minus amount (i)) 56, (For those using the quick method) Government assistance calculated as follows: GST/HST collected or collectible on sales, commissions and fees eligible for the quick method	816 <u>96</u> B
GST/HST remitted, calculated on (sales, commissions and fees eligible for the quick method plus GST/HST collected or collectible) multiplied by quick method remittance rate	
Subtotal (amount (ii) minus amount (iii)) Adjusted gross sales (amount B plus amount (iv)) - Enter this amount on line 8000 in Part 3 below 56,	(iv) 816 96_C
- Part 2 - Professional income	
3. If you have professional income, tick this box and complete this part. Do not complete parts 1 and 2 on the same form.	
Gross professional fees including work-in-progress (WIP) (including GST/HST collected or collectible)	D
Minus any GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included on line D above) and any WIP at the end of the year you elected to exclude (see Chapter 2 of Guide T4002)	(i)
Subtotal (amount D minus amount (i))	E
(For those using the quick method) Government assistance calculated as follows:	
GST/HST collected or collectible on professional fees eligible for the quick method (ii) GST/HST remitted, calculated on (professional fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate	
	1
Subtotal (amount (ii) minus amount (iii)) Work-in-progress (WIP), start of the year, per election to exclude WIP (see Chapter 2 of Guide T4002) Adjusted professional fees (Amount E plus Amount (iv) and (v)) - Enter this amount on line 8000 in Part 3 below	(IV) (V) F
- Part 2 Gross business or professional income	
Adjusted gross sales (from amount C in Part 1) or adjusted professional fees (from amount F in Part 2) 8000 56,	816 <mark>96</mark> G
Plus	
Reserves deducted last year 8290	
Other income 8230	
Total of the above lines	н
Gross business or professional income (amount G plus amount H) 8299 56,	816 96
Enter this amount on the appropriate line of your income tax and benefit return: business on line 162, professional on line 164, or con on line 166	nmission
If GST/HST has been remitted and/or an input tax credit has been claimed, do not include GST/HST when you calculate of cost of good expenses or net income (loss) in parts 4 to 6.	ds sold,
Part 4 – Cost of goods sold and gross profit	
If you have business income, complete this part. Enter only the business part of the costs.	
Gross business income from line 8299 in Part 3 above56,	816 <u> 96</u>
Opening inventory (include raw materials, goods in process, and finished goods) 8300	
Purchases during the year (net of returns, allowances, and discounts) 8320	
Direct wage Costs 0340	
Other costs 8450	
Total of the above five lines	
Minus	
Closing inventory (include raw materials, goods in process, and finished goods) 8500 Cost of goods sold 8518	J
Gross profit (amount minus amount J) 8519 56,	816 96

T2125 E (16)

Page 2 of 4

	Read & Write Con	sulting	Protecte	d B when completed
Gross profit from line 8519 in Part 4 above, or gross income from line 8299 in Part 3				56,816 <mark>96</mark> K
Expenses (enter only the business part)				
Advertising	8521			
Meals and entertainment (allowable part only)	8523	443	56	
Bad debts	8590			
Insurance	8690	126	16	
Interest	8710	156	20	
Business tax, fees, licences, dues, memberships, and subscriptions	8760	231	00	
Office expenses	8810			
Supplies	8811	2,982	17	
Legal, accounting, and other professional fees	8860	500	00	
Management and administration fees	8871			
Rent	8910			
Maintenance and repairs	8960			
Salaries, wages, and benefits (including employer's contributions)	9060			
Property taxes	9180			
Travel (including transportation fees, accomodations, and allowable part of meals)	9200	2,375	02	
Telephone and utilities	9220	1,063	13	
Fuel costs (except for motor vehicles)	9224			
Delivery, freight, and express	9275	110	00	
Motor vehicle expenses (not including CCA) (see Chart A)	9281	1,396	21	
Allowance on eligible capital property	9935			
Capital cost allowance (from Area A)	9936	2,509	22	
Other expenses =	9270			
Total business exp	enses 9368	11,892	67 🕨	11,892 67 L
Net income (loss) before adjustments (amount K minus amount L)			9365	€ 44,924 9
Part 6 – Your net Income (loss)				
Your share of the amount on line 9369 in Part 5 or the amount from slip T5013		44,924	<u>29</u> M	
Plus : GST/HST rebate for partners received in the year (see Chapter 3 of Guide T40	02) 9974		N	
Total (amount M plus amo	unt N)	44,924	29 🕨	<u> 44,924</u> 29 0
Minus - Other amounts deductible from your share of net partnership income (loss)				
(from the chart in Part 7 below)			9943	3P
Net income (loss) after adjustments (amount O minus amount P)				<u>44,924 29</u> Q
Minus - Business-use-of-home expenses (your share of amount 3 in part 8)			9945	<u>5 2,361 48</u> R
Your net income (loss) (amount Q minus amount R)			9946	3 42,562 <mark> </mark> 81
Enter this amount on the appropriate line of your income tax and benefit return: busine on line 139	ess on line 135	, professiona	al on line	137, or commission

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		Read & Write Consulting	when completed
— Part 7 – Other amounts de	ductible from your share of net pa	rolected E	when completed
Claim expenses you incurred that wer	e not included in the partnership statement of	f income and expenses, and for which	
the partnership did not reimburse you.			
Other amounts deductible from yo	ur share of the partnership		
(total of the above amounts) Enter the	s amount on line 9943, in Part 6 above.		
- Part 8 - Calculation of bus	iness-use-of-home expenses		
	incis-use-or-nome expenses		1 71286
Flectricity			1 641 18
Insurance			1 132 55
Maintenance			6 663 05
Mortgage interest			8 456 22
Property taxes			2,533,01
Other expenses (specify):			
		Subtotal	22,138 87
Minus - Personal-use part			19,777 39
		Subtotal	2,361 48
Plus - Capital cost allowance (busine	ss part only)		
Amount carried forward from p	revious year		
		Subtotal	2,361 48 1
Minus - Net income (loss) after adjus	tments (from amount Q in Part 6) (If negative	e, enter "0")	44,924 29 2
Business-use-of-home expenses a	vailable to carry forward (amount 1 minus	amount 2) (If negative, enter "0")	
Allowable claim (the lesser of amou	nts 1 or 2 above) (Enter this amount on amou	unt 9945 in Part 6)	2,361 48 3
— Details of other partners —			
Partner's first name	Last name		
		% of partnership	%
Address: Dertrer's first name	l aat name	\$ share	
Faithers mist hame	Lasthame	% of partnership	%
Address:		\$ share	,0
Partner's first name	Last name	\$ Shale	
		% of partnership	%
Address:		\$ share	
Partner's first name	Last name		
		% of partnership	%
Address:		\$ share	
Partner's first name	Last name		
		% of partnership	%
Address:		\$ share	
— Details of equity —			
Total business liabilities		9931	
Drawings in 2016		9932	
Capital contributions in 2016		9933	

See the privacy notice on your return. T2125 E (16)

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						Pi	otected B whe	F n completed
Business Auto	Μ	otor	ve	hicle e	expen	ses (E	Busin	ess)
Allocation of expenses	Fiscal Start	period End	%	Amount	CCA	Terminal	Recapture	Owned by
T2125#1 Read & Write Cons	2016/01/01	2016/12/31	100	1 396 21	1 116 23	2000		Yes
	2010/01/01	2010/12/01	100	1,000.21	1,110.20			No
					I			
Chart A - Motor vehicle	expenses							
Description of automobile 20	13 Car					-		
Enter the kilometers you drave	in the tax ve	ar ta aarn huc	inocc in				8,	110 1
Enter the total kilometers you drove	trove in the t		iness in	come				$\frac{112}{175}$ 2
		ax year						<u>//0</u> 2
				Taxable		Non Eligible	Tot	al
				GST	HST	o cool.		zaalua -
Fuel and oil						2,582 1	2 2,	582 12 3
Interest (see Chart B)						597 8	9	597 89 4
Insurance						7790	<u> </u>	779 00 5
License and registration						498	7	49 87 6
Maintenance and repairs						458 6	3	458 63 7
Leasing (See Chart D)								8
Other expenses (specify)								9
								10
Tota	l motor vehic	le expenses				4,467 5	1 4,	467 51 11
Business use part: Multiply line	e 11 by	24.05_%				1,0745	01,	074 50 12
Business parking fees				1	1	321 7	1	321 71 13
Supplementary business insur	ance						_	14
Allowable motor vehicle exp	enses					1,396 2	<u>1 </u>	396 21 15
Chart B - Available inte	rest exper	se for pas	senge	r vehicle				
Date interest payments comme	enced ·	•	-				2013/02/	15
Date interest payments termin	ated							15
Total interest payments termin	method) or n	aid (cash met	hod) in t	he fiscal period				597.89 (A)
The number of days in the fisc	al period for y	which interest	nou) in t	ine nacai penou				<u>007.00</u> (A)
was pavable (accrual method)) or paid (cas	n method)		36	6 x	10.00	= 3.	.660.00 (B)
Available interest expense (a	amount A or E	3. whichever is	s less) (e	enter this amount	on line 4 of Char	A above)		597.89
		<u> </u>						
Chart C - Capital Cost A	Allowance	for motor	vehicle	es				
Class							10.1	
Date acquired							2013/02/	15
Cost of vehicle (previous year)							35,	000.00
UCC at the beginning of the ve	ear						15	470.00
Prior vear GST/HST and PST	rebates							
Current year acquisitions								
Cost of vehicle before taxes								
Lesser of cost and \$30,000								
Trade-in value								
Cost of vehicle for tax purpos	es							
GST/HST 13.00	<u>า</u>							
PST 10.00	5							
Cost of vehicle for CCA	_							
Lesser or costs and proceeds	nacitie							470.00
Adjustment for	positions						15,	470.00
Adjustment for current-year ac	quisitions							470.00
Base amount for CCA							15,	4/0.00
Rate %								30.0
CCA for the year							4	641.00

_ See the privacy notice on your return. Page 1 of 2

Recapture of CCA			
Terminal loss			
UCC at the end of the year			10,829.00
Business portion of CCA	х	24.05 %	1,116.23
Business portion of terminal loss for the year	x	24.05 %	
Business portion of recapture for the year	х	24.05 %	

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Area A - Calculation of capital cost allowance (CCA) claim 2 5 8 9 10 3 4 6 Class Undepreciated Cost of Proceeds of UCC after Adjustment for Base amount Rate CCA UCC at the end capital cost additions in the dispositions in additions and current-year for CCA % for the year of the year (col 5 - 6) (col 7 x 8 (col 5 - 9) (UCC) at the year (Areas B the year (Areas dispositions additions (1/2 start of year and C) D and E) (col 2 + 3 - 4) x (col 3 - 4)) or an adjusted amount) 15,470.00 15,470.00 10.1 15,470.00 30.00 1,116.23 10,829.00 8 2,254.94 2,254.94 2,254.94 20.00 450.99 1,803.95 10 219.15 525.00 744.15 262.50 481.65 30.00 144.50 599.65 50 426.00 2,048.00 2,474.00 1,024.00 1,450.00 55.00 797.50 1,676.50 Total CCA claim for the year (enter this amount, minus any personal part and any 2,509.22 CCA for business-use-of-home expenses, on line 9936 in Part 5**)

* If you have a negative amount in this column, add it to income as a recapture on line 8230, "Other income", in Part 3. If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss on line 9270, "Other expenses", in Part 5. Recapture and terminal loss do not apply to a Class 10.1 property. For more information, see Chapter 4 of Guide T4002.

** For information on CCA for "Calculation of business-use-of-home expenses", see "Special Situations" in Chapter 4 of Guide T4002.

Area B - Details of equipment additions in the year

1	2	3	4	5
Class	Property details	Total cost	Personal part	Business part
number			(if applicable)	(col 3 - col 4)
10	New Software	525.00		525.00
50	Laptop Computer	2,048.00		2,048.00
Total equipment additions in the year 9925				

Area C - Details of building additions in the year

1 Class number	2 Property details	3 Total cost	4 Personal part (if applicable)	5 Business part (col 3 - col 4)	
Total building additions in the year 9927					

Area D - Details of equipment dispositions in the year

1	2	3	4	5	
Class number	Property details	Proceeds of disposition	Personal part (if applicable)	Business part (col 3 - col 4)	
Total equipment dispositions in the year 9926					

Note: If you disposed of property from your business in the year, see Chapter 4 of Guide T4002, for information about your proceeds of disposition.

Area E - Details of building dispositions in the year

1	2	3	4	5	
Class	Property details	Proceeds of	Personal part	Business part	
number		disposition	(if applicable)	(col 3 - col 4)	
Total building dispositions in the year 9928					

Note: If you disposed of property from your business in the year, see Chapter 4 of Guide T4002, for information about your proceeds of disposition.

Area F - Details of land additions and dispositions in the year

	Total cost of all land additions in the year 9	
	Total proceeds from all land dispositions in the year	9924
Note:	You cannot claim capital cost allowance on land.	

T2125AssetList

Read & Write Consulting 2016/12/31

T2125 Asset list

Class	Description	Date of acquisition	Net cost ACB		Total proceeds	Type of disposition	Net proceeds	Lesser of cost and proceeds	UCC	
8	Prior Furniture					Full				
8	Total								1,803	95
10	Prior Computer Software					Full				
10	New Software	2016/05/12	525	00		Full				
10	Total		525	00					599	65
50	Prior Computer Hardware					Full				
50	Laptop Computer	2016/05/12	2,048	00		Full				
50	Total		2,048	00					1,676	50

Michael Ford 123 Main Street Citiville, ON A1A 1A1

Dear Michael:

We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2016 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows a balance owing of \$9,849.03 that must be paid on or before April 30, 2017. You can pay the balance at most financial institutions using form T7DR(A). Alternately, you can mail form T7DR(A) and a cheque, made out to the Receiver General, to CRA. Please write your social insurance number on the back of your cheque.

We have calculated that you will need to make tax instalment payments this year totalling \$9,849.04. Please remit these payments to CRA according to the following schedule:

September 15, 2017	\$ 4,924.52
December 15, 2017	\$ 4,924.52
March 15, 2018	\$ 2,462.26

You will receive a GST credit of \$185.84 in July 2017.

We estimate that you will receive the Ontario Trillium Benefit of \$168.48 in July 2017.

Your RRSP deduction limit for 2017 is \$7,661.

If you have any questions about your income tax return, please contact me at .

Sincerely yours,

- 1. What amount is on Line 150?
 - a. \$42,562.81
- 2. What amount is on Line 236 & 260 and explain?
 - a. \$40,629.20, CPP contributions on self-employment earnings
- 3. What amount is on Line 310 and 421 and explain?

a. Line 310 = \$1,933.61, CPP contributions on self-employment earnings

Line 421 = \$3,867.22, Total CPP contributions on self-employment earnings

- 4. Review Schedule T2125:
 - a. What amount is on Line code A?
 - a) \$61,603.17
 - b. What amount is on Line 8523, and explain?
 - a) \$443.56, Meals and entertainment % amount
 - c. What amount is on Line 9281?
 - a) \$1,396.21
 - d. What amount is on Line 9945?
 - a) \$2,361.48

Chapter 7 - What we learned

You have finished Chapter 7. Congratulations!

In this chapter we learned:

- Basic Data Entry in Forms and Worksheets
- Various T1 scenarios
- Business statements

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

Checklist for tax preparers

Did you...

- o enter your address on the income tax and benefit return?
- o complete the information about your province or territory of residence?
- o complete the Elections Canada section on page 1 of the return?
- o complete email address for CRA?
- complete the federal Schedule 1, your provincial or territorial Forms 428 and 479, and all applicable schedules?
- o sign the return?
- o attach all completed schedules and information slips (for example, T4, T4A)?
- keep a copy for your records?
- complete the "Direct deposit Start or change" section on page 4 if you are entitled to a refund?
- If you have a balance owing, did you make your payment online using the CRA's My Payment service at www.cra.gc.ca/mypayment or using your financial institution's telephone or Internet banking services? If you are sending a cheque or money order, did you make it payable to the Receiver General for Canada, write your SIN on the back, and attach it to page 1 of the return? Or complete the "Pre-Authorized Debits – PAD" section on page 4.
- keep a record of the address of your tax centre in case you want to ask for a change to your tax return?

Quick Reference Chart

Box numbers on common information slips and the related line numbers on the income tax and benefit return.

Slip Type	Box No.	Box Title	Line No.			
T4		Statement of Remuneration Paid				
	14	Employment income	101			
	16	Employee's Canada Pension Plan contributions	308			
	17	Employee's Quebec Pension Plan contributions	308			
	18	Employee's employment insurance premiums	312			
	20	Registered pension plan contributions	207			
	22	Income tax deducted	437			
	Employee's provincial parental insurance plan (PPIP)		375			
	55	premiums (if province of employment is Quebec)	575			
T4A		Statement of Pension, Retirement, Annuity, and Other Income				
	016	Pension or superannuation	115 and 314			
	018	Lump-sum payments	130			
	020	Self-employed commissions	166 and 139			
	022	Income tax deducted	437			
	028	Other income	Various			
	040	RESP accumulated income payments	130 and 418			
	042	RESP educational assistance payments	130			
T5		Statement of Investment Income				
	25	Taxable amount of eligible dividends	120			
	26	Dividend tax credit for eligible dividends	425			
	11	Taxable amount of dividends other than eligible dividends	180 and 120			
	12	Dividend tax credit for dividends other than eligible dividends	425			
	13	Interest from Canadian sources	121			
	14	Other income from Canadian sources	121			
	15	Foreign income	121			
T4E		Statement of Employment Insurance and Other Benefits				
	7	Repayment rate	235 and 422			
	14	Total benefits paid	119			
	20 Taxable tuition assistance		not entered on			
			return			
	22	Income tax deducted	437			