

January 20<sup>th</sup>, 2016

## **2015 Personal Income Tax Information Sheet**

It is that time of year again! This letter sets out a section for you to answer certain questions, information on what's new for this year, and some reminders. Your review and completion of the enclosed questions will assist Welch in preparing your 2015 personal income tax return (T1). We request that you return this letter with your answers along with your personal tax information as soon as possible. We remind you that our receipt of your information prior to April 8<sup>th</sup>, 2015 will ensure that we are able to complete your return on a timely basis. Please note that if a return is filed late, which has a balance owing, CRA will assess penalties and interest.

**Name(s):** \_\_\_\_\_

### **Client Questions**

1. We would like to update our records with our client's email address(es). Please provide your email address (which will be used only for personal tax correspondence and not for any other Welch correspondence).  
Email spouse #1: \_\_\_\_\_  
Email spouse #2: \_\_\_\_\_
2. Would you like to receive a PDF of your T1 via email? Yes ☐ (include email address above) No ☐  
\*Please note if you select 'Yes' you will not receive a paper copy.
3. Direct deposit: The Government of Canada plans to eliminate the issuance of paper cheques and switch to direct deposit for all types of payments. Please provide your direct deposit details below.  
Branch #: \_\_\_\_\_ Financial Institution #: \_\_\_\_\_ Bank Account #: \_\_\_\_\_
4. Did any of the following change in 2015:  
Address: \_\_\_\_\_  
Marital status: \_\_\_\_\_  
Dependents (i.e. birth, started University or working): \_\_\_\_\_
5. Did you or your spouse make any income tax instalments for 2015?  
Federal: \_\_\_\_\_ Quebec: \_\_\_\_\_
6. Did you or your spouse hold, at any time during 2015, any foreign property with a total cost exceeding \$100,000 CDN?  
Yes ☐ No ☐  
\*This includes U.S. securities even if they are held in a Canadian account. This does not include personal use property.
7. Provide details of any real property acquired or disposed of during 2015. Address: \_\_\_\_\_  
Purchase Date and Cost: \_\_\_\_\_ If applicable, Date of Sale and Proceeds: \_\_\_\_\_
8. Are you or your spouse a U.S. citizen? Yes ☐ No ☐
9. Do you or your spouse wish to make a joint election to split pension income, if applicable? Yes ☐ No ☐
10. The 2015 Federal Budget reduced the amount of the minimum withdrawal from a Registered Retirement Income Fund (RRIF) for taxpayers aged 71+. There is a transitional measure for those individuals who at any time in 2015 withdrew more than the reduced minimum amount. They are permitted to re-contribute the excess to their RRIFs before March 1, 2016 and this re-contribution will be deductible on their 2015 T1. Did this situation apply to you? Yes ☐ No ☐
11. For Quebec residents, were you involved in any "Aggressive Tax Planning" transactions? Yes ☐ No ☐
12. If you are self-employed and you have a business webpage or website from which income is earned please provide the URL addresses for the top five webpages or websites that earn business income and the percentage of gross income that is generated from the webpages or websites (this information is required by CRA).  
\_\_\_\_\_

## **What's New**

### **T1135 – Foreign Income Verification Statement**

The CRA has implemented changes to Form T1135 for the 2015 and subsequent tax years. The changes will allow taxpayers, who held specified foreign property with a total cost amount of less than \$250,000, throughout the year, to report under a new simplified reporting method rather than providing the detail of each such property. The current detailed reporting method will continue to apply to those taxpayers who, at any time during a year, held specified foreign property with a total cost of \$250,000 or more. Please be aware if the detailed reporting method is required additional fees could apply.

For more information, go to: [http://www.cra-arc.gc.ca/tx/nrdsnts/cmmn/frgn/1135\\_rprtng-eng.html](http://www.cra-arc.gc.ca/tx/nrdsnts/cmmn/frgn/1135_rprtng-eng.html).

### **Enhanced Universal Child Care Benefit**

The federal government has increased the monthly Universal Child Care Benefit payment from \$100 per month to \$160 per month for each child under the age of 6 effective January 1, 2015. The increase should have been automatic for parents already receiving the benefit and a retroactive payment was made in July 2015. They also expanded the benefit to children aged 6 through 17 where a payment of \$60 per month is received for each child. For more information on the Enhanced Universal Child Care Benefit please visit the CRA's website (<http://www.cra-arc.gc.ca/uccb/>).

### **Amount for Children Under 18 Years of Age Non-Refundable Credit**

The amount for children under 18 years of age non-refundable credit has been eliminated and replaced by the enhanced universal child care benefit starting in the 2015 tax year.

### **Fitness Tax Credit**

Starting in 2014, the federal government increased the amount that can be claimed to register a child for prescribed programs of physical activity to \$1,000. Starting in 2015, this credit is now refundable.

### **Family Tax Cut**

Starting in 2014 the federal government introduced the family tax cut credit which is a non-refundable credit of up to \$2,000 for eligible couples with children under 18 years old. If this credit applies to your situation and we do not prepare your partner's personal income tax return please provide us with their *Schedule 1 – Federal Tax* and their *Schedule 1a – Family Tax Cut* to enable us to complete the required calculation.

### **Reminders**

**Office location:** Our office is located at 123 Slater Street, 3<sup>rd</sup> floor (one building over from our previous location).

**E-File:** All tax returns will continue to be e-filed in order to comply with CRA's policy for tax preparers.

**Making Payments with CRA:** We continue to encourage our clients to pay any taxes owing online. This will ensure the payments are made on time and the date of payment is confirmed. Please see CRA's website for more information on how to make payments online (<http://www.cra-arc.gc.ca/mkpymnt-eng.html>).

**Elections Canada:** Every year, Elections Canada asks for your consent to allow the CRA to provide them with your name, address and date of birth in order to update the National Register of Electors. If you do not consent or are not a Canadian citizen, please ensure to note this when submitting your 2015 personal tax documents.

**Instalments:** If you are required to pay tax instalments, the first 2016 instalment must be received by the Canada Revenue Agency ("CRA") by March 15, 2016. As your 2016 instalments may be based upon your 2015 income tax liability, it would be prudent for you to provide us with your 2015 information as soon as possible so that we may provide you with the necessary 2016 instalment advice before the first payment is due. As an alternative, if you are required to pay your tax by way of instalment, you should receive a statement from the CRA indicating what your March 15 instalment amount should be, based upon your 2014 tax liability.

Should you have any questions concerning the enclosed checklist or if we can be of further assistance to you, please do not hesitate to contact us.

Yours very truly,

*Welch LLP*

Chartered Professional Accountants, Licensed Public Accountants

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