

# Personal Income Tax Checklist - 2023 Returns

## Sections:

A – Information – All Clients

B – Questions to answer

C – Additional information – New clients to provide

D – Other

## A. INFORMATION – ALL CLIENTS

**PERSONAL INFORMATION** – If any of the following changed in 2023, provide details and date of change:

1. Address, name or SIN.
2. Province/territory of **residence**.
3. **Personal relationship status** (Single; Married; Common-law; Widowed; Separated; Divorced).
4. **Dependents/children**, name, birth date, income, relationship & SIN.
5. **Preferred email address and phone number**.

**DEPENDENTS** – For **dependent children and/or for a parent/relative that you financially support**, include details such as:

1. T-slips, such as T4, T4A for Scholarships, bursaries, RESP income etc.
2. Detail for any other sources of income not on a T-slip (eg. tips/gratuities).
3. Childcare expenses (children under 16), such as daycare, day camps. If care is provided by an individual, include their SIN.
4. Expenses related to adoption.
5. Form T2202 – Tuition paid for dependent.
6. If any dependents are disabled. Provide Form T2201 – Disability Tax Credit Certificate.
7. Include any other information regarding your dependents that you would like reviewed.

## INCOME

1. **ALL information slips (T-SLIPS), such as:**
  - T3 – Statement of trust income – Mutual funds;
  - T4 – Employment/Commission income (include final payslip that details employment benefits);
  - T4A – for other income (eg. Directors fees, Pensions, Scholarships, fellowships, bursaries);
  - T4AOAS – Old age security;
  - T4AP – Canada Pension Plan;
  - T4E – EI and other benefits;
  - T4PS – Employee Profit Sharing;
  - T4RSP – RSP withdrawals, including home buyers plan and life-long learning withdrawals;
  - T4RIF – income from RRIF;
  - T5 – interest/dividends or other investment income. Include for all savings accounts, term

deposits, GICs, CSBs. Include for accounts in your name and/or joint accounts;

- T10 – Pension Adjustment Reversal if you ceased employment and were in an RPP or DPSP;
  - T5007 – Workers' compensation or Social Assistance benefits;
  - T5008 slips – Statement of securities transactions and/or investment advisor/broker statements for all months and year-end summary, if available.
  - T5013 – Statement of Partnership income;
  - T5018 – Statement of Contract payments
2. Details of **income/receipts for which no T-slips** received, such as:
    - Other employment income (severance or termination pay, tips & gratuities, odd jobs, loans from employer, details on stock option plans and Election Form T1212). Provide details.
    - Interest or dividend income from foreign sources.
    - Interest income earned but not yet received, such as Canada Savings Bonds, term deposits, T-Bills.
    - Alimony, separation allowances, child maintenance. Include divorce/separation agreement.
    - Director's fees or Executor fees not on a T4A.
    - Interest, dividends or benefits from a business where a relative is a key owner.
    - Royalty or other investment income (may be reported on T5).
  3. Details of other investments, such as:
    - **Realized Capital gains/losses**. Details re: purchases & sales in the year of stocks, bonds, mutual funds. This may be obtained from your investment advisor.
    - Details re: **bitcoin and other cryptocurrency** transactions.
    - **Details on the sale of** listed property such as **art, antiques**. Include sale documents.
    - Details on the sale or **change in use of** your **principal residence** (house, condo, cottage), other **real property**, or any **assignment sales**. Provide proceeds from sale, description of the property, and original purchase price. If you did not sell but converted your home from personal to rental or vice versa, the disposition may need to be reported on your tax return. Provide fair market value at date of change in use. The principal residence exemption is only available if the sale is reported on your tax return in the year of disposition. If unreported, punitive late filing penalties may apply.

- **NEW!** Effective January 1, 2023, all gains from disposition of residential property (including rental property and assignment sales) **owned for less than 365 days** are deemed to be business income unless a particular exemption is met. If a disposition occurs in this time period, please provide reason to determine if it meets one of the exemptions.
  - Details of any capital property **gifted** to others.
  - Annuity payments.
  - Foreign income – U.S. Social Security, other foreign pensions.
  - Details of any other investment income received.
4. **Rental income.** Details of monthly rental income and expenses for each property. Rental checklist available, please email me. If the property that you rent is part of your personal residence indicate % that rental unit is of the total residence. For short-term rentals such as AirBnB, VRBO, include reports from the rental platform. If you bought or sold a rental property in 2023, provide the purchase/sale agreement, statement of adjustments, and letter from lawyer.
5. **Business income** from a sole proprietorship or partnership. Provide details:
- Name of business, mailing address, main product/service. If first year, indicate start date.
  - HST#, date of registration and any elections filed (eg. Quick method).
  - Revenue from all sources, include amounts from sharing economy (such as Uber, Lyft, AirBnB, VRBO etc.) and internet-based activities (such as payments from social media subscribers, product placement etc).
  - Unpaid invoices at Dec 31, 2023.
  - Business expenses by category – use **Sample Expenses for Business Checklist** as a guide.
  - Inventory on hand at December 31, 2023.
  - Internet business activities – Include number and address of webpages or websites that your business generates income from. If you have more than 5, list the 5 that generate the most income. Also include estimated total percentage of income generated from the Internet.
  - For Partnerships not reported on T5013, state your percentage and partner names.
- **RRSP Contributions** (Contributions Mar1-Dec31-2023 & Jan1-Mar1-2024), including Home Buyers Plan or Life-long Learning Repayments.
  - **NEW! Details re: First home savings account (FHSA) contributions and withdrawals.**
  - **Employment-related or Commission expenses.** Include receipts for all expenses, see Sample Expenses Checklist. Include signed Form T2200.
  - Tools acquired by tradespersons and eligible apprentice mechanics. Include signed Form T2200. **NEW! The maximum deduction has increased to \$1000 from \$500.**
  - **Labour mobility deduction.** Up to \$4,000 of certain personally-incurred travel and temporary lodging expenses for employed tradespeople and apprentices in the construction industry that perform duties at a temporary work location. To qualify, you must not receive a non-taxable allowance or reimbursement from employer.
  - **Working from home.** **Note the \$2/day temporary flat rate method is not available in 2023.** For 2023, in certain cases you may be able to deduct actual expenses if you meet the following criteria:
    - The home was where you **mainly (more than 50% of the time)** did your work for a period of at least 4 consecutive weeks in the year, or
    - You used the space **exclusively to earn employment income** and used it on a **regular and ongoing basis for meeting clients, customers.**
- See **Section B** of my Sample Expenses checklist for types of expenses. You **must** have a signed Form T2200.
- Union, professional, other dues not reported on T4.
  - Interest paid on loans used to purchase investments that earn investment income.
  - Accounting fees.
  - Investment management fees paid for non-registered accounts. No deduction for fees paid for TFSA or RRSP accounts.
  - Alimony and/or child support payments. Include divorce/separation agreement if first year of claim.
  - Legal fees to collect salary, alimony or child support.
  - **Repayments of COVID-19** support payments. This includes benefits for both individuals and businesses. A deduction may be available with respect to the repayment.

## DEDUCTIONS & TAX CREDITS

1. **Details & receipts for deductions**, such as:



- Business investment loss, loss on shares or loans to a private company.
- Disability supports expenses, (speech, sight, hearing, learning aids for impaired individuals and attendant care expenses).
- Moving expenses – for moves 40km closer to work or school.
- Oil, gas, mining investments tax credit expenses. Include T101.
- Details regarding residence in a prescribed area which qualifies for the Northern Residence Deduction.
- Clergy residence deduction (include Form T1223).

## 2. Details & receipts for tax credits, such as:

- **Tuition fees** for you, your spouse or dependent children or grandchildren. Fees paid over \$100 to post-secondary institution (full time or part time courses) and mandatory ancillary fees. Include T2202A or TL11A,B,C&D.
- **Charitable donations** to registered charities, in 2023 and any donations made in 2019-2022 not previously claimed. Include donations of securities.
- Political contributions.
- Interest paid on qualifying **student loans**.
- **Medical expenses** for you, your spouse and any dependent persons. If you have a benefits plan, you can claim the portion not reimbursed. Include the year end statement from your benefits provider.
- **Digital News subscription tax credit**. Up to \$500 of amounts paid for qualifying digital news subscription (primarily engaged in the production of original written news content).
- **Home Accessibility credit** –certain expenditures (up to \$20,000 for 2023) to renovate or improve accessibility in your home (e.g. wheelchair ramps, walk-in bathtubs, wheel-in showers). For individuals who are either **eligible for the disability tax credit or age 65+**.
- Eligible film and video production expenditures.

## 3. Details & receipts for refundable tax credits, such as:

- Eligible Educator School Supply Tax Credit – teachers or early childhood educators can claim receipts for **eligible school supplies** up to \$1,000. Include receipts and certification from employer.
- **NEW! Multigenerational home renovation tax credit for certain expenditures (up to \$50,000)**

incurred in 2023 may be eligible for a refundable tax credit to assist with the cost of renovating an eligible dwelling to establish a secondary unit that enables a senior or an adult who is eligible for the disability tax credit to live with a qualifying relation.

## OTHER DOCUMENTS

1. 2022 **Notice of Assessment; Reassessment or other correspondence from CRA** received since date of last filing.
2. **2023 personal tax instalments** paid.
3. Details of **foreign property owned** at any time in 2023, including cash, stocks, digital/crypto currency, trusts, partnerships, real estate, etc. Include description of property, country, maximum cost in the year and at year end. For property held in an account with a Canadian securities dealer, most investment companies provide a Summary of Foreign Reporting by country.
4. Copy of any **foreign tax returns** filed and any associated tax assessments.
5. If we are not preparing your spouse or common-law partner personal tax return, provide a copy of their return.
6. If you became **resident** or ceased to be a resident of Canada in 2023, indicate date.

## B. QUESTIONS TO ANSWER

1. Are you a Canadian citizen?
2. Do you authorize CRA to give **Elections Canada** your name, address, date of birth and citizenship to update the National Register of Electors?
3. Have there been any significant life events in the year, such as death or impairment of a loved one?
4. **Are you or any of your dependants disabled? If so**, provide Form T2201 – Disability Tax Credit Certificate. If you do not have a Form T2201, please provide details so we can explore whether you are eligible for special credits or benefits.
5. Are you a **U.S. citizen, Green card holder**, OR were either you or your parents born in the United States?
6. Are you including other information that you would like reviewed during tax return preparation?
7. Did you provide in-home care for an infirm dependent or relative?
8. If you have children up to age 17, have you received the Canada Child Benefit (CCB)?



9. Have you organized or managed a **crowdfunding campaign**? In some cases, there may be tax implications.
  10. Did you purchase a new home in 2023? If so, you may be eligible for the residential property GST/HST rebate OR the **first time home buyer's** tax credit.
  11. Have you spent more than 200 hours acting as a volunteer firefighter or a search and rescue volunteer? You may be eligible for a federal tax credit.
  12. Did you receive any significant **prizes or awards** from your, or a related person's place of employment?
  13. Did you receive a retroactive lump-sum payment over \$3,000 (eg. Spousal support)? In certain cases, some tax relief may be available.
2. Underused Housing Tax (UHT). The UHT imposes a national annual 1% tax on the value of non-resident (for immigration purposes), non-Canadian owned residential real estate considered to be vacant or underused. Contact me for more details as there are proposed changes for this tax.
  3. **NEW! Canada Dental Benefit**. The Canada dental benefit provides an up-front, tax-free payment to cover dental expenses for children under the age of 12 without dental coverage. Available to families whose adjusted family net income is under \$90,000.
  4. **Pre-Authorized Debit** is available if you are required to pay instalments for 2024. It is an online service-payment option that authorizes CRA to withdraw a pre-determined payment amount directly from your bank account on a specific day. This may help **avoid penalties** on late or missing instalments.
  5. MyCRA **mobile app**. This web App allows you to access and view key portions of your tax information such as your notice of assessment, tax return status, RRSP and TFSA contribution room.
  6. **CRA's MyAccount** – Individuals can set up an online account with CRA that provides tax filing information and communications, in addition to information in MyCRA mobile app.

### C. ADDITIONAL INFORMATION - NEW CLIENTS TO PROVIDE

1. Copy of 2021 & 2022 **tax returns filed**, and the Federal (& Quebec, if applicable) **Notices of Assessment**.
2. Full name; Address; Date of birth; Social Insurance Number (SIN); Province of residence on Dec 31; Primary phone number and preferred email.
3. Spouse's full name, date of birth, SIN, Province of residence on Dec 31; phone number and email.
4. Citizenship.
5. Occupation/Profession.
6. Details of previously claimed capital gain exemptions, business investment losses and cumulative net investment loss accounts.
7. Details of carryforward amounts from prior years including donations, losses, RRSPs.
8. For business income, provide a copy of the 2022 T2125 Statement of Business Activities, including AUTO schedule.

### D. OTHER

1. **NEW! First Home Savings Account (FHSA)**. Effective April 1, 2023, FHSA's could be set up by first-time home buyers, allowing annual contributions of up to \$8,000, to a lifetime limit of \$40,000. Like RRSPs, contributions are deductible from income. If you are planning to buy your first home, contact me before purchasing for planning possibilities.

