

# Tax Newsletter

BA *Beauregard Accounting*  
Making Cents Of Bookkeeping & Tax

*Annette Douglas Tax Preparation*

Serving Individuals & Businesses Since 1991

MERTEN FINANCIAL  
YOUR GERMAN-CANADIAN TAX SPECIALIST



## Tax planning tips

Welcome to our Annual Tax Newsletter! We are thrilled to share with you the latest developments in Canadian Income Taxes. First, we would like to express our gratitude to all of our clients, who have continued to use our services.

Enjoy this year's newsletter!

*Beauregard.*

### Contact Information:

200 – 4145 North Service Road  
Burlington, ON L7L 6A3  
289-861-1174

3rd Floor, 39 Queen St,  
St. Catharines, ON L2R 5G6  
289-723-1484

<https://beauregardaccounting.ca>  
[admin@beauregardaccounting.ca](mailto:admin@beauregardaccounting.ca)

In this newsletter  
you can expect:

---

Getting Started

---

Provincial and  
Federal Credits

---

Business and  
Trusts

---

Medical  
Expenses

---

Investment and  
Saving

---

Important  
Deadlines

---



## Getting Started

### Welcome to tax season 2025!

In order to file your 2024 taxes, we need a few forms signed. These forms will be provided in your Welcome Package (see below). Your Welcome Package includes the following documents:

- Signed Authorization Form: This allows us to communicate with CRA on your behalf (this is not required for returning clients)
- Engagement Letter (Client Agreement): This lays out the terms of our agreement
- Foreign Income Checklist

### Emailing Documents

To ensure the secure transmission of your documents, we use E-Courier, a trusted Canadian company that specializes in secure document transmission.

**[Download Your  
Welcome Package  
Here!](#)**

**Click here to send us  
documents!**



## New For 2024/2025 Tax Filing

### Federal Tax Credits

#### Support for Seniors

[Alberta Senior Support](#)

[Saskatchewan Seniors Support](#)

[British Columbia Seniors Support](#)

[Rent Assistance - Alberta](#)

**Basic Personal Amount** The basic personal amount for the tax year 2024 is now being based on net income (including split income). The maximum basic is increased to \$15,705 for amount individuals with a net income of \$173,205 or less. The new maximum is gradually reduced for those with income between \$173,205 and \$246,752.

#### Work Space from Home For Employees

Working from home requires a completed T2200 for 2024. This form is a detailed way to claim expenses. Request this form from your employer.

#### Disability Supports Deduction

Provides tax relief for taxpayers who have paid for certain medical expenses to enable them to perform the duties of an office, employment, business or to attend secondary school at which the taxpayer is enrolled. No person may claim a disability supports deduction in respect of amounts paid for another person.

#### Labour Mobility Tax Deduction for Tradespeople

Claim up to \$4000 per year in eligible travel and temporary relocation expenses to eligible tradespersons and apprentices from January 1, 2024 and December 31, 2024. For a relocation to qualify as eligible and temporary, it cannot be permanent and must meet all other required conditions. (Feel free to call us to discuss).

#### Canadian Training Credit (CTC)

The CTC is a refundable tax credit that covers up to half of eligible tuition costs and fees associated with training. To qualify you must have an income of \$10,000.00 or more. Each year you can accumulate \$250.00 of CTCs. The credit has a lifetime maximum of \$5,000.

#### Educator School Supply Tax Credit

If eligible, you can claim up to \$1,000 of eligible teaching school supplies. Teaching supplies are consumable supplies and prescribed durable goods. The list of eligible supplies has been expanded to include supplies required for online teaching.

#### Tools Credit

A deduction may be available for tools purchased in the taxation year, to earn employment income as a tradesperson (e.g. hairdresser, cook, plumber, electrician, mechanic, apprentice tradesperson, etc.)

## New For 2024/2025 Tax Filing Federal Tax Credits

### Buying a Home or Renovating

#### Doubling the First Home Buyers' Tax Credit (HBTC)

New for the 2022 tax year, the HBTC will be doubled to \$10,000 (from \$5,000), providing up to \$1,500 as a non-refundable tax credit to first-time home buyers who purchase a qualifying home after January 1, 2022.

#### First Home Savings Account (FHSA)

The FHSA offers first-time home buyers the ability to save \$40,000 tax-free. This year you can contribute up to \$8,000 per year, to a lifetime maximum of \$40,000. It can be used in conjunction with your RRSP and TFSA. FHSA is tax deductible (similar to an RRSP) and withdrawals are tax-free if you purchase a qualifying home.

#### Multigenerational Tax Credit

Starting in 2023, the MHRTC provides up to \$7,500 for the construction of a secondary suite for a senior or an adult with a disability. This credit allows families to claim 15% of eligible renovation costs, up to a maximum of \$50,000.

#### Eligibility for the GST/HST new housing rebate

To qualify for this rebate you must have purchased a new or substantially renovated home from a builder, including housing on leased land (with some exceptions) for use as your primary place of residence or that of a relative.

### Alternative Minimum Tax (AMT)

AMT is a secondary way for Canadians to calculate their income tax. Generally applies to higher-income individuals who have a low amount of tax to pay. Changes include:

- AMT exemption raised from \$40,000 to start of 4th tax bracket (\$173,205 in 2024)
- AMT rate increased from 15% to 20.5%
- 50% of deductions for CPP, childcare and moving expenses are disallowed in the AMT calculation.
- 50% of most non-refundable tax credits are disallowed in the AMT calculation. Previously 100% could be claimed.
- The AMT capital gains inclusion rate is increased from 80% to 100%, with capital loss carry forward and allowable business investment losses remaining at 50% rate
- 100% of the benefit associated with employee stock options is included in the AMT base.
- Only 80% of the donation tax credit is allowed to reduce the AMT. Previously 100% could be claimed.
- Include 30% of capital gains on donations of publicly listed securities in the AMT base. The 30% rate would also apply to the full benefit associated with the employee stock options to the extent that a deduction is available

# New For 2024/2025 Tax Filing

## Business

### Capital Cost Allowance (CCA) on Passenger Vehicle

The cost limit has been raised from \$36,000 to \$37,000, for 2024, allowing you to expense more of your business used vehicle.

### Leasing Expense

The maximum monthly deductible expense for leasing has increased in 2024 from \$950.00 to \$1,050.00. This allows you to expense more, based on the business use of your vehicle.

### Non - Taxable Auto Allowance

2024 (rates have increased)

- \$0.70 / km driven for the first 5,000kms
- \$0.64 / km driven after the first 5,000kms

### Do you need a Bookkeeper? Benefits of Remote Bookkeeping

- Remote bookkeeping saves time. As a business owner, you carry many responsibilities from day one. As time goes on, more tasks are added to your plate.
- Remote bookkeeping is affordable for many small businesses; when hiring an on-site bookkeeper and paying for office rent isn't feasible.
- Remote bookkeeping is flexible
- Remote bookkeeping helps business owners make informed decisions. In realtime and stay organized
- We use Quickbooks Online and bookkeeping can be done anywhere and anytime.
- Affordable quarterly packages

## Bare Trust and Personal Trust Under proposed amendments

### New Rules

These new rules significantly narrow the broad exceptions for trust filing requirements. Most Personal Trusts that reside in Canada are now required to file an annual return even if there is no income tax liability or the trust made no distributions or allocations during the year.

Trusts that include an arrangement where the trust can reasonably be considered to act as an agent for its beneficiaries, commonly known as "Bare Trusts", will be explicitly subject to the new reporting requirements.

Exceptions:

If the trust has been in existence for less than three months at the end of the taxation year. Trusts hold less than \$50,000 in assets throughout the taxation year (provided their holdings are confined to cash, certain debt obligations, and listed securities.)

Bare Trust are not required to file 2023 and 2024 T3 returns



# Medical Expenses

## Do you have health insurance?

Produce and provide a *Claims History & Summary* for each covered person (by category).

- Provide copies or request receipts from all service providers.
- Please provide *all* backup documents to support the claims made through insurance.

## Don't have health insurance?

Please provide every single receipt or invoice for services you wish to claim as medical expenses.

## Attendant Care

For this to be deductible as a medical expense you must have a written letter from a medical practitioner or the disability tax credit. To deduct attendant care, provide a receipt for the amounts paid for the year. If attendant care is part of the fees paid to a retirement home; obtain a letter breaking down the rent and the attendant care.

## Dental /Massage Therapy Expenses

The office staff should always give you a copy of your invoice or offer to send it by email. Always keep those invoice copies on file. You will need them if you don't have insurance coverage, and if you do, they act as a backup to your *Claims History*.

**We need to see the procedure and specifics for dental expenses. (Example shown)**



## Prescriptions

Ask your pharmacy to provide you with a report for all prescriptions, by family member, for the tax year. That report must show: The date, the DIN number of the prescription, the Rx number, and the cost to you. If you request the report in this way, you won't have to give us the small, individual Rx receipts.

If you and your spouse have separate insurance plans, you must provide us with the *Claims History* documents and the *Explanation of Benefits* documents from each insurance provider. We then cross-reference all expenses, to determine the bottom line for out-of-pocket costs, after both companies have paid.

If you are unsure about which receipts to provide, please call us, at 289-861-1174.

## Long-term Care (Nursing Home)

The long-term care facility will provide a letter for each resident. This receipt will have the rent paid for the year. For this to be deductible as a medical expense, you must have a written letter from a medical practitioner or the disability tax credit.

canada life

GroupNet  
for plan members

Explanation of benefits (how we processed your claim)

\$990.90 to be deposited into your account

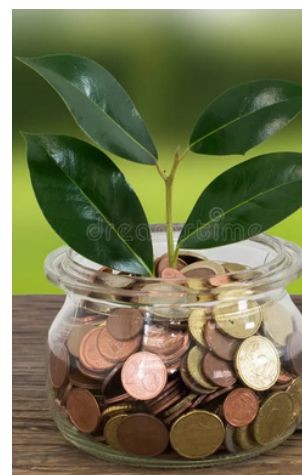
Continued from previous page

272.10  
pbt

RHS - Child							
Dental							
Service date	Service description	Amount submitted	Eligible	Other insurance	Deductible	Payable at	Paid
July 4, 2019	Basic Filling(s) (23321) Tooth code: 46	\$168.00	\$168.00			90%	\$151.20
July 4, 2019	Basic Filling(s) (23512) Tooth code: 85	\$231.00	\$215.00			90%	\$193.50
Notes: We calculated your benefit using the fee guide specified in your plan.							
July 4, 2019	Basic Filling(s) (23512) Tooth code: 75	\$231.00	\$215.00			90%	\$193.50
Notes: We calculated your benefit using the fee guide specified in your plan.							

## Investment and Saving

Be aware that T3, T5 and T5008 may arrive after April 1st. If you have everything else but are waiting for these, just put a note on your folder and we will check your E-Courier portal regularly. Please provide us with your year-end statements from financial institutions and mutual fund companies. They may contain important information such as fees you paid for services or management of your accounts. Non-registered accounts may also show transactions that resulted in capital gains or losses, which we must report on your tax return.



### TFSA

Indexed for inflation the 2024 annual contribution limit is \$7,000. To find your TFSA contribution limit, use the worksheet link below. At any time in the year, if you contribute more than your available TFSA contribution room, you will have to pay a tax equal to 1% of the highest excess amount in the month, for each month, that the excess amount remains in your account. CRA worksheet:

[TFSA contribution room](https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account.html) (<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account.html>)

### Underused Housing Tax Under proposed amendments

Underused Housing Tax is an annual 1% tax on the ownership of vacant or underused housing in Canada. The tax usually applies to non-resident, non-Canadian owners. In some situations, it also applies to:

- Canadian owners who own residential property as a partner of a partnership
- A corporation that is incorporated outside of Canada Canadian corporations without share capital
- Canadian corporations whose shares are not listed on a Canadian stock exchange are designated for Canadian income.



### Capital Gains (Rate Change) Cancelled

One-half of a capital gain is currently included in computing a taxpayer's income. This is referred to as the capital gains inclusion rate. The current one-half inclusion rate also applies to capital losses. *Budget 2024* announced an increase in the capital gains inclusion rate from one-half to two-thirds for corporations and trusts, and from one-half to two-thirds on the portion of capital gains realized in the year that exceed \$250,000 for individuals, for capital gains realized on or after June 25, 2024. However, Finance has postponed the implementation date to January 1, 2026.

## Important Deadlines

### CRA & RRSP Contributions

#### The CRA tax deadline:

April 30, 2025

#### Sole proprietors and commission salespeople deadline:

June 17, 2025

#### RRSP Contributions:

March 3, 2025

#### Be sure to read your Notice of Assessment for your limit.

### Our Deadlines

Deadline to provide all business expense documents for the 2024 business expense spreadsheet:

- **For Quarterly HST/GST Filers**

January 15, 2025

- **For Annual HST/GST Reporting**

March 1, 2025

- **For All Clients (all documents)**

April 8, 2025



### Document Requests?

Each year, we receive dozens of requests for notices of assessment documents, and PDFs of TI tax returns. The NOA is available on My Account, and copies of your TI are in your pocket folder.

### Document Charges

- Document requests - **\$10.00**
- Scans for CRA (opt-in) - **\$20.00**

We scan all slips and send them to CRA on your behalf. Opt-In is now automatic for all clients to reduce the administrative burden. If you wish to opt-out, please let us know.

*Remember!*



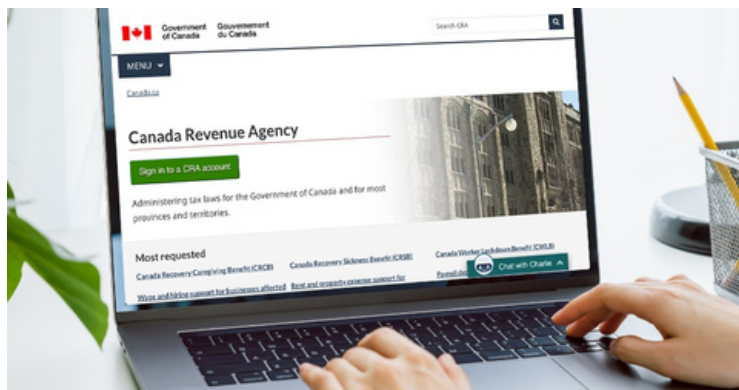
### Collect all of your paper documents:

- T-slips
- Rental income and expenses
- Medical/Donations/Tuition expenses (statements, receipts, explanation of benefits, etc.)
- Final municipal tax bill for 2024
- RRSP



## MyCRA - Update!

### New Clients Only



### **New process to confirm authorized representatives (Annette Douglas Tax Preparation Inc.) using 'My Account,' or 'My Business Account:'**

- 1) Make sure you have either a 'My Account,' or a 'My Business Account' with CRA because registration may take several days
- 2) Enable email notifications
- 3) Your representative will need to sign in to represent you as their client and to submit a new authorization request
- 4) You will be notified by email that someone has requested access to your account
- 5) You must confirm or deny the authorization request within 10 business days
- 6) "New" - The available payment(s) section is available on the "Account and payments" page in My Account. "Transfer payment(s)" option is available to taxpayers and authorized representatives.

**You can find detailed information about representation authorization here.**  
<https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services/help-cra-sign-in-services.html>

# OFFICE HOURS



Tax Season:

February 1, 2025 to August 1, 2025

MONDAY - FRIDAY  
10:00 AM - 5:00 PM EST

**200 - 4145 North Service Road, Burlington, ON L7L 6A3  
(289) 861-1174**

**NEW! 3rd Floor, 39 Queen St, St. Catharines, ON L2R 5G6  
289-723-1484**

We would like to ensure the health and safety of our staff and clients.

Current options:

- 1) Use e-courier
- 2) Contactless drop-off
- 3) Mail in your documents
- 4) Virtual or over-the-phone meetings
- 5) Arrange for contactless pick up\*
- 6) In-person meeting and in-person drop off

\*may be a charge depending on the distance

***Thank you!***

**Theressa Beauregard**

**Annette Douglas Tax / Beauregard Accounting/Merten Financial**