

## IT'S TIME TO PREPARE YOUR PERSONAL INCOME TAX RETURN

To assist you in gathering the information necessary to prepare your 2023 T1 personal income tax return, we are providing you with a Personal Income Tax Checklist. A Detailed Personal Tax Checklist is available on the Resources page of our website at [www.ddclp.ca/resources](http://www.ddclp.ca/resources). Once you have **all of your documents** to prepare your tax return, please forward your information to our office along with your completed tax checklist.

[LINK TO DOWNLOAD TAX CHECKLIST](#)

### OPTIONS TO DELIVER YOUR TAX INFORMATION

#### In-Person Drop-Off – WE HAVE MOVED TO A NEW LOCATION!

Our new address is Suite 103, 10501 – 67 Avenue Grande Prairie, AB T8W 0K8

Reception will be available to receive your information Monday to Friday between 8:30 am to noon and 1:00 pm to 4:30 pm. Extended office hours will commence on Monday, March 4, 2024. At that time, we will be open Monday to Friday between 8:00 am and 5:00 pm, and open during the lunch hour for your convenience.

Alternatively, a mail slot is located on the west side of the building, next to the staff entrance, which you can use any time of day.

#### FileShare: [www.ddclp.ca](http://www.ddclp.ca)

FileShare is a secure way to submit documents and files to our office. Documents are encrypted and there are no size restrictions on files. Simply click on the link above, enter your name, a brief message and add files or drag and drop your files, then click upload.

#### Email: [office@ddclp.ca](mailto:office@ddclp.ca)

If you prefer using regular email to send us your documents, we encourage you to password protect your documents as an added precaution. Please call reception at 780-814-7474 with your chosen password.

#### Mail

Please mail to Suite 103, 10501 – 67 Avenue Grande Prairie, AB T8W 0K8

### CONSIDERATIONS FOR YOUR 2023 PERSONAL TAX RETURN

#### NEW in 2023 – Expanded Trust Reporting Requirements

If your name was on title of someone else's property in 2023, you may have a new requirement to file a T3 trust return by Tuesday, April 2, 2024. Property may include land, buildings, investments, vehicles, bank accounts and other assets. Missed or late-filed returns are subject to a minimum penalty of \$2,500. Please be sure to complete our personal tax checklist to help us assist you with your filing requirements.

### **New in 2023 – First Home Savings Account (FHSA)**

The FHSA is a new registered plan to assist individuals in saving for their first home. Contributions to an FHSA are deductible and withdrawals made from an FHSA to purchase a qualifying home are tax free.

### **New in 2023 - Property Flipping**

Any gain from the disposition of a housing unit (including rental property) located in Canada that you owned for less than 365 consecutive days is deemed to be business income, with certain exceptions. Be sure to let us know if you disposed of a housing unit in 2023.

### **New in 2023 – Multigenerational Home Renovation Tax Credit**

A 15% refundable tax credit is available on up to \$50,000 of eligible expenditures incurred to construct a secondary suite for a relative who is a senior citizen or an adult eligible for the disability tax credit.

### **New in 2023 – Enhanced Deduction for Tools**

The maximum employment deduction for tradespersons' eligible tools has increased from \$500 to \$1,000. Eligible expenses in excess of the threshold amount can be claimed up to the maximum allowed.

### **New in 2023 – Enhanced Deduction for Tradespersons and Apprentices Engaged in Construction Activity**

In 2022, a new deduction for transportation, meals and temporary lodging costs became available for eligible tradespersons and apprentices working in a temporary work location in Canada from temporary employment in construction activities. This deduction maxes out at an annual limit of \$4,000.

In 2023, expanded rules allow a deduction for travel costs incurred by a qualified tradesperson or apprentice to earn employment income in a construction activity at a job site located at least 120 km away from the employee's ordinary place of residence, subject to certain criteria. This new deduction is available for long-distance commuting on a permanent basis and is not subject to the annual \$4,000 maximum claim that the labour mobility deduction for tradespeople is subject to.

### **Online Activity**

Income earned from online activity such as Bitcoin or other cryptocurrency transactions, VRBO and Airbnb rentals, sales on Kijiji, etc. may be required to be reported to the Canada Revenue Agency (CRA) on your personal tax return. Similarly, social media activities that generate business income are also taxable and must be reported. Please be aware the CRA can obtain details of sales and transaction records from online businesses.

### **Northern Travel Deduction - Available for All Northern Residents**

Northern residents can claim a travel deduction for trips taken in 2023, even without a Box 32 travel benefit being reported on a T4 slip. Please complete the chart on the personal tax checklist to claim the northern travel benefit. You may also include details for medical trips on the same chart.

### **Medical**

If you are claiming prescription costs for medical expenses, we recommend contacting your pharmacy for a list of your 2023 prescription purchases.

## Missing Slips

It is important to note that you are responsible for reporting all of your tax slips (T4, T4A, T3, T5, etc.) when filing your personal income tax return. An unreported slip may result in significant interest and penalties through the CRA slip matching program. If you have not received all of your 2023 tax slips, please provide details of any missing information. Also, if you receive any additional slips or amended slips after your T1 is filed, please submit the slips to our office so that we can amend your return before the CRA reassesses for the missed or amended slip.

## FILING YOUR PERSONAL INCOME TAX RETURN

**Once your return is completed, you will receive your T1 Personal Income Tax Return, remittance voucher (if required) and invoice electronically by email.** Any forms requiring your signature will be sent to you through DocuSign.

If you prefer a paper copy of your tax return, please check the corresponding box on the Personal Tax Checklist. If you choose to receive a paper copy of your final return you may still sign forms electronically authorizing us to efile your tax return. On the checklist, please indicate how you would like to sign your form(s).

Your personal tax return will be efiled with Canada Revenue Agency once you have signed the required forms. **The deadline to file your 2023 personal income tax return is Tuesday, April 30, 2024.**

## CONSIDERATIONS FOR YOUR 2024 PERSONAL TAX RETURN – PLANNING AHEAD

### Short-Term Rentals

In planning for your 2024 personal tax returns, be aware that the Department of Finance has proposed to deny income tax deductions for short-term rentals. Effective for January 1, 2024 and onwards, you may not be able to deduct expenses such as mortgage interest if your residential rental property is offered for rent for a period of less than 90 consecutive days. It is likely in your best interest to offer up your rental property(ies) for longer periods.

### Interest on Late or Insufficient Instalments

Starting January 1, 2024, the interest rate on late or insufficient instalment payments has increased to 10%. In addition, if the instalment interest exceeds \$1,000, CRA can assess an additional penalty if you do not make adequate instalment payments for the year. As such, it is essential to make your 2024 instalment payments on time.

### Electronic Payments to the CRA

As of January 1, 2024, all payments to the Canada Revenue Agency in excess of \$10,000 must be paid electronically either through your financial institution or by other means authorized by the Minister. A \$100 penalty will apply to each payment not made in this manner when required.

We appreciate your business and look forward to hearing from you. Should you have any questions, please contact our office.