
FYI

CRA/SASK

(Some taken directly, without content variance or alteration, from published documents & notices)

(Other presentations paraphrased from documents/notices found)

LET'S REVISIT: WHAT ARE BUSINESS EXPENSES?

A business expense is a cost you incur for the sole purpose of earning business income.

**You have to support business expense claims with a purchase receipt (invoice),
an agreement of purchase and sale, a receipt, or some other voucher that supports the expenditure.**

If you pay cash for any business expenses, be sure to get receipts or other vouchers.

Receipts should include the vendor's name and the date.

For an overview of the business expenses you can claim for income tax purposes . . .

refer to CRA Guide T4002 or visit www.cra.gc.ca/business .

Best yet . . . talk to your accountant for direction on your particular business venture.

SK Provincial



...Pending...

CRA Federal

Fraudsters

On January 26, 2018 CRA released a warning of fraudsters claiming to be from CRA. CRA noted that they do not request personal information (credit card, bank account or passport numbers). They never request personal or financial information through email with a link, or by text message . . . nor can they accept payment by prepaid credit card or gift card.

“Don’t Get Scammed!”

CHANGES to the CANADA PENSION PLAN

Starting in January 2019, Canadians begin contributing towards an enhanced Canada Pension Plan (CPP).

Employers and employees begin making slightly higher contributions to the CPP.

This will gradually increase each year and be fully implemented in 2025.

Tax Tip From CRA:

What to do when a loved one dies

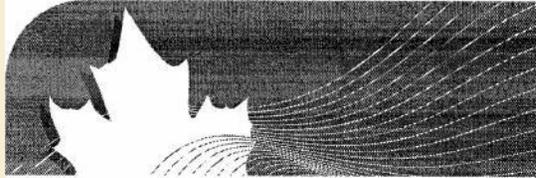
Dealing with the death of a loved one is difficult. With this in mind, the Canada Revenue Agency (CRA) wants to help make filing their final tax return easier. This simple checklist will help you with the first few steps you should take.

Checklist

- Gather all of the deceased's income tax information so that when it is time to prepare their return, everything will be ready and easy to access.
- Notify the CRA of the date of death as soon as possible, by calling the CRA at **1-800959-8281**, or by filling out the form on the back of Information Sheet RC4111, What to Do Following a Death, and sending it to your tax services office or tax centre.
- Request that CRA stop the following benefit and credit payments, and if applicable, transfer them to a survivor:
 - goods and services tax / harmonized sales tax (GST/HST) credit
 - working income tax benefit advance payments
 - Canada child benefit
- Advise Service Canada of the deceased's date of death. For more information, or to get the address of the Service Canada Centre nearest you, call **1-800-622-6232**,
- Make sure you are named, and on the CRA's files, as the legal representative, or get in touch with the legal representative who will deal with the CRA.

For the legal representative: when filing the deceased's final tax return

- The due date for the final return depends on the deceased's date of death. For more information, see Information Sheet RC4111 or Guide T4011, Preparing Returns for Deceased Persons.
- Do you need to report income earned by the estate after the date of death? If so, you will need to prepare a T3 return.
- No instalments have to be paid for a deceased person after their death. The only instalments that have to be paid are those that were due before the date of death.
- Determine whether or not you need a clearance certificate before you distribute any property.



Canada Revenue Agency What to Do Following a Death

Coping with the death of a loved one is difficult. We at the Canada Revenue Agency (CRA) recognize that you are going through a very difficult time. With this in mind, we hope we can help you by answering some questions you may have.

This information sheet contains basic information that the family and legal representative should know to start settling the affairs of the deceased person. For more information, go to cra.gc.ca/deceased or see guides T4011, *Preparing Returns for Deceased Persons*, and T4013, *T3 Trust Guide*.

What should you do first?

You should provide us with the deceased's date of death as soon as possible. You can call us at **1-800-959-8281**, or complete the form on the back of this information sheet and send it to your tax services office or tax centre.

Arrangements must be made to stop payments and, if applicable, transfer them to a survivor, if **any** of the following situations apply:

- The deceased was receiving the goods and services tax/harmonized sales tax (GST/HST) credit.
- The deceased was receiving the working income tax benefit (WITB) advance payments.
- The deceased was receiving Canada child benefit (CCB) payments for a child.
- The deceased was a child for whom CCB, and/or GST/HST credit payments are paid.

Service Canada should also be advised of the deceased's date of death. For more information, or to get the address of the Service Canada Centre nearest you, call **1-800-622-6232**.

Was the deceased paying tax by instalments?

If the deceased person was paying tax by instalments, **no** further instalment payments have to be made after his or her death. The only instalments that have to be paid are those that were due before the date of death, but not paid.

What do you do with the GST/HST credit?

Generally, GST/HST credit payments are issued on the fifth day of the month in July, October, January, and April. If the deceased was receiving GST/HST credit payments, we may still send out a payment after the date of death because we are not aware of the death. If this happens, return the payment to the tax centre that serves your area.

Note

We administer provincial programs that are related to the GST/HST credit. If the deceased was receiving payments under one of these programs, you do not have to take any further action. We will use the information provided for the GST/HST credit payments to adjust the applicable credit.

What if the deceased was single, separated, divorced, or widowed and received the GST/HST credit?

If the recipient died **before** the scheduled month in which we issue the GST/HST credit, we cannot make any more payments in that person's name or to that person's estate.

If the recipient died **during or after** the scheduled month in which we issue the credit and the payment has not been cashed, return it to us so that we can send the payment to the person's estate.

If the deceased was getting a credit for a child, the child's new caregiver should contact us at **1-800-387-1193** to request GST/HST credit payments for that child.

What if the deceased's GST/HST credit is for the deceased and his or her spouse or common-law partner?

If the deceased had a spouse or common-law partner, that person may be eligible to receive the GST/HST credit if he or she filed an income tax and benefit return. The GST/HST credit payments will be based on his or her net income alone.

What if the surviving spouse's or common-law partner's GST/HST credit includes a claim for the deceased?

If the surviving spouse's or common-law partner's GST/HST credit included an amount for the deceased, the payments will be recalculated based on his or her net income alone and will only include a claim for himself or herself and any children, if applicable.

What if the deceased is an eligible child?

Entitlement to GST/HST credit payments for a deceased child stops the quarter after the child's date of death. You should notify us of the date of death so that we can update our records.

What do you do with the Canada child benefit (CCB) payments?

What if the deceased was receiving CCB payments?

Contact us at **1-800-387-1193** and let us know the date of death. If the deceased person was receiving CCB payments for a child, and the surviving spouse or common-law partner is the child's parent, we will usually transfer the CCB payments to that person.

If anyone else, other than the parent, is now primarily responsible for the child, that person will have to apply for benefit payments for the child by:

- using the "Apply for child benefits" online service on My Account at canada.ca/my-cra-account; or
- completing and submitting Form RC66, *Canada Child Benefits Application*, which is available at canada.ca/get-cra-forms or by calling **1-800-387-1193**.

Note

If the deceased was receiving payments under provincial or territorial child benefit and credit programs administered by the CRA, there is no need to apply separately to qualify. We will use the information from the application to determine the new caregiver's eligibility for these programs.

What if the deceased's spouse or common-law partner receives the CCB?

If you are the surviving spouse or common-law partner and you receive CCB payments for a child, contact us at **1-800-387-1193** to provide us with the date of death, and we will automatically recalculate the payments excluding the deceased person's net income.

What if the deceased is an eligible child?

Your entitlement to CCB payments stops the month after the child's date of death. You should notify us of the date of death so that we can update our records.

Are you the legal representative?

You are the legal representative of a deceased person if:

- you are named as the executor in the will;
- you are appointed as the administrator of the estate by a court; or
- you are the liquidator for an estate in Quebec; or
- you are requesting to be the deceased's representative by completing an Affidavit form when there are no legal documents.

As the legal representative, your responsibilities under the *Income Tax Act* include:

- filing all required returns for the deceased;
- making sure all taxes owing are paid;
- letting the beneficiaries know which, if any, of the amounts they receive from the estate are taxable; and
- obtaining a clearance certificate to certify that all amounts owing to the CRA are paid.

Note

Fees paid to you as an executor or administrator of an estate must be reported on a T4 slip unless they are included in your business income.

If you are the legal representative, you may need information from the deceased person's tax records.

Before we can give you this information, we need the following:

- a copy of the death certificate;
- the deceased's social insurance number which must be included on any request or document you send to us;
- a **complete** copy of the will or other legal document such as a grant of probate or letters of administration showing that you are the legal representative; and
- the new mailing address for the estate, if applicable.

Notes

As the legal representative, you may wish to appoint an authorized representative to deal with the CRA for tax matters on your behalf. You may do so by completing Form T1013, *Authorizing or Cancelling a Representative*.

If you are a family member of the deceased and you are unable to obtain the legal documents required to establish yourself as the legal representative complete the Affidavit form in accordance with the province or territory of the deceased and send it with the requested documents to the Taxpayer Representative Identification System (TRIS) Unit of the deceased's tax centre.

In order for you to have **online access** to the taxpayer's account, you must register for Represent a Client at canada.ca/taxes-representatives prior to sending a copy of the legal documents. Once registered with the Represent a Client service, make sure you provide your RepID when you are submitting all the required documents naming you as the legal representative.

What is the due date for the final tax return and any balance owing?

The deceased's final return and any balance owing are due on or before the following dates:

Period when death occurred	Due date
January 1 to October 31	April 30 of the following year
November 1 to December 31	Six months after the date of death

Note

The due date for filing the T1 return of a surviving spouse or common-law partner who was living with the deceased is the same as the due date for filing the deceased's final return indicated in the chart above. However, any balance owing on the surviving spouse's or common-law partner's return still has to be paid on or before April 30 of the following year to avoid interest charges.

If the deceased or the deceased's spouse or common-law partner was carrying on a business during the year when the death occurred, the following filing due dates apply:

Period when death occurred	Filing due date
January 1 to October 31	June 15 of the following year, although any balance owing is still due on April 30
November 1 to December 15	June 15 of the following year, although any balance owing is due six months after the date of death
December 16 to December 31	Six months after the date of death (including any balance owing)

If you file the final return late and there is a balance owing, we will charge a late-filing penalty. If you do not pay the balance owing from the final return in full by the balance due date (whether April 30 of the following year or six months after death of the individual, as applicable), we will charge interest on the unpaid amount. The interest will start to accumulate from the day after the balance due date.

Previous year return

If a person dies after December 31, but on or before the filing due date for his or her return for the immediately preceding year (usually April 30), and that person had not yet filed that return, the due date for filing it, as well as for paying the balance owing, is six months after the date of death. The due date for filing the same prior year T1 return of a surviving spouse or common-law partner who was living with the deceased is the same as the due date for filing the deceased's prior year return. However, any balance owing on the surviving spouse's or common-law partner's return still has to be paid on or before April 30 of the current year to avoid interest charges. The filing due dates for previous year returns that are already due but which the deceased had not yet filed, remain the same.

How do you contact the CRA?

To find more contact information, go to canada.ca/cra-contact or if you need help, call us at **1-800-959-8281**.

If you would like any of our publications, call **1-800-959-8281**
