

YOUR 2023

TAX GUIDE



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 **NDP**

WORKING FOR YOU

I'm pleased to share the 2023 edition of our income tax guide! Our goal is to help you put money back in your pocket by accessing the many tax deductions and credits that are available. These include tax credits for seniors, people with disabilities, student loans, and child care expenses.

If you have any questions related to your tax return, the Canada Revenue Agency (CRA) is the best place to start. We have included the CRA's contact information on page 15. Additionally, we have provided a list of local tax clinics in the Northwest that can help you complete your tax return for free.

My team members in Smithers, Terrace and Prince Rupert are also ready to help you with any issues you may encounter with CRA. Feel free to reach out by email, phone or in person.

In Ottawa, I will remain committed to working towards building a tax system that is fair and equitable, and that helps families like yours get by.



PRINCE RUPERT OFFICE

290-309 2nd Ave W, V8J 3T1

 250-622-2413

TERRACE OFFICE

112-4716 Lazelle Ave, V8G 1T2

 250-615-5339

SMITHERS OFFICE

1226 Main Street, V0J 2N0

 250-877-4140

OTTAWA OFFICE

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 613-992-7688


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The information gathered in this Tax Guide comes from the Canada Revenue Agency (CRA).


For more information:

 Canada.ca/revenue-agency

 1-800-959-8281

The Canada Revenue Agency provides forms and publications in alternate formats (digital audio, electronic text, Braille, and large print) to allow those who identify as persons with disabilities to access the information they need.

For more information:

 Canada.ca/cra-multiple-formats

 1-800-959-8281

DOING YOUR TAXES

DEADLINES

You must file your return and pay your taxes by **April 30, 2024**.

Self-employed

If you're self-employed or have a spouse or a common-law partner who is self-employed, the deadline to file your taxes is June 17, 2024.

To avoid interest or penalties, make sure you pay all taxes owed by April 30, 2024.

Deceased persons

The final tax return of a deceased person must be filed by that person's legal representative, and the taxes owed must be paid.

- If the death occurred between January 1st and October 31st, you have until April 30th of the following year.
- If it was between November 1st and December 31st, they are due six months after the date of death.

METHODS FOR COMPLETING YOUR TAX RETURN

Choose one of the following secure options for filing your tax return.

Electronically

You will find a list of certified desktop, online, and mobile software products at canada.ca/netfile-software. Some of these products are free of charge.

If you complete your tax return using a certified software, you may be able to use a feature called *Auto-fill My Return*. This service makes it easier to do your taxes by automatically filling in parts of your tax return with information the CRA has on file. To use this service, register online for *My Account*.

On paper

If you filed your taxes on paper last year, the CRA should have automatically mailed you the 2023 Income tax package by February 19, 2024.

You can view, download and order forms at canada.ca/taxes-general-package or call the CRA at 1-855-330-3305.

SimpleFile by phone

In previous years, you may have received an invitation in your tax package to use the CRA's automated phone service, SimpleFile by phone (formerly File My Return). This year, if you are eligible, the CRA will automatically send you an invitation in the mail or notify you by email.

Through this service, you'll be asked to verify some personal information and answer a series of short questions. You do not need to speak to an agent to use the SimpleFile by phone service. Answers to the questions are provided using your phone's keypad

SimpleFile uses the information in the CRA's systems at the time of the call and the answers you provide, to auto-file your income tax and benefit return over the phone. It is free, secure, and easy to use. There are no forms to fill out or calculations to do. The invitation letter you receive provides the information you need to use the service

The Community Volunteer Income Tax Program

If you have a modest income and a simple tax situation, volunteers at a free tax clinic may be able to complete your tax return for you. You will find a list of free tax clinics near you on page 14 of this guide.

DEDUCTIONS, CREDITS AND EXPENSES

We've put together some deductions and tax credits that could benefit you or your family.

AGE AMOUNT – LINE 30100

Claim this amount if you were 65 years of age or older on December 31, 2023, and your net income (line 23600 of your return) is less than \$98,309.

ANNUAL UNION, PROFESSIONAL, OR LIKE DUES – LINE 21200

Claim the total of the following amounts related to your employment that you paid (or that were paid for you and reported as income) in the year:

- membership in a trade union or association of public servants
- professional board
- professional, malpractice liability insurance premiums or membership required to keep a professional status
- parity or advisory committee (or similar body)

CANADA WORKERS BENEFIT – LINE 45300

The *Canada workers benefit* (CWB) is a refundable tax credit that is intended to supplement the earnings of low-income workers and their family. The CWB includes a disability supplement for individuals who have an approved *Disability Tax Credit Certificate*, on file with the CRA.

OTHER EMPLOYMENT EXPENSES – LINE 22900

You can deduct certain expenses (including any GST/HST) you paid to earn employment income. You can do this only if your employment contract required you to pay the expenses and you did not receive an allowance for them, or the allowance you received is included in your income.

If you have been keeping track of your expenses, you can use the detailed method to claim work-from-home tax credits. Otherwise, consider using the temporary flat rate method to claim some expenses.

LABOUR MOBILITY DEDUCTION – ON FORM T777 STATEMENT OF EMPLOYMENT EXPENSES

The LMD provides an eligible tradesperson with a deduction for certain transportation, meals and temporary lodging costs incurred for travelling significant distances to earn income at a temporary work location from temporary employment in construction activities during the 2023 tax year.

HOME BUYERS' AMOUNT – LINE 31270

You can claim up to \$10,000 for the purchase of a qualifying home in the year 2023 if both of the following apply:

You (or your spouse or common-law partner) acquired a qualifying home

You did not live in another home owned by you (or your spouse or common-law partner) in the year of acquisition or in any of the four preceding years (first-time home buyer).

CANADA DENTAL BENEFIT

If you are a family with children under 12 and an adjusted family net income under \$90,000 without workplace dental benefits, you could qualify for the new Canada dental benefit. Depending on your income, you could receive up to two payments of \$650.

You qualify if you have dental benefits under social services if you have unreimbursed out of pocket costs. You can apply for the payment in advance of your treatment, but you must keep your receipts.

TO APPLY OR FOR MORE DETAILS, YOU CAN VISIT:
www.canada.ca/en/revenue-agency.

CHILD CARE EXPENSES – LINE 21400

Child care expenses are amounts you or another person paid to have someone look after an eligible child so that you or the other person could do one of the following:

- Earn income from employment;
- Carry on a business either alone or as an active partner;
- Attend school under certain conditions;
- Carry on research or similar work, for which you or the other person received a grant.

CLIMATE ACTION INCENTIVE – LINE 45110

The CAIP is a tax-free amount paid to help individuals and families offset the cost of the federal pollution pricing. It consists of a basic amount and a supplement for residents of small and rural communities.

You don't need to apply to receive the payment for the CAIP. The CRA will determine your eligibility when you file your income tax and benefit return and will send you payments if you're entitled to them.

The amount you receive will depend on your family situation and the province you reside in.

DISABILITY TAX CREDIT – LINE 31600, 31800 OR 32600

The *disability tax credit* (DTC) is a non-refundable tax credit that helps persons with disabilities, or their supporting persons reduce the amount of income tax they may have to pay. An individual may claim the disability amount once they are eligible for the DTC. This amount includes a supplement for persons under 18 years of age at the end of the year.

You are eligible for the DTC only if the CRA approves *Form T2201, Disability Tax Credit Certificate*. A medical practitioner has to fill out and certify that you live with a severe and prolonged impairment and must describe its effects.

2023 Maximum disability amount: \$9,428

2023 Maximum supplement for persons under 18: \$5,500

If a person was eligible for the DTC for previous years but did not claim the disability amount when they sent their tax return, they can request adjustments for up to 10 years.

HOME ACCESSIBILITY EXPENSES – LINE 31285

You can claim an amount for the eligible expenses for a qualifying renovation of an eligible dwelling:

INTEREST PAID ON YOUR STUDENT LOANS – LINE 31900

You may be eligible to claim an amount for the interest paid on your loan in 2023 or the preceding 5 years for post-secondary education. You can claim an amount only for interest you have not already claimed. If you have no tax payable for the year the interest is paid, it is to your advantage not to claim it on your return. You can carry the interest forward and apply it on your return for any of the next 5 years.

MEDICAL EXPENSES TAX CREDIT – LINES 33099 AND 33199

The medical expenses tax credit can help you pay for eligible medical expenses for yourself, your spouse or common-law partner and your dependent children.

For all expenses, you can only claim the part of the expense that you or someone else has not been and will not be reimbursed for.

A number of medical expenses can be claimed, including medical cannabis and animal services.

FIRST HOME SAVINGS ACCOUNT (FHSA)

The FHSA is a new registered plan to help individuals save for their first home. Starting April 1, 2023, contributions to an FHSA are generally deductible and qualifying withdrawals made from an FHSA to purchase a qualifying home are tax free. If you opened one or more FHSAs in 2023, complete Schedule 15, FHSA Contributions, Transfers and Activities.

MULTIGENERATIONAL HOME RENOVATION TAX CREDIT (MHRTC)

The MHRTC is a new refundable tax credit that allows an eligible individual to claim certain renovation costs to create a secondary unit within an eligible dwelling so that a qualifying individual can reside with their qualifying relation. If eligible, you can claim up to \$50,000 in qualifying expenditures for each qualifying renovation completed, up to a maximum credit of \$7,500 for each claim you are eligible to make.

DEDUCTION FOR TOOLS (TRADESPERSONS AND APPRENTICE MECHANICS) – LINE 22900

Starting in 2023, the maximum employment deduction for tradespersons' eligible tools has increased from \$500 to \$1,000. As a result, the threshold for expenses eligible for the apprentice mechanics tools deduction has also changed.

FEDERAL, PROVINCIAL AND TERRITORIAL COVID-19 BENEFIT REPAYMENTS – LINE 23200

Federal, provincial and territorial COVID-19 benefit repayments made after December 31, 2022 can be claimed as a deduction on line 23200 of your 2023 return.

CHARITIES AND GIVING

If you or your spouse or common-law partner made a gift of money or other property to certain institutions, you may be able to claim federal and provincial or territorial non-refundable tax credits.*

Some examples of eligible organizations include:

- Canadian amateur athletic associations
- Canadian low-cost housing corporations for the aged
- Charities
- Cultural and ecological gifts
- Gifts of capital property
- Gifts of depreciable property
- Government bodies
- Political organizations
- United Nations
- Universities outside Canada

* The charitable donations tax credit is non-refundable, which means it can only be used to reduce tax owed – if you don't owe any tax, you not eligible for a refund. Generally, your tax savings will be equal to the amount of the charitable tax credit calculated.

NEED HELP WITH YOUR TAXES?

FREE TAX CLINICS

Many community organizations participate in the Community Volunteer Income Tax Program and offer free income tax clinics for low income families and individuals.

Find out if you are eligible for free tax clinics

You may be eligible for help at a free tax clinic if you have a modest income and a simple tax situation.

Modest income

In general, a modest income means your total family income is less than \$35,000 a year. Check with your local community organization, as they may set different amounts.

Simple tax situation

In general, your tax situation is simple if you have no income or if your income comes from any of these sources:



- employment
- pension
- benefits such as the *Canada Pension Plan*, disability insurance, employment insurance, and social assistance
- registered retirement savings plans (RRSPs)
- support payments
- scholarships, fellowships, bursaries or grants
- interest (under \$1,000)

Here are some free tax clinics near you – find the full list at canada.ca/en/revenue-agency/campaigns/free-tax-help

| Name & Address | Types | Phone Number |
|---|---|-----------------------|
| Volunteer Terrace 3235 Emerson St, Terrace, V8G 5L2 | By appointment, Drop-off, Mondays & Fridays | 250-638-1330 *3 |
| Change Makers Prince Rupert 661 McKay St., Prince Rupert, BC | By appointment | 250-627-4100 |
| Unemployed Action Centre 818 3rd Ave E, Prince Rupert, V8J 1M6 | Drop-off | 250-627-1208 |
| Smithers Community Services 102-3815 Railway Ave, Smithers, V0J 2N0 | By appointment | 250-847-9515 |
| Haisla Health Centre 351 Haisla Ave, Haisla, V0T 2B0 | By appointment, Drop-off, Walk-in | 250-632-3600 |
| Burns Lake Library 585 Government St, Burns Lake, V0J 1E0 | Drop-off | 250-692-3192 |
| Houston Community Services Assoc. 3390 10 St, Houston, V0J 1Z0 | By appointment, Drop-off, Walk-in | 250-845-3484 |
| Upper Skeena Development Centre 4345 Field St, Hazelton, V0J 1Y0 | Drop-off | 250-842-6110 |
| Haida Gwaii Legal Project Society 227 Highway 16, Skidegate, V0T 1S1 | By appointment, Drop-off | 250-559-9042 |
| Gitanyow Independent School 3 Ave, Gitanyow, V0J 2A0 | Drop-off | 250-849-5384 *1102 |
| Heiltsuk Social Development Center 212 Wabalisa St, Bella Bella, V0T 1Z0 | By appointment, Drop-off, Walk-in | 250-957-2244 *104 |

CANADA REVENUE AGENCY



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SERVICES FOR PERSONS LIVING WITH DISABILITIES

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