

Welcome to Tax Season!

Deadline: We require all your tax information no later than **April 16** to guarantee your taxes will be completed by April 30.

How do I get ready and submit my taxes to M2?

Couldn't be simpler... use our digital services.

- ✓ You upload all your documents via M2's secure web portal.
- ✓ We will email you a secure link to download your taxes once they are completed.
- ✓ You sign all required documents online.
- ✓ You pay using electronic transfer (email transfer)

To start upload your scanned tax data through our secure portal 24/7 visit: www.m2financial.ca and click on "Upload Files"

If you need to drop your documents off to the office, we will have a drop box outside the front door during business hours.

Extended office hours:

Tax Season: (March 7 to April 30)

Monday-Friday: 8:30 am-5:30 pm
Saturday: 8:30 am-3:30 pm
Sunday: Closed

Regular hours: (May 1- March 7)

Monday-Friday: 8:30 am-4:30 pm
Saturday & Sunday: Closed

****Call for special appointments outside of these hours****

We are closed April 15 & 16 for the Easter weekend.

If you require a telephone call, web meeting, or in person meeting please visit: www.m2financial.ca – click on "Schedule an Appointment"

Please be sure to collect all tax slips and records before submitting them to us.

We have included a very useful tax checklist to help you assemble your tax information. If you received a tax slip last year and one has not yet arrived this year, please call the issuer to inquire if one will be coming in the mail this year.

If you have moved, your marital status has changed, you have new children or any contact information has changed, please inform us. If you have moved, contact us to discuss moving deductions you may be entitled to.

Please remember that if you have mutual funds or investments that could be considered "in trust", you probably will not receive your information slips (T3) until the beginning of April.

Emails and calls from CRA

There continues to be many phishing schemes circulating. Please keep in mind that CRA will NEVER request personal information of any kind from a taxpayer by email. These emails can look very official; however, they do not come from CRA. Please never reply to any of these emails and contact us if you are unsure if it is valid. If you receive a call from someone claiming to be from CRA, inform them to contact your tax representative (that's us!). If it is CRA, they will call us or ask you to have us call them. If it is a scam, they will threaten you and refuse to contact us. Always contact us first before dealing with CRA. We are here to protect you!


Are you planning on retiring soon? Do you need advice on what to do with your pension? Planning on applying for CPP or OAS?

There are a lot of things that you need to be aware of when it comes to avoiding paying unnecessary tax in retirement and protecting your nest egg. Give us a call to find out more.

Durham: 905-436-1784 Extension 124
Toll Free: 888-436-1784 Extension 124
Email: tax@m2financial.ca

Contact us if you have any questions or needs that we can assist you with.

Sincerely,
The M2 Financial Solutions Team

Visit our website and click on the Facebook icon .

What's New For 2021 Taxes

COVID-19 benefits received are taxable.

If you received CERB, CRB, CRSB, CRCB or CESB cheques during 2021 it must be reported on your tax return. You will be receiving a T4A from the government which you need to forward to us.

If you were collecting unemployment insurance, you will receive a T4E.

Employment deductions for Working at Home Due to COVID-19

Temporary flat rate method

This method simplifies your claim for home office expenses (work-space-in-the-home expenses and office supply and phone expenses). If you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2021 due to the COVID-19 pandemic, you could claim \$2 for each day you worked from home during that period. You can then also claim any additional days you worked at home in 2021 due to the COVID-19 pandemic. The maximum amount that can be claimed is \$500 per individual.

Detailed method

This method allows you to claim the actual amounts you paid, supported by documents. You must get completed and signed forms T2200S or T2200 from your employer.

Climate Action Incentive (CAI)

Starting with the 2021 taxation year, the CAI will no longer be claimed on personal income tax returns. The delivery of CAI payments has been changed to quarterly payments. Payment for the first and second quarters of the 2022-23 will be delivered in July 2022, with quarterly payments thereafter.

This will reduce your refund or increase your balance owing this year.

Digital News Subscription Tax Credit

A new non-refundable tax credit for amounts paid by individuals from 2020 to 2024 for qualifying subscription expenses. A qualifying subscription expense is the amount you paid in the year for a digital news subscription with a qualified Canadian journalism organization that is primarily engaged in the production of original written news content and it is not engaged in a broadcasting undertaking as defined in the Broadcasting Act.

Canada Training Credit (CTC)

A new refundable tax credit available for eligible tuition and other fees paid for courses taken in 2020 and subsequent taxation years. Starting in 2019, an eligible individual will be able to accumulate \$250 in each year, up to a maximum of \$5,000 in a lifetime. This can be used between the ages of 25 and 65.

Things you should know

There are many forms on our website that you will find helpful as you assemble your tax information. The forms are available under the [Financial Tools](#) tab of our website www.m2financial.ca

Principal Residence

CRA changed the reporting requirements for the sale of a principal residence (Your personal home). Though the sale continues to be non-taxable, the reporting is now required for all sales on or after January 1, 2016. If a principal residence sale is not reported there is a penalty of up to \$8,000.

Please let us know of any principal residence sales!

Teacher & Early Childhood Educator School Supply Credit

An eligible educator may claim a 25% refundable credit based on an amount of up to \$1,000 (\$250 credit) for the purchase of eligible teaching supplies. Employer certification is required by CRA. Eligible expenses must facilitate learning and be directly consumed in the duties of employment. Expenses must not be reimbursed and not subject to an allowance or other forms of assistance.

[Click here for additional information](#)

Reporting of Tips

Canada Revenue Agency has been aggressively auditing industries that receive tips. Myth: If you claim 10% of your income as tips you are safe. False! You are required by law to report 100% of all tips received and, during audits, CRA tends to find a percentage of 20-25% of income as tips. The penalties for not reporting all your income can be quite excessive and punitive.

Foreign Reporting Requirements

All foreign pensions must be reported as income on your personal tax return. The pension may be fully or partially exempt from tax in Canada according to a tax treaty with the country of origin.

A Canadian resident must file a Foreign Income Verification statement if that person owns foreign property or investments valued at more than \$100,000(CDN) in total. The penalty for not reporting this information is \$2,500 per tax year.

Tax Free Savings Account (TFSA) limit for 2021

The TFSA contribution limit for 2021 is \$6,000.

RRSP Home Buyers Plan

You can withdraw \$35,000 or less without taxes being deducted. Some RRSPs, such as locked-in or group RRSPs, do not allow you to withdraw funds from them.



2021 Personal Tax Checklist

New Address/Phone number/ Email address? Dependants? Change in Marital Status?

Your Name: _____ Cell Phone: _____

Spouse's Name: _____ Cell Phone: _____

Address: _____

Email: _____ Spouse's Email: _____

For electronic signature we need different emails for everyone signing

Marital Status: _____ Date if changed (2021) (DD/MM): _____

New child: _____ Date of Birth (DD/MM/YY): _____

Please complete the following checklist and return with your required tax documentation.
To upload your scanned tax data and slips through our secure portal 24/7
visit: www.m2financial.ca and click on "Upload Files"

Slips

- All T slips (T4, T3, T5, T4E, T4A, T4AP, T5007)
- Withdrawals from your RRSPs (T4RSP, T4RIF)
- Tuition/Education amounts for qualifying students (T2202A)
- RRSP contributions (RRSP Slip)

Receipts

- Interest and dividend Income (may be reported on a T3 or T5)
- Sale or deemed sale of stocks, bonds or real estate (Please provide the cost and proceeds of sale)
- Receipt or payment of support for a child, spouse or common-law partner
- Professional fees or union dues
- Tool expenses (tradespersons)
- Medical expenses you paid for that were not fully reimbursed (statements from your benefits)
- Charitable and political donations (First time making a donation?)
- Child care expenses, Camps, Adoption expenses
- Buy/Sell home? Moving expenses? Rental Property? First Time homebuyer?
- Interest paid on student loans (Government form required)
- Carrying charges and interest expenses
- Property Taxes/Rent

Other Documentation Required

- Capital gains/losses must be recorded in the year they occurred
- Rental income & expense records (www.m2financial.ca, Financial Tools)
- Business, farm & expense records (www.m2financial.ca, Financial Tools)
- Declaration of Conditions of Employment (T2200 or T2200S)
- Automobile, Travel, Home Office expenses
- Direct Deposit Information- Void Cheque/Direct deposit form from the Bank