



Connection

Summer 2021

Letter from the Editor

Welcome to the Summer edition of the Connection. Every issue of the Connection is packed with information you can use to get even more out of your DT Professional Suite products.

For the first time ever, the Connection magazine is accessible online. Read the digital edition of the Connection magazine on your computer or mobile device at thomsonreuters.ca/Connection.

As always, summer marks the arrival of your DT Max Planner version. I encourage you to review the summary of changes made to DT Max T1, T2, T3 and T5013. For more in depth coverage of all changes, be sure to read the "What's New" for version 24.30 in our Knowledge Base online.

Synergy Canada is once again fully virtual this fall. This all-digital, interactive experience will allow you to access online, from anywhere. You'll be able to attend workshops, learn about upcoming product updates, hear from expert speakers including the CRA and interact with staff. Synergy Canada will take place November 17. Be sure to visit thomsonreuters.ca/synergy to register or learn more.

On behalf of everyone at Thomson Reuters, have a safe and wonderful summer. Now get outdoors and enjoy the sun!

Sylvain Fortin
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What's new for DT MAX?

INCLUSION OF CENTS IN THE TAX CALCULATION ON LINE 7 OF THE PROVINCIAL FORMS

As of the 2021 taxation year, the amount of taxes calculated on line 7 of the provincial forms (Forms 428 for T1) has been revised to include cents, instead of being rounded to the nearest dollar as per the previous years.

Note that the federal income tax return has already been amended in 2020 to include the cents on line 69 for all provinces and territories (line 70 for Quebec) for T1 (for T3, on line 7 of Schedule T1), instead of being rounded to the nearest dollar as in the previous years. It is expected that the inclusion of the cents would apply to provincial forms as of the 2021 tax year.

What's new for T1?

ONVIO FIRM MANAGEMENT: E-SIGNATURES

We support Onvio e-signatures on two additional forms:

- CRA - authorize / cancel a representative
- MR-69

The Onvio client list window includes a new filter for the type of e-signature (EFILE / Authorization).

You can easily view an e-signed form by clicking the associated PDF icon on the e-signature request window.

ENHANCEMENT OF THE CANADA WORKERS BENEFIT (SCHEDULE 6)

Enhancement of the basic CWB

Budget 2021 proposes to enhance the CWB starting in 2021. This enhancement would increase:

- the phase-in rate from 26% to 27% for single individuals without dependants as well as families;
- the phase-out thresholds from \$13,194 to \$22,944 for single individuals without dependants and from \$17,522 to \$26,177 for families; and
- the phase-out rate from 12% to 15%.

Enhancement of the CWB supplement for persons with disabilities

The supplement would phase out at a rate of 7.5% for each individual in a couple where both individuals are in receipt of the supplement, and at a rate of 15% otherwise. The reduction threshold would be increased from \$24,815 to \$32,244, for single individuals without dependants, and from \$37,548 to \$42,197, for families.

Note that these rates do not apply to Schedule 6 for Nunavut, Quebec and Alberta.

MEDICAL EXPENSES OF A DEPENDANT THAT ARE CONSIDERED EXPENSES PAID BY THAT PERSON

Certain amounts withheld at source (such as employee-paid premiums for group insurance indicated in box 85 of the T4 or premiums paid by the employer indicated in box J of the Quebec RL-1 slip) as well as the premiums payable under the Quebec prescription drug insurance plan are all medical expenses that are considered to be paid by the person themselves.

When these amounts are entered in the file of a dependant, they cannot be claimed by the family head nor by the family head's spouse. As of 2021, these amounts from a dependant's file will no longer be transferred automatically to the family head nor to the family head's spouse.

INCLUSION OF POSTDOCTORAL FELLOWSHIP INCOME IN CALCULATING THE EARNED INCOME FOR RRSP PURPOSES

In its 2021 budget, the federal government proposes to include postdoctoral fellowship income in the "earned income" for RRSP purposes. This would provide postdoctoral fellows with additional RRSP room in order to make deductible RRSP contributions.

Consequently, "Table D - Calculation of 2021 earned income" in the in-house RRSP Schedule has been revised to include postdoctoral fellowship income.

What's new for T2?

IMPORTANT CHANGES FOR CORPORATIONS THAT FILE ONTARIO ANNUAL INFORMATION RETURNS

If your corporation files Ontario annual information returns, the following changes could affect you:

As of May 7, 2021, Ontario Corporations Information Act annual returns are no longer available for download on Canada.ca.

As of May 15, 2021, Ontario Corporations Information Act annual returns can no longer be filed through the Canada Revenue Agency.

The changes will apply to the following forms:

- Schedule 546, Corporations Information Act Annual Return for Ontario Corporations
- Schedule 548, Corporations Information Act Annual Return for Foreign Business Corporations
- Form RC232, Corporations Information Act Annual Return for Ontario Not-for-Profit Corporations

The CRA will continue to process the T2 Corporation income tax returns and T3010 Registered Charity Information Returns.

Due to these changes, Schedules 546, 547 and 548 have been deleted in this version of DT Max T2.

ONVIO: SIGNING OFFICERS

Once a client (corporation) has been added to Onvio, it is now possible to also add a signing officer to Onvio. Doing so will automatically turn on document sharing for documents located in any of the corporation's Onvio tax return folders. This will let a signing officer log into Onvio Client Centre and see any tax returns that have been uploaded to Onvio for the corporation. It will also allow Onvio Firm Management (Essentials or Advanced) users to obtain e-signatures from signing officers on selected forms (see the Requesting an Onvio e-signature page for more information).

ONVIO FIRM MANAGEMENT: E-SIGNATURES

Onvio Firm Management (Essentials or Advanced) users now have the ability to allow a corporation's signing officer to electronically sign selected forms in Onvio Client Centre using the new Onvio e-signature feature (see the Requesting an Onvio e-signature page for more information). The following forms are supported:

- T183CORP
- CRA - Authorize a representative
- CRA - Cancel a representative
- CO-1000.TE
- MR-69

Message from Revenu Québec

Cryptocurrency

Revenu Québec recently published information about the tax consequences of using cryptocurrency that can be accessed on their website by visiting the following links:

Landing page

<https://www.revenuquebec.ca/cryptocurrency>

Information page

<https://www.revenuquebec.ca/en/fair-for-all/helping-you-meet-your-obligations/virtual-currency>

Building trust, one client at a time

Michaël Fortin, i.B.A (Econ), LL.M (Tax Law)
Tax Specialist & Financial Advisor



Michaël Fortin explains how FORTAX achieves success by building long lasting relationships with its clients, helping them understand and develop their net worth, for both their personal and business portfolios.

FORTAX opened its doors in 2014, beginning as a tax preparation business, adding wealth management and insurance in 2019. The Toronto based firm serves clients in English, French and Spanish, specializing in providing professional individualized tax advice and planning services, along with tax preparation, wealth management and insurance.

Michaël's passion for helping individuals save money, grow wealth and manage their investments has always been the driving force behind his company's success.

As part of an international exchange program in Panama as an undergrad, Michaël studied Banking and Finances. Upon his return to Canada, he realized he wanted to help people reduce their taxes and keep more of what they earn. In the following years, Michaël realized that another way to help his clients increase their net worth was through asset and investment management by applying his tax and financial knowledge.

This new chapter has given new life to the firm, adding financial planning, life insurance and wealth management to round out its services. Future plans include expanding the team as well as adding Assets Under Management (AUM).

**“ Our greatest strength is efficiency.
We offer the most professional
service in a very timely manner. ”**

Like so many other tax and accounting firms, most of its new clients come from word of mouth and referrals. While growing the customer base is the primary objective, providing professional and personalized financial services remains paramount to ensuring the firm's success.

These last 18 months have reinforced the need for solid technology, including the move to the cloud for many businesses. FORTAX is no different, adopting Thomson Reuters Onvio Firm Management to store, access and share documents with clients.

Michaël and his staff have embraced Onvio Firm Management to make client interactions simpler while improving the overall customer experience. This was the first year the firm used Onvio Firm Management during a very busy and different tax season where so many meetings and discussions needed to be made virtually.

**“ 99% of our business is done
with the help of technology. ”**

Onvio Firm Management helped save time for the firm by sharing the returns with clients much faster than ever thought possible and having all the client documents at their fingertips became a huge timesaver. Onvio Firm Management made collecting signatures a breeze, consolidating client signatures for hundreds of clients all in one location – Quite the improvement over the old manual process.

Managing change in an ever-changing world is an opportunity for progressive firms like FORTAX to keep improving how the firm and its clients work together, while building on the promise of efficiency.



What's new for T3?

NEW PLANNING SUMMARY FORMS FOR FEDERAL AND QUEBEC JURISDICTIONS

For trust tax planning purposes, DT Max now offers the option to display a tax planning summary for the federal and Quebec jurisdictions. Where data exists in the plans, users can view and compare the production information for the current taxation year and six tax plans condensed onto two pages.

News for T3 Returns

Additional reporting requirements for trusts with taxation years ending after December 31, 2021

Effective for taxation years ending after December 31, 2021 all non-resident trusts that currently must file a T3 return and express trusts that are resident in Canada will have to provide additional information annually. Extensive information regarding the identity of all trustees, beneficiaries and settlors of the trust, along with anyone who has the ability to exert control over the trustee decisions will have to be disclosed. As a result, there will be an obligation for certain trusts to file a T3 return that are not currently required to.

What's new for T5013?

NEW IN-HOUSE FORM ACB WORKSHEET

This form provides a detailed calculation of the adjusted cost base of the partner's share in the partnership. Use the keyword ACB-Work-Sheet in the Partners group to generate this form.



CONNECTION Digital Edition

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Tax brackets and rates (2021)

Tax Brackets	Rates	Surtax rates	Thresholds	Tax Brackets	Rates	Surtax rates	Thresholds
Federal				Manitoba			
\$0 - \$49,020	15 %			\$0 - \$33,723	10.8%		
\$49,020 - \$98,040	20.5%			\$33,723 - \$72,885	12.75%		
\$98,040 - \$151,978	26%			more than \$72,885	17.4%		
\$151,978 - \$216,511	29%			Saskatchewan			
more than \$216,511	33%			\$0 - \$45,677	10.5%		
Newfoundland and Labrador				\$45,677 - \$130,506	12.5%		
\$0 - \$38,081	8.7%			more than \$130,506	14.5%		
\$38,081 - \$76,161	14.5%			Alberta			
\$76,161 - \$135,973	15.8%			\$0 - \$131,220	10%		
\$135,973 - \$190,363	17.3%			\$131,220 - \$157,464	12%		
more than \$190,363	18.3%			\$157,464 - \$209,952	13%		
Prince Edward Island				\$209,952 - \$314,928	14%		
\$0 - \$31,984	9.8%			more than \$314,928	15%		
\$31,984 - \$63,969	13.8%	10%	\$12,500	British Columbia			
more than \$63,969	16.7%			\$0 - \$42,184	5.06%		
Nova Scotia				\$42,184 - \$84,369	7.70%		
\$0 - \$29,590	8.79%			\$84,369 - \$96,866	10.50%		
\$29,590 - \$59,180	14.95%			\$96,866 - \$117,623	12.29%		
\$59,180 - \$93,000	16.67%			\$117,623 - \$159,483	14.7%		
\$93,000 - \$150,000	17.5%			\$159,483 - \$222,420	16.8%		
more than \$150,000	21%			more than \$222,420	20.5%		
New Brunswick				Yukon			
\$0 - \$43,835	9.40%			\$0 - \$49,020	6.4%		
\$43,835 - \$87,671	14.82%			\$49,020 - \$98,040	9%		
\$87,671 - \$142,534	16.52%			\$98,040 - \$151,978	10.9%		
\$142,534 - \$162,383	17.84%			\$151,978 - \$500,000	12.8%		
more than \$162,383	20.3%			more than \$500,000	15%		
Quebec				Northwest Territories			
\$0 - \$45,105	15%			\$0 - \$44,396	5.9%		
\$45,105 - \$90,200	20%			\$44,396 - \$88,796	8.6%		
\$90,200 - \$109,755	24%			\$88,796 - \$144,362	12.2%		
more than \$109,755	25.75%			more than \$144,362	14.05%		
Ontario				Nunavut			
\$0 - \$45,142	5.05%			\$0 - \$46,740	4%		
\$45,142 - \$90,287	9.15%			\$46,740 - \$93,480	7%		
\$90,287 - \$150,000	11.16%	20%	\$4,874	\$93,480 - \$151,978	9%		
\$150,000 - \$220,000	12.16%	36%	\$6,237	more than \$151,978	11.5%		
more than \$220,000	13.16%						

On the radar

CPA Ontario Practice Management & Tax Summit
October 5 – October 6, 2021

SYNERGY Canada Conference
November 17, 2021

Accounting Technology Seminar Series
October 6, 13, 20 & 27, 2021



SYNERGY CANADA VIRTUAL CONFERENCE

November 17, 2021

The Thomson Reuters users' conference for
tax and accounting professionals

\$179
only

Join us November 17 for this virtual and interactive event, with outstanding speakers and the opportunity to attend exciting workshops. Learn, discuss and share as you explore the future of tax and accounting with users and experts from around the country.

Workshop sessions will be recorded and provided to registered users after the conference.

Product updates

Expert speakers

Interactive sessions

Multiple workshops

REGISTER AT
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