



CHARTERED
PROFESSIONAL
ACCOUNTANTS

DURWARD JONES BARKWELL
& COMPANY LLP

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Are You Prepared for Tax Time?

Dear Valued Client,

It's that time of year again! As the April 30, 2025, personal tax filing deadline is approaching, we want to help you get prepared and organized by providing this handy checklist. Please review and return the 2024 Tax Organizer checklist along with your supporting documentation to your advisor as soon as possible but no later than April 11th to ensure a prompt and efficient filing.



RELEVANT TAX CHANGES AND PLANNING POINTS:

-  All RRSP contributions must be made by March 3, 2025, if you wish to deduct them on your 2024 tax return.
-  OAS repayment threshold has been increased to \$90,997 for 2024.
-  Self-employed individuals will be able to immediately expense certain capital assets up to a total of \$1,500,000 that were acquired in 2024 and are used to earn self-employment income. Be sure to provide your advisor with details of any capital assets purchases. This temporary measure will end on December 31, 2024.
-  The Tax-Free Savings Account (TFSA) contribution limit for 2025 is \$7,000.
-  The Multi-Generational Home Renovation Tax Credit has been introduced for expenses incurred in 2024 that create a secondary unit for a family member who is a senior or an adult with a disability. This one-time tax credit is calculated as 15% of eligible renovation costs of up to \$50,000.
-  If you opened a First Home Savings Account (FHSA) account, contributions made by December 31, 2024, are eligible for a deduction of up to \$8,000 from your taxable income on your 2024 tax return.
-  As a reminder, remittances or payments to the Receiver General must be made electronically if the amount exceeds \$10,000. Taxpayers who fail to comply may be subject to penalties, except in cases where electronic payment is not reasonably possible.
-  The Government of Canada has announced an extension for charitable donations. Donations made on or before February 28th, 2025, are eligible for the 2024 tax year.
-  As of January 1, 2024, individuals are no longer permitted to deduct expenses related to non-compliant short-term rentals. This change applies to all expenses to earn income from operating non-compliant short-term rentals.
-  The Home Buyer Plan withdrawal limit has increased from \$35,000 to \$60,000 for withdrawals made after April 16, 2024.

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⌚ The temporary flat rate method for claiming employee's home office expenses is no longer available for 2024. To claim home office expenses for 2024 and beyond you will need to obtain a signed T2200 form from your employer and provide a summary of your expenses to us. Please make sure to keep your supporting receipts in case the CRA requests to see them.

⌚ The maximum employment deduction for tradespersons eligible tools for 2024 is \$1,000.

REMINDERS:

⌚ The Canada Carbon Rebate (CCR) program continues into 2025. The payment will be calculated using your 2024 T1 return and is based on family size.

⌚ For seniors and persons with disabilities, you may be able to include home accessibility costs as medical expenses under certain circumstances. Minimum thresholds apply when determining if medical expenses can be claimed.

⌚ The anti-flipping tax rules, which will deem the proceeds from any home sold within 12 months of purchase to be fully included in income starting with sales in 2023, subject to very limited exceptions.

⌚ The sale of your principal residence must be reported on your tax return. The capital gain remains exempt from tax provided the property was owned at least 365 consecutive days and was your principal residence for each year of ownership. To report the disposition, we will require the address, year of purchase, and the sale price. The Canada Revenue Agency (CRA) may accept a late designation but a penalty may apply up to a maximum of \$8,000.

In order to provide you with prompt and accurate service, our preference is to receive your slips and documentation as soon as possible. If your information is received after April 11, 2025, we cannot guarantee your return will be completed by the deadline due to the potentially large volume of work during this time. To be as efficient as possible, we would prefer to receive all of your documents at once rather than in multiple batches. We appreciate your efforts to assist us in this regard.

When your return is complete, you will receive an email from one of our administrative staff using our RightSignature program for your review and signature prior to filing your return. You can verify authenticity when you see the DJB logo within the body of the email.

We cannot file your return until the required signatures are received. Payment for our services is due upon receipt of our invoice.

CRA has several options available for you to pay your tax balance, which include online banking, using 'My Payment', as well as paying at the bank or mailing in a cheque along with your remittance form. CRA will also allow for pre-authorized debits of a specific amount on a future date of your choosing. However, as noted above, non-electronic payments exceeding \$10,000 may be subject to a penalty. We will provide you with instructions for the various payment options and assist you in picking the option that suits your needs and preferences.

In the event CRA reviews your return (pre-assessment or post-assessment), please advise if you would like us to submit the information on your behalf. Any submissions that we make may be subject to additional fees. **Are you currently protected by Audit Shield?** This service is offered to our valued clients to waive our professional fees for responding to audits, inquiries, or investigations of your tax return instigated by the CRA. We invite you to contact your local DJB advisor for details about this program.

We sincerely appreciate your continued support into 2025 and beyond.

