# Personal Taxprep®

## Frequently Asked Questions

**2012 Versions** **October 2013**

## New Item for the Week of October 20

### T1 batch filing through the EFILE Online Plus system is being eliminated by the CRA

**QUESTION**

I received an e-mail from the Canada Revenue Agency (CRA) indicating that T1 batch filing through the EFILE Online Plus (EOL+) system will no longer be possible. Does that mean that I will need to individually EFILE my clients' returns in the upcoming tax season?

**ANSWER**

Fortunately, you will not need to EFILE returns one at a time because *Taxprep* allows you to simulate batch processing through the Client Manager when using the EFILE Online (EOL) system.

For the user, the workflow remains the same as with EFILE Online Plus. You can simply continue to select the returns in the Client Manager and transmit (either through right-clicking or the **Transmission** menu). The difference lies in the way *Taxprep* transmits those returns in the background and the way you will receive the CRA's responses.

With this method, *Taxprep* is transmitting each return individually in the background. This is done very quickly, while a progress bar informs you of how many returns are left to EFILE.

Once *Taxprep* is done EFILING all the returns in a batch, a result log identifying which returns are accepted and which ones are rejected will display.

A key advantage of using EOL over EOL+ is that you receive the CRA's response instantly. No need to wait for the CRA's response. You will know right away, in a single operation, whether the returns in your batch are accepted or not.

Another difference, as noted in the CRA e-mail, is the availability of the service. EOL Plus used to open around mid-January and would stockpile EFILED returns until mid-February, when EFILE processing began. This year, the CRA will start accepting and processing returns through EOL on February 10, 2014. Stockpiling is therefore eliminated.

## Federal

### Special tax for failure to repay shares to the Québec labour-sponsored fund (Fonds de solidarité des travailleurs du Québec - FTQ) or the Fondaction (CSN)

*(Published in April 2013)*

**QUESTION**

In which situation must this special tax be taken into account and where should it be entered in the federal return?

**ANSWER**

When a taxpayer redeemed shares issued by a workers fund to participate in the Home Buyers' Plan (HBP) or the Lifelong Learning Plan (LLP), new replacement shares must be acquired every year to repay the initial withdrawal amount.

Starting with the 2012 taxation year, a new special tax applies in the case where the taxpayer omits to repay the required minimum payment. This special tax must be calculated by multiplying the amount in box E of the RL-10 slip (for the Québec labour-sponsored fund) and/or the amount in box K of the RL-10 slip (for the Fondaction) by 15%. The result obtained must then be entered on one of the *Special tax* lines in Schedule 1 using an override (if the line used already includes an amount, enter the sum of this amount and the result obtained).

| | | |
|---|---|---|
| Special taxes | | |
| From form T1172 | 0 00 | |
| From form RC359 | 0 00 | |
| Total special taxes | 0 00 | 418 |

### EFILE

When this special tax is applicable, the federal return is not eligible for electronic filing (EFILE) purposes and must therefore be paper filed. Although the amount on line 418 of Schedule 1 is included in the bar code, a note in respect of the special tax should be filed with the return to explain the override.

To help you identify your clients who might be affected by this problem, we made available a client filter that will allow you to quickly access a list of those clients. To obtain this client filter, click here.

## Election to stop contributing to the Canada Pension Plan – Failure to indicate the date of signature on Form CPT30 – EFILE error codes 70448 and 2051

*(Published in March 2013)*

**Reform of the Canada Pension Plan**

Major changes to the CPP came into effect on January 1, 2012. In particular, these changes affect workers who are at least 60 but less than 70 years of age. Indeed, if a taxpayer:

- is at least 60 but less than 70 years of age; and
- receives CPP or Québec Pension Plan (QPP) pension benefits; and
- earns employment income or self-employment income;

this taxpayer is considered to be a CPP working beneficiary, and therefore, CPP contributions must be withheld on his or her salary and CPP contributions are payable on his or her self-employment income.

This is a major change, because before 2012, once a taxpayer started receiving CPP or QPP pension income, he or she no longer had to contribute to CPP on his or her employment or self-employment income.

**Election to stop contributing to the CPP**

A **working CPP beneficiary** may elect to stop contributing to the CPP when this beneficiary:

- is at least 65 but less than 70 years of age; and
- receives CPP or QPP pension benefits.

### QUESTION

How do I elect to stop making CPP contributions?

### ANSWER

**Employment income**

If the taxpayer earned employment income (other than employment income earned in Québec), he or she must have completed Form CPT30 in the 2012 taxation year. A copy of the form must have been given to the employer and the original must have been sent to the CRA.

The election to stop making CPP contributions will come into effect the month following the date of signature on the form.

If the taxpayer is at least 65 but less than 70 years of age, we strongly suggest that you check to see if a Form CPT30 has been completed in 2012. Where applicable, in order for the tax return calculations to be performed correctly, the date of signature must be indicated in the appropriate section of Form T2204, *Employee Overpayment of Canada Pension Plan Contributions and Employment Insurance Premiums* (Jump Code: **2204**).

**Form CPT30 – Election to Stop Contributing to the Canada Pension Plan, or Revocation of a Prior Election**

If, in the 2012 taxation year, the taxpayer completed Form CPT30 and gave it to his or her employer to:

- make the election to stop contributing to the CPP plan; or
- revoke a prior election to start contributing to the CPP plan again;

indicate the date of **signature** for the election or the revocation that appears on Form CPT30.

CPT30 - Part C, Election to stop contributing to CPP - Date form was signed:

CPT30 - Part D, Revocation of the election to stop contributing to CPP – Date form was signed:

The program will calculate the CPP contributions based on the date the form was signed.

Not indicating the date of signature of Form CPT30 may cause a rejection when EFILING the tax return (error code 70448 or 2051).

**Business income**

If, in 2012, the taxpayer only earned self-employment income (or has earned self-employment income and his or her only employment income was earned in Québec), it may be possible to elect to stop making CPP contributions by entering the month in box 372 of Schedule 8, *CPP Contributions on Self-Employment and Other Earnings* (Jump Code: **8**).

To be valid, an election that begins in 2012 must be filed on or before June 15, 2014.

I elect to stop contributing to the Canada Pension Plan on my self-employment earnings on the first day of the month that I entered at box 372.

Month

372 0

**Employment and business income**

If the taxpayer has **both** employment income (other than employment income earned in Québec) and self-employment income in 2012, he or she must have completed Form CPT30 in 2012. An election filed with Form CPT30 applies to all income from pensionable earnings, including self-employment earnings. However, if the taxpayer elects to stop making CPP contributions for his or her self-employment income at a date prior to the one indicated on Form CPT30, the appropriate month must be entered in box 372 of Schedule 8.

## The CRA Represent a Client service

*(Published in February 2012)*

### QUESTION

What are the steps to start using the CRA *Represent a Client* service?

### ANSWER

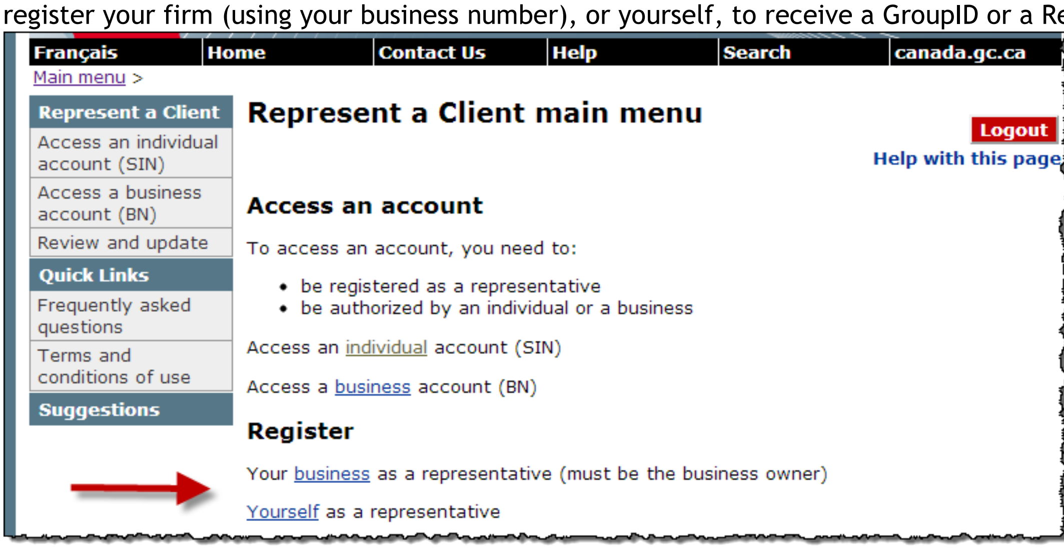
An increasing number of firms use the CRA *Represent a Client* service as part of the T1 tax return preparation process. This secure service provides online access to tax information on behalf of individuals that you represent.

Detailed information is available, including the following:

| | |
|---|---|
| Tax information slips | T4, T4A, T4A(P), T4A(OAS), T4E |
| Returns | Detailed assessment for all available tax years |
| Carryover amounts | Capital gains and losses, capital gains deduction, losses other than capital losses, tuition fees, education and textbook amounts |
| Accounts and payments | Instalments, account balance and statement of accounts |
| Benefits and credits | GST/HST credit, disability tax credit, Canada Child Tax Benefit, Universal Child Care Benefit, Working Income Tax Benefit |
| RRSPs and savings plans | RRSP deduction limit, unused RRSP contributions, Home Buyers' Plan, Lifelong Learning Plan, tax-free savings account (TFSA) |
| Notice of assessment | Latest notice of changes and summary of assessment or re-assessment. |

The steps to start using this service are as follows:

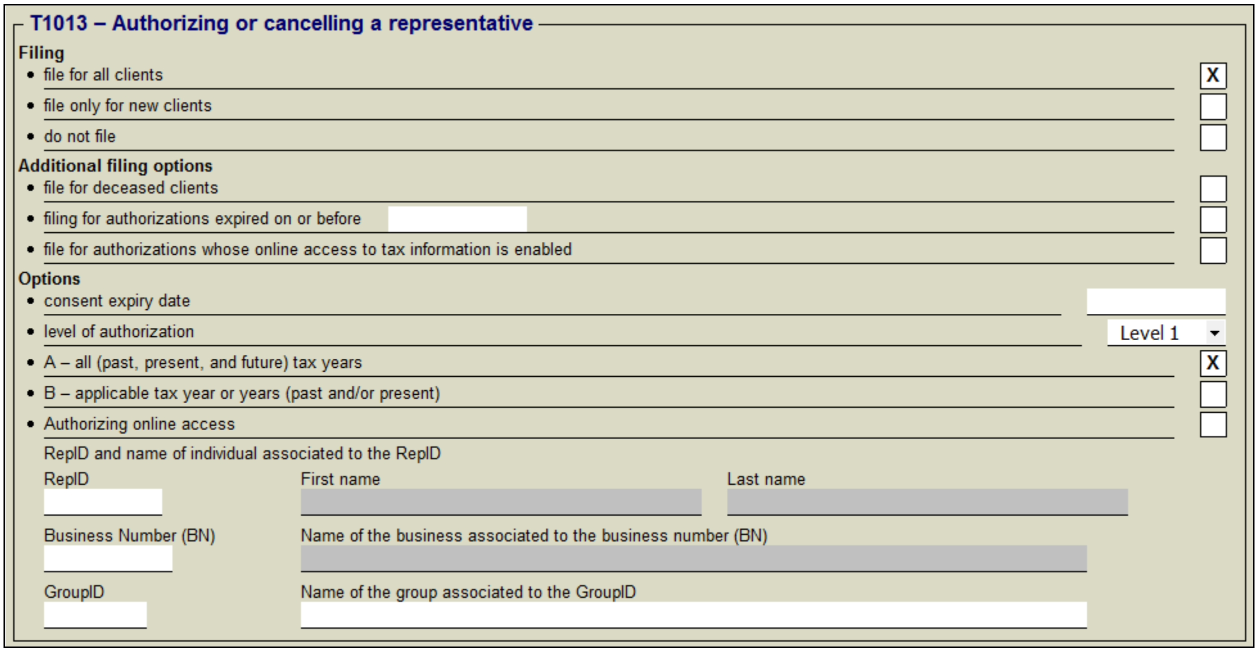
1. On the CRA Web site, click **Register** to create your own CRA user ID and password for using the *Represent a Client* service.
   - To validate your identity, you will need to enter your access code from your notice of assessment as well as your postal code.
   - The next step is to create your security questions and answers.
   - You will be able to log on to the CRA *Represent a Client* service immediately after this process is complete.
2. On the CRA Web site, log on to the *Represent a Client* service, using your CRA user ID and password, then register your firm (using your business number), or yourself, to receive a GroupID or a RepID.




**Note:** If you want any of your employees to also have online access to client information, those employees will also need to obtain a RepID from the CRA as explained in step 1.

3. Obtain authorization from your clients

- In *Personal Taxprep*, complete the **AUTHORIZATION FORMS** tab of the chosen preparer profiles by selecting the **Authorizing online access** check box and entering your Business Number, GroupID or RepID. Then, verify that Form T1013 is applicable for printing and eligible for electronic filing.


T1013 – Authorizing or cancelling a representative

Filing
- file for all clients X
- file only for new clients
- do not file

Additional filing options
- file for deceased clients
- filing for authorizations expired on or before
- file for authorizations whose online access to tax information is enabled

Options
- consent expiry date
- level of authorization Level 1
- A – all (past, present, and future) tax years X
- B – applicable tax year or years (past and/or present)
- Authorizing online access

RepID and name of individual associated to the RepID

RepID First name Last name

Business Number (BN) Name of the business associated to the business number (BN)

GroupID Name of the group associated to the GroupID

- To obtain online access to your clients' data before preparing their tax return, you can print and have them sign Form T1013 when they bring their source documents to your office. If you want to print Form T1013 for several clients at a time, you can create a print format used solely to print this form. You can then select, from the Client Manager, the files or clients for which you want to print Form T1013, and use the previously created print format.
- Use the **Transmission/T1013** command in *Personal Taxprep* to transmit Form T1013 once it has been signed. This can also be done for several clients at the same time using the Client Manager.

**Additional info**

- The best practice for a firm to request authorization via Form T1013 is to do it based on the Business Number(or GroupID), instead of an individual RepID. This prevents having to get a new authorization should the employee using the RepID leave your firm. This also allows your firm to easily create groups of employees so you can better control who has access to your client information.
- The CRA recently announced that starting in February, the approval process for Form T1013 will be immediate when using this electronic transmission process.
- Furthermore, the CRA announced that after this tax season, it will be possible to submit post-assessment requested support documents (such as medical or donation receipts) via the *Represent a Client* service.

For more details on using this service, go to:

http://www.cra-arc.gc.ca/esrvc-srvce/tx/rprsnttvs/hwts-eng.html

# Québec

## Calculating instalment payments to be made in Québec –Taking the fourth income bracket into account, at a rate of 25.75%, as if it applied since the 2011 taxation year is required

*(Published in April 2013)*

In the November 2012 Québec budget, it was announced that a fourth income bracket would be added to the personal income tax table for 2013 and following taxation years. This new income bracket, to which a 25.75% taxation rate applies, affects the portion of taxable income in excess of $100,000.

It was also announced in this budget, that the amount of instalments should take this new income bracket into account as of 2013. Note that the fourth income bracket should not be taken into account when determining whether or not instalment payments should be made for 2013. However, it should be taken into account when calculating instalments to be made as if it applied since the 2011 taxation year.

In Section 3 of Form TP-1026, *Calculation of Instalment Payments to Be Made by Individuals – 2013* (Jump Code: **Q1026**), *Taxprep* (version 3.0) takes into account the impact of the fourth bracket for the 2012 taxation year when calculating instalment payments to be made for 2013:

**3 Instalment payments**

**3.1 Instalment payments to be made if you are not a farmer or a fisher**

| | |
|---|---|
| Income tax and contributions payable | 24,699 10 |
| Additional income tax for the portion of taxable income in excess of $100,000. (4th income tax bracket) | 437 50 |
| Amount use to calculate instalments | 25,136 60 |

The additional amount of tax on the portion of taxable income in excess of $100,000 is reflected in the payments to be made for September 15, 2013, December 15, 2013 and March 15, 2014.

### QUESTION

How do I proceed to ensure that the instalment payments for March 15 and June 15, 2013, (instalments based on the 2011 taxation year) are calculated taking the fourth income bracket into account?

### ANSWER

Enter, in Section 3 of Form TP-1026, the payment amounts for March 15 and June 15, 2013, shown on the instalments reminder issued by *Revenu Québec*.

**3 Instalment payments**

**3.1 Instalment payments to be made if you are not a farmer or a fisher**

| | |
|---|---|
| Income tax and contributions payable | 0 00 |
| Additional income tax for the portion of taxable income in excess of $100,000. (4th income tax bracket) | 0 00 |
| Amount use to calculate instalments | 0 00 |

☐ Use the amounts on the instalment reminder issued by Revenu Québec for the March and June payments

**Amounts on the reminder issued by Revenu Québec**

| | |
|---|---|
| March 15, 2013 | 0 00 |
| June 15, 2013 | 0 00 |

You can also enter, in the **2011** column, the amount of tax payable that you have previously calculated taking the fourth income bracket into account.

## Revenu Québec “Tax Data Download” service

*(Published in March 2013)*

**Note :** There are no charges for using **TaxprepConnect** with *Revenu Québec's* Tax Data Download service.

### QUESTION

What is the *Revenu Québec Tax Data Download* service and how do I use it?

### ANSWER

It consists of an online service from *Revenu Québec* that will be available as of March 4, 2013, and that can be used from *Personal Taxprep* starting with version v.3.0 - 2012. The integration between *Taxprep* and this online service will be part of **TaxprepConnect**, a new set of functionalities offered by CCH that will simplify the data download, preparation and information review processes.

With this service, you will be able to download your clients' tax data listed below into *Taxprep*:

| | |
|---|---|
| **RL slips** | 1, 2, 3, 5, 6, 7, 8, 10, 16, 19, 22, 24, 25, 26, 27, 29 |
| **Additional information** | Instalments, interest paid, personal information, Form RC62 |

Each of your clients whose 2011 tax return has been prepared with *Personal Taxprep* will receive, or should already have received, from *Revenu Québec* Form TPZ-601, a new authorization form containing a **download code** made up of eight alphanumeric characters. Enter this code in *Personal Taxprep* at the time of download.

**Important**: Ensure your clients read, sign and provide you with Form TPZ-601 to authorize you to use this download service in their name.

### QUESTION

What should I do when Form TPZ-601 is not available?

### ANSWER

If you have new clients, or if some of your clients did not receive Form TPZ-601, they must contact *Revenu Québec* directly to obtain their download code at one of the following numbers:

Québec City: 418-652-4090

Montréal: 514-287-3044

Toll-free: 1-800-363-2070

*Revenu Québec* will then mail them Form TPZ-601. Because it may take seven to ten days to receive the download code, ask those of your clients that need to obtain Form TPZ-601 to do it early in the tax season.

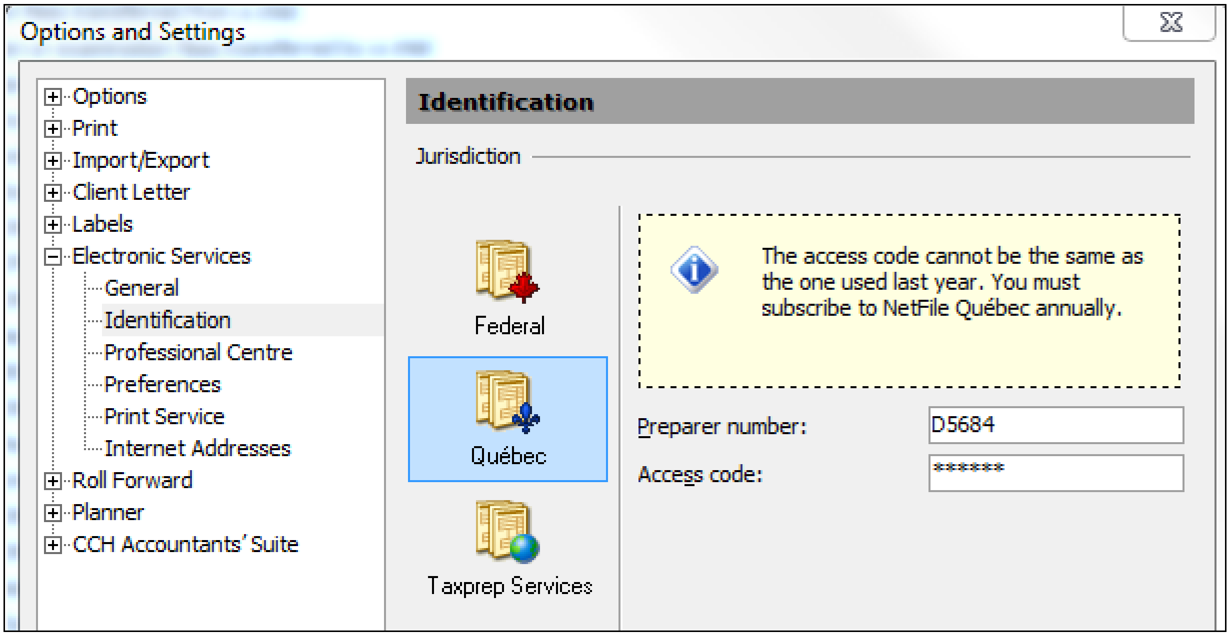
## QUESTION

What is the *Taxprep* configuration required to use this service?

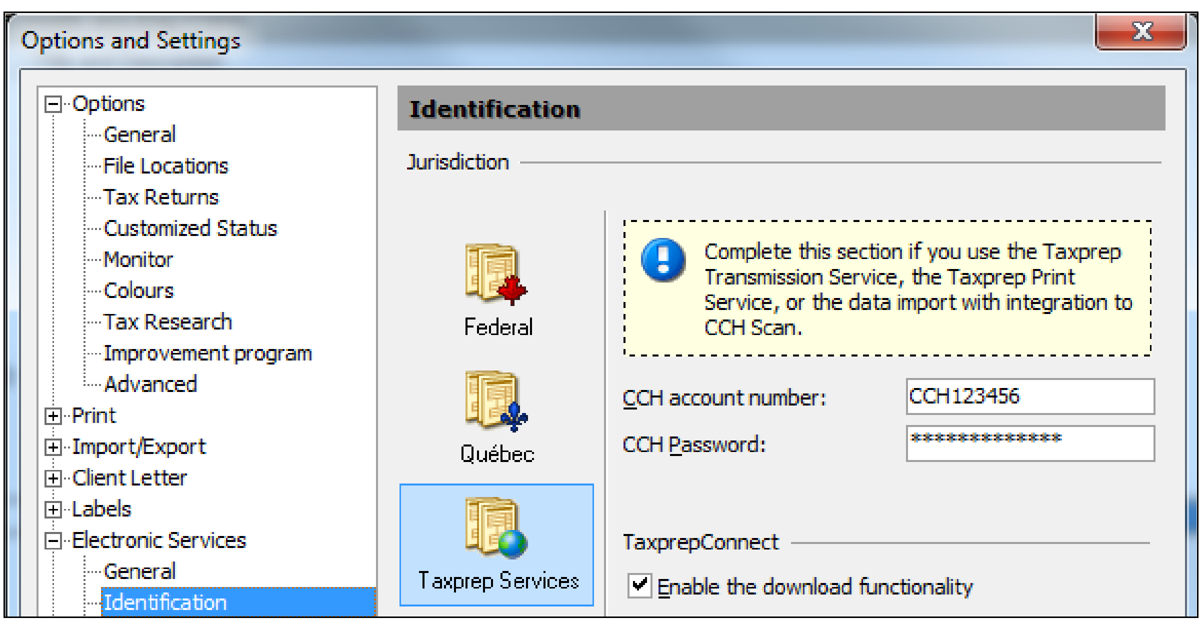
## ANSWER

In order to be able to use this service, you must enter the following information in the options and settings of *Taxprep*:

- Valid preparer number and NetFile access code




- **TaxprepConnect** identification code of your firm. This code is utilized to identify your firm for purposes of using the download service from *Revenu Québec*. You will be able to perform five downloads without an identification code to allow you to try **TaxprepConnect**. The CCH account administrator of your firm can then request an identification code in *Personal Taxprep* 2012 v.3.0, by following the instructions that display on screen. This way, the code is instantly sent to the administrator via an automated e-mail, which significantly simplifies this step.



# EFILE

## EFILE Step-By-Step

*(Published in March 2013)*

**QUESTION**

What are the steps to follow to EFILE client returns?

**ANSWER**

### Step 1 - Register for EFILE

In order to EFILE, you need to be registered with the Canada Revenue Agency (CRA) and *Revenu Québec* (RQ) as an electronic filer. If you already transmit T2 returns using an EFILE number, you can use the same number to transmit T1 returns.

**Note:** The EFILE number is not the same number as your RepID number under the *Represent a Client* service.

You can register on the CRA Web site at:

https://apps.cra-arc.gc.ca/ebci/efes/emod/sec/EmodRegisterEfileRender-e

Once you have registered, the CRA will issue you an EFILE number and password.

If you are going to be transmitting TP1 returns, you will also need to register for NetFile with RQ. You can find more details on how to register for Québec NetFile at:

http://www.revenuquebec.ca/en/sepf/services/p_impotnet/preparateurs-particuliers/inscription/default.aspx

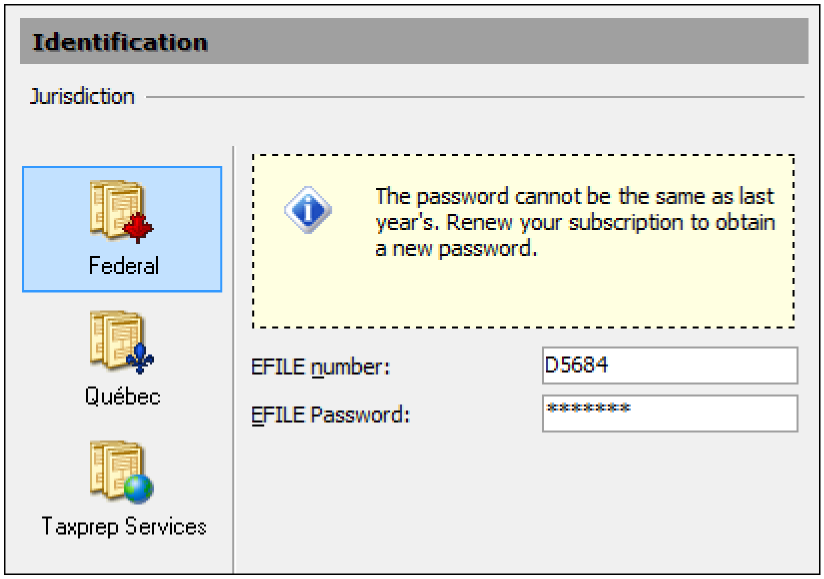
### Step 2 – Choose Your Transmission Method

You will need to decide if you want to transmit directly to the CRA or whether you want to use the Taxprep Transmission Service.
To transmit directly to the CRA, you will need to have the **EFILE** module activated.
If you have not already ordered the module, contact Customer Service to obtain the activation key required to unlock this module.
If you have decided to transmit via the Taxprep Transmission Service, contact Customer Service to ensure that you are registered for this service.

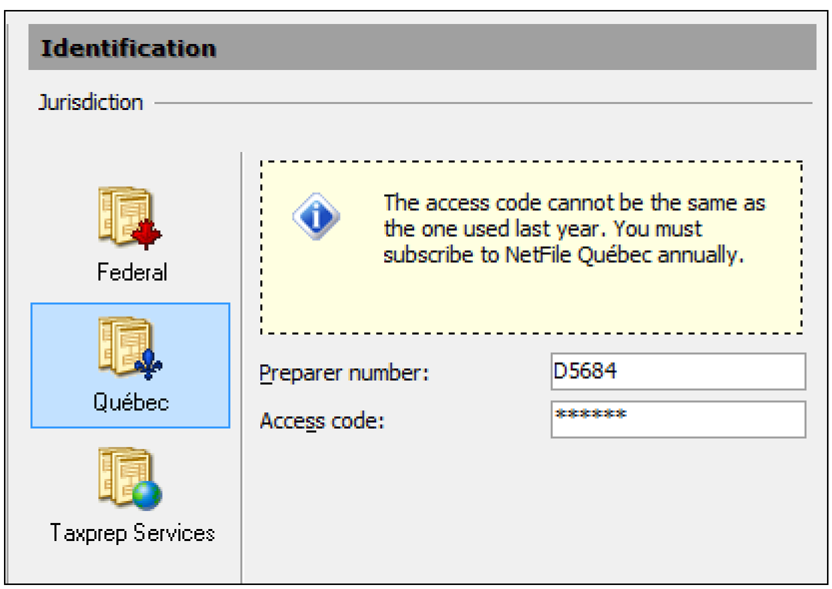
## Step 3- Setup

### Options and Settings

1. On the **Tools** menu, click **Options and Settings**.
2. Under **Electronic Services/Identification**, click **Federal** and enter the EFILE number and password that the CRA has provided.

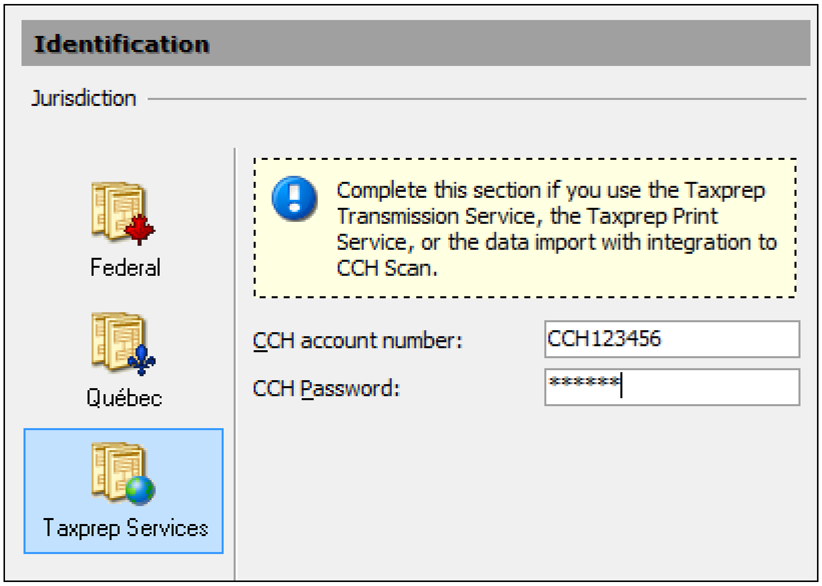



If you are also transmitting TP1 returns using NetFile Québec, click **Québec** and enter your NetFile number and password.

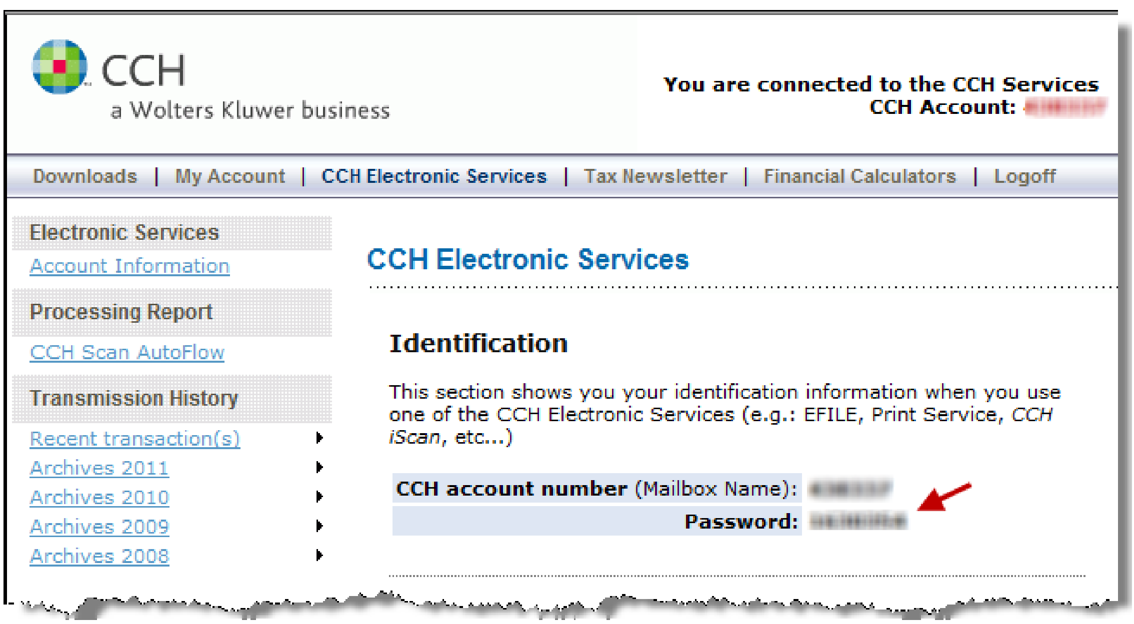



**Note:** This information should be entered for all users regardless of which transmission method you are using.

3. If you will be transmitting via the *Taxprep* Transmission Service, enter your *Taxprep* account number and the password that has been provided to access your electronic services.




This password can be found in the “My Taxprep” section of the *Taxprep* Web site under **CCH Electronic Services/Account Information**. The *Taxprep* Transmission Service account number and password only need to be entered on the workstations that will be used for transmission.



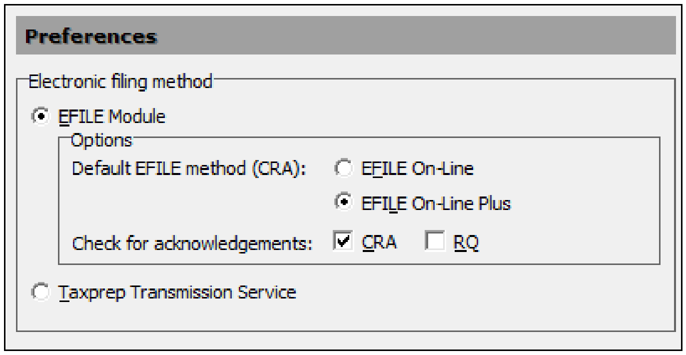

**Note:** This password is assigned by CCH and is not the same password that you use to access your download profile.

4. In the **Preferences** panel, indicate whether you will transmit using the **EFILE** Module or the *Taxprep* Transmission Service.

   If you will transmit using the **EFILE** Module, you can also select the default EFILE method (see the “Transmission Methods” section on page 14 for more information on these methods).

   However, note that this method can be changed at the time of transmission.

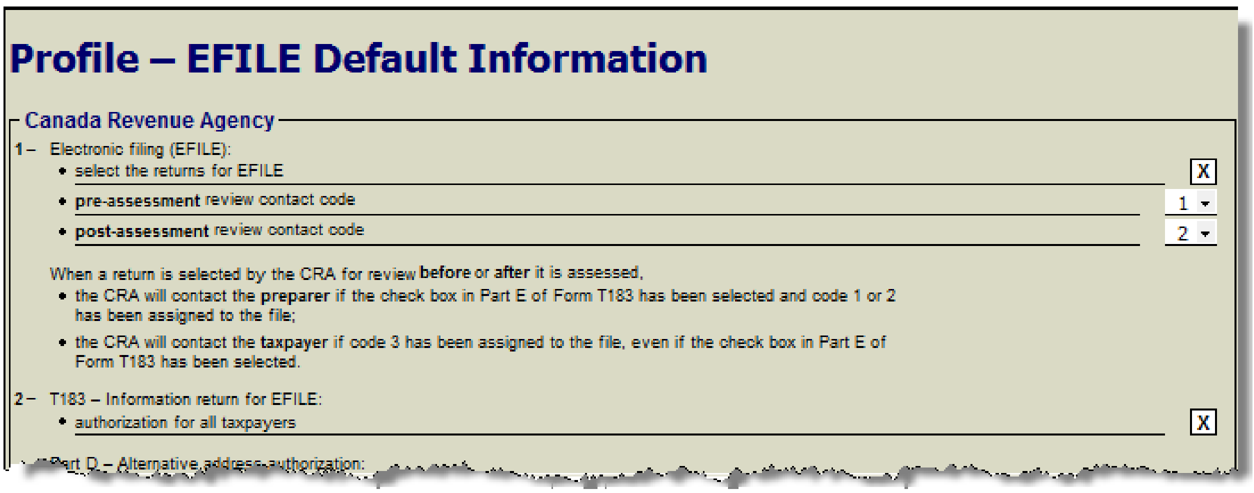
By default, *Taxprep* will check for acknowledgements when you transmit. If you are not transmitting any TP1 returns, you should clear the **RQ** check box to prevent the program from trying to connect with RQ.




**Note:** If you are electronically filing in a network environment, refer to the Help for additional instructions on how multiple users can access the transmission information.

### Preparer Profile

In your Preparer Profile, complete the information requested in the **EFILE** tab.




## Step 4 - Prepare the Return

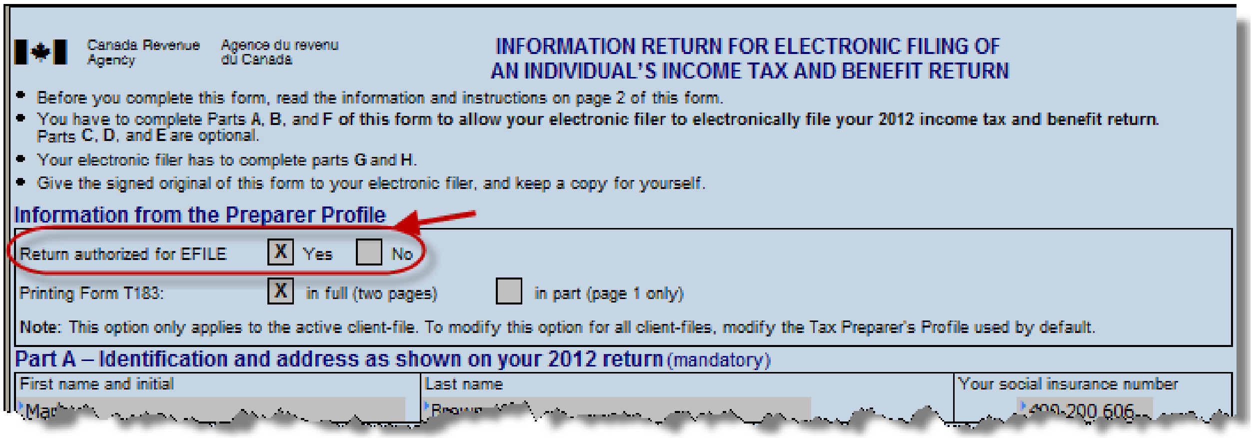
Prepare your returns in the usual manner. You must also ensure that the data has been entered correctly and that the diagnostics have been verified.

## Step 5 - Client Authorization

You must have a copy of Form T183 signed by the taxpayer in order to transmit the return.

If you are transmitting a TP1 return, then you must also have the client sign Form TP-1000.TE-V.

If you have not selected the authorization for all taxpayers check box in the Preparer Profile you can override and select the “Yes” box on the *Return authorized for EFILE* line at the top of the T183 and TP-1000.TE-V forms to indicate that the electronic transmission of the return in question has been authorized.


Canada Revenue Agency Agence du revenu du Canada

INFORMATION RETURN FOR ELECTRONIC FILING OF AN INDIVIDUAL'S INCOME TAX AND BENEFIT RETURN

- Before you complete this form, read the information and instructions on page 2 of this form.
- You have to complete Parts A, B, and F of this form to allow your electronic filer to electronically file your 2012 income tax and benefit return. Parts C, D, and E are optional.
- Your electronic filer has to complete parts G and H.
- Give the signed original of this form to your electronic filer, and keep a copy for yourself.

Information from the Preparer Profile

Return authorized for EFILE [X] Yes [ ] No

Printing Form T183: [X] in full (two pages) [ ] in part (page 1 only)

Note: This option only applies to the active client-file. To modify this option for all client-files, modify the Tax Preparer's Profile used by default.

Part A – Identification and address as shown on your 2012 return (mandatory)

| First name and initial | Last name | Your social insurance number |
|---|---|---|

**Note:** You are not required to submit Form T183 to the CRA or Form TP-1000.TE-V to RQ unless requested to do so. However, you should retain the signed form in your files for a period of at least six years following the date that the return was filed.

## Step 6 - Check EFILE Eligibility

Once a return has been selected for EFILE (the default) and you indicated that this electronic transmission has been authorized, the program will determine if the return is eligible for EFILE.

The program designates a return's EFILE status as "Eligible" when the return:

- has been selected for EFILE;
- meets the eligibility requirements; and
- has been authorized for EFILE.

To verify if a return meets EFILE eligibility requirements, display the diagnostics pane, then click the **EFILE** tab to verify the EFILE diagnostics.

**Note:** The EFILE diagnostics are only generated after the return has been selected for EFILE.

Not all returns are eligible for T1 EFILE or TP1 NetFile. For complete information on T1 EFILE exclusions, refer to Appendix A in the RC4018 *Electronic Manual Filers* at http://www.cra-arc.gc.ca/E/pub/tg/rc4018/README.html and for restrictions on TP1 NetFile refer to the RQ Web site at: http://www.revenuquebec.ca/en/sepf/services/p_impotnet/particuliers/restrictions_particuliers/default.aspx. Any return that is not eligible for electronic filing must be paper filed, but will not be included in determining whether or not a tax preparer has paper filed more than 10 returns and therefore may be subject to penalties.

Some of the more common types of returns that are excluded from T1 EFILE are the following:

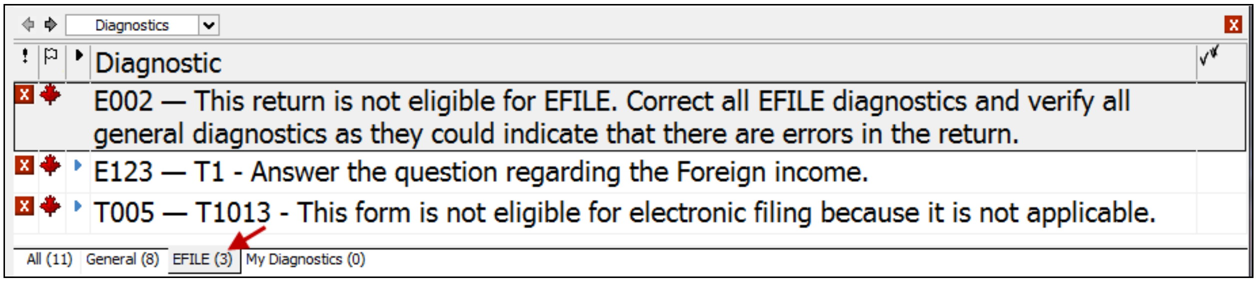
- Returns for immigrants, emigrants, non-residents and deemed residents
- Returns for reporting income from more than one province
- Elective returns for deceased taxpayers
- Returns that include a new claim for the disability amount

These returns are also excluded for TP1 NetFile. In addition, you cannot electronically file a TP1 return for a taxpayer that is located outside Québec.

It is possible that the federal return of a taxpayer may be eligible for T1 EFILE and the Québec return for this same taxpayer may not be eligible for TP1 NetFile and vice versa. In all cases, *Taxprep* will identify whether or not a return is eligible to be electronically transmitted.

### Errors Detected

The EFILE diagnostics will indicate if there are any errors detected that could cause the return to be rejected. These errors must be corrected in order for the return to be eligible for EFILE.




## Step 7 - Transmit the Return

A return can be electronically transmitted from either the **Tax Return** view or the **Client Manager** view. In the **Tax Return** view, you can only transmit the returns in the active data file. In the **Client Manager** view, you can select one or more returns for electronic transmission.

### Transmission Methods

If you are transmitting directly to the CRA, there are two different methods available for transmitting T1 returns:

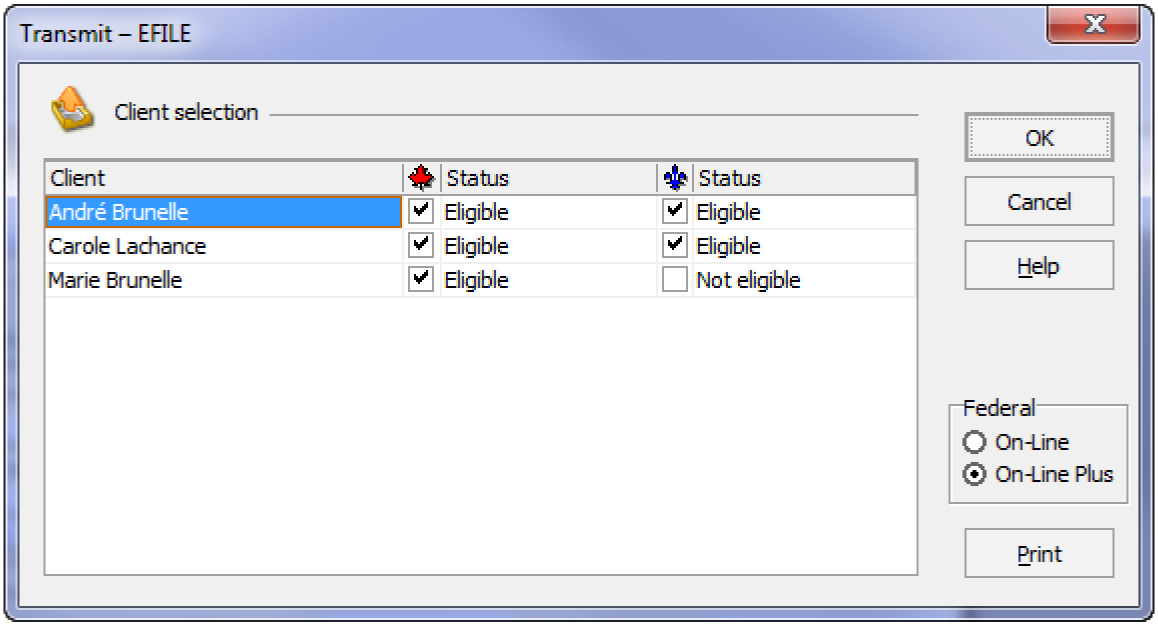
- **EFILE On-line** allows you to transmit returns one by one and provides an immediate confirmation number or error message upon transmitting the return. This method can also be used for transmitting multiple tax returns from both the **Tax Return** view and the **Client Manager** view. The files will be transmitted one after the other.
- **EFILE On-line Plus** allows you to transmit multiple returns at the same time to speed up the transmission process. However, the confirmation information is not available immediately. It is returned by the CRA via an acknowledgement file a few hours after transmission.

**Note:** If you are transmitting using the Taxprep Transmission Service, the program will automatically transmit T1 returns using EFILE On-line Plus.

When transmitting returns to RQ, the transmission is similar to the CRA's EFILE On-line Plus. Multiple returns are transmitted at the same time and acknowledgements are received a few hours after transmission.

### *Transmitting Returns in the Active Data File*

1. On the **Transmission** menu, click **EFILE**, and then click **Transmit and Receive**.
2. If there are returns for multiple family members, you can decide not to transmit specific returns by removing the check mark beside the return. However, no check mark will appear beside a return that does not have an EFILE status of “Eligible” and you will be unable to select it for transmission.




3. Click **OK** to transmit the return(s).

### *Transmitting Multiple Returns*

1. Select the **Client Manager** view from the view menu.
2. Click **Current View**, and then click **EFILE Eligible**.
3. Select the return(s) that you want to transmit.
4. On the **Transmission** menu, click **EFILE**, and then click **Transmit and Receive**.
5. In the **Transmit** dialog box, verify the returns that you want to transmit. You can remove any returns from the list by removing the check mark beside the return. If you have selected a return that is not EFILE Eligible, no check mark will appear beside that return and you will be unable to transmit it.
6. Click **OK** to transmit the return.

## Step 8 - Receiving Responses

When you transmit your returns using **Transmit and Receive**, the program automatically checks if there are any acknowledgement files available for download.

To check for acknowledgement files without transmitting, click **EFILE** on the **Transmission** menu, and then click **Receive**.

The program will automatically connect to the CRA and RQ servers. Any available acknowledgement files will be downloaded.

**Note**: Acknowledgement files only apply when you use EFILE On-Line Plus to transmit your T1 returns. If you use EFILE On-Line to transmit T1 returns, the CRA provides an immediate response to your transmission, so there are no files to be received later.

## Step 9 - Re-transmitting Rejected Returns

When transmitting a return using EFILE On-Line, an error message will appear during transmission if there is an error. For EFILE On-Line Plus, the acknowledgment records the error code(s) with an explanation of the error.

Regardless of which transmission method you have used, any error message received can be viewed on the worksheet *EFILE Information* (Jump Code: **EFILE INFO**).

*Taxprep* will indicate that the return has been rejected when this error message is received and the EFILE status of the return will be changed from “Transmitted” to “Rejected.”

To avoid another rejection, ensure that you have corrected all the errors indicated by the tax authorities prior to re-transmission. *Taxprep* will automatically change the EFILE status back to “Eligible” when the return is recalculated. The return will be recalculated automatically when any data is modified. Alternatively you can select **Recalculate** on the **Tools** menu to recalculate the return.

## Step 10 – Printing Forms to Submit or Retain

Paper copies of certain forms may have to be submitted to the CRA and RQ. These include information returns, such as Form T1135, which are not part of the T1 return, as well as certain election forms, like Form T1139 when electing to change a fiscal period, or Form T2091 when electing on a principal residence. Consent Forms RC59 (authorization to represent a business) and MR-69 (authorization for Québec) must also be submitted separately. The T1013 authorization form can either be paper-filed or electronically filed. However, electronically filing a T1013 form is a separate transmission: the data is not transmitted as part of T1 EFILE.

In addition, the client may need to sign and retain certain forms, like Form T1A for a Loss Carryback or Form T1032 for Pension Income Splitting.

Diagnostics will alert you if there are any forms that must be paper-filed (e.g. T1135). In addition, the *Client Letter Worksheet* (Jump Code: **LW**) as well as the various client letters will indicate any forms that must be submitted as well as forms that should be signed and retained.

## Step 11 – Payments

When a return is electronically transmitted, taxpayers can pay a balance due:

- Electronically (including using the CRA My Payment service)
- At a financial institution
- By mail

Payments at a financial institution or by mail must be accompanied by a T7DR(A) form.

Bulk orders of blank T7DR(A) forms can be made with the CRA Forms and Publications Call Centre at 1-800-959-8281.

In *Personal Taxprep*, you can print the relevant client information onto a blank T7DR(A) form. Access Form T7DRA, insert the blank form in your printer and use the **File/Print Form** command. You can also batch print T7DR(A) forms from the Client Manager by creating a print format with only Form T7DR(A) set to print.