

# Personal Taxprep®

## Release Notes

Personal Taxprep 2015 .v.4.3

T1/TP1

### Contents

Modifications Made to Version 4.3.....	1
Modifications related to EFILE .....	1
Modifications Made to Version 4.2.....	2
Tax Modifications.....	2
Modifications related to EFILE .....	2
Modifications Made to Version 4.0.....	2
Tax Modifications.....	2
Modifications related to TaxprepConnect.....	3
Modification related to CCH Scan .....	3
About .....	4
Rolling Forward Preparer Profiles .....	4
TaxprepConnect for the 2015 tax season .....	4
Improve Your Productivity .....	4
Modifications Made to Version 3.0.....	5
Modifications Made to Forms .....	5
Electronic Filing .....	5
What's New for EFILE in 2015 .....	5
Information about EFILE.....	6
Roll Forward.....	7
Modifications Made to Version 2.0.....	7
What's New?.....	7
Forms, Schedules, and Workcharts Added to the Program .....	7
Modifications Made to Forms .....	8
Modifications Made to Version 1.0.....	9
What's New?.....	9
Forms, Schedules, and Workcharts Added to the Program.....	11
Modifications Made to Forms .....	12
Forms Removed .....	19
Technical Information .....	19
Technical Changes.....	19
Where to Find Help .....	21
Taxprep e-Bulletin .....	21
How to Reach Us.....	21

### Modifications Made to Version 4.3

#### Modifications related to EFILE

#### Transmitting a pre-authorized debit (PAD) agreement

Commencing this summer, the CRA allows preparers to electronically transmit PAD agreements. The PAD agreement is an electronic payment self-service option that authorizes the CRA to debit a predetermined amount directly in a taxpayer's bank account, at a specified date, to pay the income tax of this taxpayer. To transmit a PAD agreement, complete Part F, "Pre-authorized debit agreement," of Form T183.

The PAD agreement is transmitted separately from the T1 return. However, in *Personal Taxprep*, the electronic transmission feature of the PAD agreement has been implemented so you can transmit the T1 return (as well as the TP1 return, if applicable) and the PAD agreement at the same time.

Note that you can also transmit the returns without PAD agreements, and vice versa.

To transmit the PAD agreement once it is ready, use the command to transmit the federal returns, i.e. the **Transmit** command available from the **Transmission/EFILE** menu. Because you can transmit the PAD agreements, the returns and the T1135 forms at the same time, make sure that you select the returns, the forms and the PAD agreements that you want to transmit before going ahead with the transmission.

It is possible to prevent the electronic transmission of PAD agreements for all clients by clearing the check box **Select Part F for all T183 forms indicating a balance owing** in the EFILE tab of the applicable preparer profile.

For more information on the electronic transmission of a PAD agreement, consult the Help with respect to the T183 form.

## Modifications Made to Version 4.2

### Tax Modifications

The modifications made to version 4.2 only relate to tax rates. The 2016 federal and provincial government tax rates have been included to help you forecast your clients' tax situation for the next taxation year (with the Planner mode).

#### Federal

##### **Planner Mode – Treatment of donations at the federal level (Jump Code: DONATIONS)**

In its 2016-2017 Budget, the federal government proposed to modify the donations tax credit to allow high-income donees to claim a 33% tax credit on the portion of the donations from their income subject to the new 33% marginal tax rate. Therefore, if the taxpayer's taxable income is greater than \$200,000, the portion of the donations over \$200 will give rise to a 33% tax credit. This modification applies to donations made as of January 1, 2016, and has been integrated in version 2015 4.2, in Planner Mode.

#### Ontario

##### **ON428 – Ontario Tax (Jump Code: ON 428)**

###### Tax on split income

For taxation years ending after 2015, the tax on split income is calculated by multiplying the split income by 20.53% instead of 13.16%, which was the rate used in 2015.

In addition, the tax on split income is no longer included in the gross tax amount that is used for calculating the Ontario surtax.

Form ON 428 reflects these modifications when the Planner mode is used.

###### Alternative minimum tax

For taxation years ending after 2015, the dividend tax credit no longer reduces the Ontario additional tax for minimum tax purposes.

In addition, the surtax on the Ontario additional tax for minimum tax purposes must now be calculated separately from the Ontario surtax.

To reflect these modifications, the Ontario additional tax for minimum tax purposes will not be calculated on line 52 of Form ON 428 if you are using the Planner mode; this additional tax will instead be calculated on the new line B, and the surtax on this tax will be shown below, on line C.

## Modifications related to EFILE

The question *Is the taxpayer making a request under the CRA Voluntary Disclosures Program for this tax return (Form RC199)?* has been added to Form *Electronic Filing Worksheet*, (Jump Code: EFILE), to allow you to indicate if the taxpayer is making a voluntary disclosure with the CRA. If the answer to this question is "Yes," the program will select the box **At least one of the CRA's exclusion criteria is applicable to this return of Form *Electronic Filing Worksheet*** (Jump Code: EFILE), as it is not mandatory to file the return electronically in this situation. For more information, consult the Help.

## Modifications Made to Version 4.0

### Tax Modifications

#### Federal

##### **CCB – Canada Child Benefit Worksheet (Jump Code: CCB)**

This form replaces Form CCTB, *Canadian Child Tax Benefit* and is used to calculate the Canada Child Benefit (CCB).

This new benefit is a non-taxable amount that replaces the Canada Child Tax Benefit (CCTB), and the Universal Child Care Benefit (UCCB). The CCB will be paid starting in July 2016. The base amount for this benefit will be \$6,400 per year for each child under the age of six and \$5,400 per year for each child between the age of 6 and 17. In addition, the amount of the benefit will be phased out based on net family income. Like the CCTB, the new benefit will be paid monthly, i.e. from July to June. The payments will be calculated in July of each year, based on the prior-year family income. For CCB calculation details, consult the Help.

To easily identify the client files prepared with a prior version of the program that could be affected by this change, you can download a client filter template by accessing the following FAQ: "[New Canada Child Benefit.](#)"

##### **UCCB – Universal Child Care Benefit (Jump Code: UCCB)**

As mentioned in the note relating to the *Canada Child Benefit Worksheet*, a new benefit, the Canada Child Benefit (CCB) has been implemented in this version of *Personal Taxprep*. This new benefit will replace the Universal Child Care Benefit (UCCB) starting in July 2016.

To reflect this change, the calculation of the UCCB form has been modified so that the UCCB is calculated only for the months of January to June 2016.

### Planner table of rates – New federal tax bracket for 2016

The change in the rate of the second tax bracket as well as the new federal tax bracket have been integrated to the Planner table of rates in version 3.0 of the program. The addition of the new bracket is not visible in Schedule 1 in Planner mode, but the calculation of the federal income tax on taxable income takes the bracket into account.



### 2016-2017 Québec Budget – Additional contribution for the second child receiving subsidized childcare

As a result of the tabling of the Québec Budget, changes have been made in certain forms with respect to this additional contribution. For more details on these changes, consult the [Frequently Asked Questions](#).

### Planner table of rates – 2016-2017 Québec Budget – Update of certain rates for 2016

As a result of the tabling of the Québec Budget, the rates relating to the reduction in the health contribution and the enhancement of the work premium have been updated.

### QSolidarity – Calculation of the Solidarity Tax Credit (Jump Code: QSOLIDARITY)

Note that in accordance with a legislative change, the net family income calculation for purposes of determining the solidarity tax credit has been modified in relation to last year in *Personal Taxprep 2015*: for individuals who became bankrupt during a particular year, the reference year income now corresponds to the income determined for the taxation year deemed to start on the date of bankruptcy, i.e. the income for the post-bankruptcy period only. Previously, the taxpayer's income was taken into account for the entire calendar year, i.e. the pre and post-bankruptcy periods. This change has been integrated in version 1.0 of *Personal Taxprep 2015*.

## Modifications related to TaxprepConnect

### Print formats

The forms listed below have been added in all print formats. By default, the value "Never" will be defined for the **Print when?** setting with regards to these forms.

- CONNECT T3, *Details of the Downloaded Slip*

- CONNECT T5, *Details of the Downloaded Slip*
- CONNECT T5008, *Details of the Downloaded Slip*
- CONNECT RL3, *Details of the Downloaded Slip*
- CONNECT RL16, *Details of the Downloaded Slip*

### Data transfer

A warning message has been added for situations where a data transfer is requested for slips or RL slips for which no destination form is selected. This message corrects a problem that would result in an unexpected shutdown of the program.

### Section "Capital gains deduction" of Form TaxprepConnect Download (Jump Code: CONNECT)

As a result of the transfer of data in this section to the T657 form, the amount in the **Eligible taxable capital gains** column will now be equal to the total of the amounts in the **Farm property** and **Small business shares** columns for 1995 and following years.



### RL-2 slip – Pension and annuity income (T4A(P))

A modification has been made with regards to the transfer of the number of months in box C-6 of an RL-2 slip associated with a T4A(P) slip from the CRA: the number of months is now correctly managed in the T4A(P) slip data entry screen when it relates to a disability annuity.

### Possible duplication of the downloaded RL slips in Form TaxprepConnect Download (Jump Code: CONNECT)

The RL slips that have been manually associated with slips from the CRA are no longer duplicated in Form *TaxprepConnect Download* when the number of downloaded RL slips of the same type is greater than nine.

For more information, consult the troubleshooting memo [T12015-002](#).

## Modification related to CCH Scan

### RL-24 and 30 slips – Childcare Expenses (Jump Code: CARE)

A change has been made to enhance the association between the child covered by an RL-24 slip and those covered by an RL-30 slip when importing data from these two slips.

## About

*Personal Taxprep* 2015 v.4.0 contains the forms released by the Canada Revenue Agency (CRA) and *Revenu Québec* (RQ) for the 2015 taxation year.

This version of *Personal Taxprep* was updated in order to integrate the most recent tax measures pursuant to the 2015 taxation year.

This version is approved for:

- Paper filing;
- EFILE;
- Electronic filing of Form T1013;
- Electronic filing of Form T1135;
- Using the *Auto-fill T1 return* (AFR) service (TaxprepConnect functionality);
- Printing the 2D bar code (printed on the federal and Québec returns as well as on Form T1013);
- Electronic filing via NetFile Québec.

## Rolling Forward Preparer Profiles

Once your preparer profiles from last year are rolled forward to the current year, it is important to verify that the options defined with respect to the returns of your clients and to the electronic filing of data (EFILE) still correspond to your situation for the current season. For more information on the new options offered in the preparer profiles of the current version, please refer to the "[Modifications Made to Forms](#)" section.

## TaxprepConnect for the 2015 tax season



## Federal

### What's new with TaxprepConnect?

Beginning with the 2015 tax-filing period, the *Tax Data Delivery* (TDD) service, used by TaxprepConnect, will be renamed *Auto-fill T1 return*. In addition, the list of information relating to income tax will be enhanced to include:

- data on the T3, T5, T4RSP, T4RIF, T5007, T5008 slips, data on RRSP receipts and information relating to instalments;
- the inclusion rate for the year 2000 with respect to capital gains;
- information on the *Client Data Enquiry* (CDE) service.



### Revenu Québec download service – Obtain a download code

To use the *Revenu Québec* (RQ) download service, you must provide the download code of the taxpayers whose data you want to download.

This year, the download code can be obtained by the preparer or the individual, using a Web service or by phone. To obtain this code, you must have the following information on hand: the social insurance number, the date of birth and the 2013 or 2014 notice of assessment number.

An individual can also obtain this code through the RQ *My Account* service. For more information, or to access the Web service, visit the RQ Web site at the following address:

[http://www.revenuquebec.ca/en/sep/services/scr\\_co nsulter\\_reenseignements\\_code\\_telechargement\\_prep/de fault.aspx](http://www.revenuquebec.ca/en/sep/services/scr_co nsulter_reenseignements_code_telechargement_prep/de fault.aspx)

Note that Form TPZ-601 has been discontinued and, therefore, you are no longer required to have your clients sign this form in order to use the RQ download service.

## Improve Your Productivity

### LLP – Lifelong Learning Plan (LLP) (Jump Code: LLP)

An option has been added to Form LLP as well as in the preparer profiles so you can ensure that the RRSP/PRPP/SPP contributions are automatically designated as repayment under the Lifelong Learning Plan (LLP). Note that this option is not selected by default in the preparer profiles.

### HBP – Home Buyers' Plan Withdrawal (Jump Code: HBP)

An option has been added to Form HBP as well as in the preparer profiles so you can ensure that the RRSP/PRPP/SPP contributions are automatically designated as repayment under the Home Buyers' Plan (HBP). Note that this option is not selected by default in the preparer profiles.

### MED - Medical Expenses Worksheet (Jump Code: MED)

A new section, entitled "Sections display," has been added to this form. Using this section, you can display all sections of the form or display only the desired sections. However, note that a message of type "Data rejected" will prevent you from hiding the sections containing data.

To display all sections for all your clients, you can select the appropriate box in Section C, "Options - Other forms," of the preparer's profile used.

### Modifications Made to Version 3.0

### Modifications Made to Forms

#### Federal

##### **T5013 – Statement of Partnership Income (Jump Code: T5013)**

The partner code 5, *Partner of an LLP (full shield)*, has been added to the codes that can be selected in box 002, in accordance with guide T4068.

As per the instructions relating to the T5013 slip, when the partner code indicated in box 002 is "5," the amount in box 101, 103 or 104 is considered as active self-employment income and must be reported on line 135, 137, 139, 141 or 143 of the T1 return. As a result, when the partner code is "5," the program processes the amounts in boxes 101, 103 and 104 as if they were entered respectively in boxes 124, 126 and 120 of the slip.

##### **T2203 – Provincial and Territorial Taxes – Multiple Jurisdictions (Jump Code: 2203)**

A line for Québec residents has been added so you can enter income earned outside Canada. This new line, entitled *B. Outside Canada (for a Québec resident)* has been added to prevent you from having to combine income earned in Québec and income earned outside Canada in a single field. As a result, the calculations in the equivalent provincial forms will be done correctly.

##### **T691 – Alternative Minimum Tax (Jump Code: 691)**

A modification has been made to the calculation on line 6789 in order for the capital gains on gifts of listed personal property or gifts of capital property made to a recognized donee not to be subject to the 80% inclusion rate of capital gains applicable to the alternative minimum tax.

#### **Client Letter**

The paragraph that related to the Canada Child Tax Benefit (CCTB) and the Universal Child Care Benefit (UCCB) no longer display in the client letter, because these benefits will be replaced by the new **Canada Child Benefit** (see the "Modifications made to version 2" section for more information about this benefit). A paragraph has been added in the client letter to advise the taxpayer that this new benefit will be introduced in the March 2016 Federal Budget.

#### Québec

##### **Schedule I – Additional Contribution for Subsidized Educational Childcare (Jump Code: QI)**

In the case of an individual who filed for bankruptcy in the year, *Personal Taxprep* calculates the additional contribution for subsidized educational childcare in the pre-bankruptcy return and in the post-bankruptcy return, based on the number of days of childcare entered for each child in the CARE form. However, we are presently waiting for a decision from the Québec government with regards to the calculation of this contribution in the year of bankruptcy. Should the program's calculation be incorrect, we will inform you.

#### New Brunswick

##### **GSTC – Goods and Services Tax Credit (Jump Code: GSTC)**

In its 2016-2017 Budget, the province of New Brunswick has announced that the provincial component of the Harmonized Sales Tax (HST) would be increased by two percentage points, raising the combined federal-provincial rate from 13% to 15%, effective July 1, 2016.

A refundable HST credit has been introduced to lessen the impact of the rate increase and the calculation of this new credit has been added to this version of the program. The amount of the credit will be \$300 for an individual, \$300 for a spouse or an eligible dependant, and \$100 per child under the age of 19. However, single parent families will receive a \$300 credit for their first child. The credit will be reduced where family income exceeds \$35,000, at a rate of two cents for every dollar of income above that threshold. The credit will be paid along with the federal GST/HST credit on a quarterly basis.

### Electronic Filing

### What's New for EFILE in 2015

#### Federal

You can now EFILE a return in which the disability amount is claimed even if Form T2201, *Disability Tax Credit Certificate* has not yet been received by the CRA or a new copy of Form T2201 is required.

Moreover, social insurance numbers beginning with zero are now eligible for EFILE when the taxpayer is a newcomer to Canada.

If you are planning on EFILING prior-year T1 returns for a particular taxpayer, make sure that you answer the question in the new subsection "EFILE - Filing returns for several taxation years" of section "Other information" of the ID form. Note that prior year T1 returns (2012, 2013 and 2014) should still be transmitted before the 2015 T1 returns.

Many tax centres receive duplicate T1 returns and T1135 forms that have been printed and mailed to the CRA after having been successfully EFILED. To avoid this situation, the CRA now requests that EFILE software programs display a message on the T1 *General - Condensed* return and the T1135 form indicating that those forms are duplicates when they are printed after having been successfully EFILED.



## Québec

Forms TP-22 and TP-25 (multiple jurisdiction returns) can now be transmitted to *Revenu Québec* (RQ) electronically. The exclusion that affected these forms has been removed by RQ this year, but will remain in effect at the federal level.

## Information about EFILE



## Federal

### Important dates

- **February 15, 2016** - The EFILE transmission system opened.
- **January 20, 2017** - The CRA will stop accepting electronically filed T1 returns.

### Registration and Renewal On-line

To renew your EFILE privileges for this year's tax season, you must follow the instructions on the "Renewal" page on the CRA Web site at <http://www.efile.cra.gc.ca/l-rnwl-eng.html>.

If you are a new electronic filer, you must register online by completing the EFILE Registration On-Line form on the CRA Web site at <http://www.efile.cra.gc.ca/l-rgstr-eng.html>.

You will find more information concerning renewals and new applications at <http://www.efile.cra.gc.ca/>.

### Transmission of returns of prior years

The EFILE service now allows you to electronically transmit personal tax returns of prior years, up to a maximum of three preceding years using your current year transmission credentials. However, prior year T1 returns (2012, 2013 and 2014) should be transmitted before the 2015 T1 returns. To benefit from this service, which will be available starting on

February 15, 2016, make sure that you use *Personal Taxprep* 2012, 2013 or 2014, and enter your EFILE number and password for the current taxation year in the **Identification** pane of the "Electronic Services" section of the **Options and Settings** dialog box. For 2012, select **EFILE On-Line** as a transmission method.

In addition, note that Part C, "Alternative address information," of Form T183 cannot be completed in a prior-year return.

### T1013 – Authorizing or Cancelling a Representative (Jump Code: 1013)

This version of *Personal Taxprep* has been approved for electronic filing of the 2015 version of Form T1013. Note that you can also print the 2D bar code.

In order to be able to electronically file Form T1013, you must meet the following two criteria:

1. Have a valid EFILE number and password; and
2. Be a registered representative (online access).

A registered representative is a person who is registered with the CRA's *Represent a Client* service. To register with the service, go to <http://www.cra.gc.ca/representatives>.

### T1135 – Foreign Income Verification Statement (Jump Code: 1135)

This version of *Personal Taxprep* has been approved for electronic filing of the 2015 version of Form T1135.

Note that T1135 forms with a taxation year ending before 2015 cannot be EFILED with *Personal Taxprep* 2015. However, you can use *Personal Taxprep* 2014 to EFILE a Form T1135 that covers a taxation year ending in 2014.

### System for Electronic Notification of Debt (SEND)

The SEND service has been permanently interrupted on February 12, 2016, and replaced by the *Auto-fill T1 return* (AFR) service. The SEND service is no longer available in *Personal Taxprep*. For more information, see the following FAQ: [Modification to the Tax Data Delivery \(TDD\) service and end of the System for the Electronic Notification of Debt \(SEND\) Web service](#).



## Important dates

- **February 15, 2016** - The NetFile Québec system opened.
- **February 15, 2016** - The Refund Info-line system opened.
- **January 20, 2017** - The NetFile Québec system will shut down.
- **March 2, 2016** - The *Tax Data Download* (TDD) service opened.

## NetFile Québec

- **Tax preparers** are no longer required to register or renew their registration for NetFile Québec in order to request NetFile Québec transmission codes. From now on, they must instead register for *My Account for professional representatives* (available in French only), a secure space on RQ's Web site.
- Consult the page "[À qui s'adresse Mon dossier](#)" (available in French only) to see which profile applies to you and what actions you can perform online on behalf of a business or an individual.

## Roll Forward

### Rolling forward 2014 client files

Your 2014 client files must be rolled forward using the **Roll Forward** command on the **File** menu, or from the **Client Manager**, if you want to do a batch roll forward, before you can access them with this version.

### Planner Files

You can import data from Planner files created in the *Personal Taxprep* 2014 Planner Mode.

### Slips

The roll forward is performed only for copies of slips in which amounts were entered last year as well as for copies including balances to carry forward, or attached notes or schedules to roll forward.

### Attached notes

The attached notes are rolled forward, except if this option is cleared in the roll forward data options.

## Rolling Forward ProFile and DT Max client files (competitive products)

Make sure that the workstation's regional settings are set to "English (Canada or United-States)" before rolling forward.

## Modifications Made to Version 2.0

### What's New?

#### Internet connection required for the Professional Centre

To access the various documents available on the **Professional Centre**, you must now have an Internet connection. If you are not connected to the Internet and you try accessing the **Professional Centre**, the following message will display: "Please note that you must be connected to the Internet to access the Professional Centre."

## Forms, Schedules, and Workcharts Added to the Program



### Federal

#### T2036 SUM – Provincial or Territorial Foreign Tax Credit (Jump Code: 2036 SUM)

In accordance with a new CRA requirement, we have added Form T2036 SUM to *Personal Taxprep*. This form introduces a summary of the information entered in the different copies of Form T2036 (Jump Code: 2036). If you are paper filing a return using the "GOVT" print format, only the new summary will print; the different copies of Form T2036 will not print.



### Québec

#### TP-1029.8.36.VP – Tax Credit for Interest on a Loan Granted by a Seller-Lender and Guaranteed by La Financière agricole du Québec (Jump Code: Q1029.8.36.VP)

This form is to be used by an individual who wants to claim, on line 462 of the TP1 return, the tax credit for interest on a loan granted by a seller-lender and guaranteed by La Financière agricole du Québec.

This credit has been introduced in order to facilitate transfers of farming businesses. Any individual can claim this credit on interest he or she paid or on interest that a partnership of which he or she is a member paid on a loan under La Financière agricole du Québec's seller-lender formula. To be eligible for this credit, the individual or the partnership of which he or

she is a member must have operated a business in Québec during the year 2015. The tax credit amount that can be claimed corresponds to 40% of the interest that the individual paid on the loan granted and that is attributable to 2015, or 40% of the individual's share of such interest that the partnership of which he or she is a member paid.

## Modifications Made to Forms



### Federal

#### **Federal and Provincial Child Tax Benefits (Jump code: CCTB, UCCB and PROV BEN)**

In December 2015, the federal government announced that it would introduce, in its next budget, proposals with regards to the new **Canada Child Benefit**. Payments under this new benefit should begin in July 2016. This program will replace the Canada Child Tax Benefit (CCTB) as well as the Universal Child Care Benefit (UCCB).

As a result of this announcement, the calculations relating to the CCTB, the UCCB and the provincial benefits (that were done in Form PROV BEN) have been cancelled in this version of the program and the paragraphs that related to these benefits have been removed from the client letter. These calculations will be updated when the details of the new program are known.

#### **ID – Client Identification and Other Information (Jump Code: ID)**

The boxes **The taxpayer has no email address** and **The taxpayer is registered for the My Account online service** are optional and are not used for purposes of the return. However, you can use them in a customized filter to identify your clients who do not have an email address or those who are registered for the *My Account* online service.

The information relating to the taxpayer's email address and the information for the registration for the CRA online mail service are now grouped in the new "Email address" section.

#### **T3 – Statement of Trust income Allocations and Designations (Jump Code: T3)**

The check box **Consolidated T3** has been added in order to help you identify T3 slips received from an investment dealer on which are reported amounts for more than one mutual fund or income trust. The field "Description of securities included" has also been added to allow you to enter a brief description of the investments that are included on the applicable T3 slips. These new items may be used to help

reconcile the T3 slips that the taxpayer received from the investment dealer and the T3 data downloaded from the CRA via **TaxprepConnect** (which the CRA may provide on a fund-by-fund basis).

#### **T5008 – Statement of Securities Transactions (Jump Code: T5008)**

A check box has been added to this form to allow you to directly transfer transaction data to Section 3 of Schedule 3. This box is automatically selected when the chosen type of income is *Capital Gains (losses)* (line 127).

#### **T1135 – Foreign Income Verification Statement (Jump Code: 1135)**

The filing requirements for Form T1135 have been simplified for taxpayers who owned specified foreign property with a cost amount of more than \$100,000, but less than \$250,000 at any time during the year. If the taxpayer was in this situation, you can complete either Part A, "Simplified reporting method" or Part B, "Detailed reporting method." The detailed reporting method must be used if the taxpayer owned specified foreign property with a total cost of \$250,000 or more at any time during the year. When the simplified reporting method is used, no data is transferred from Schedule 3, Form ACB, Form T5008, Form T776 and the Foreign form.

#### **T1212 – Statement of Deferred Security Options Benefits (Jump Code: 1212)**

Check boxes relating only to Québec income tax have been added to allow you to choose the deduction rate that applies to the individual's situation, i.e. 25% (under section 725.3 TA) or 50% (under section 725.3.1 TA). These boxes are found in Form QC 1212, *Statement of Deferred Security Options Benefits* (Jump Code: Q1212).

#### **T1255 and T2091 – Designation of a Property as a Principal Residence by the Legal Representative of an Individual (Jump Codes: 1255 and 2091)**

For the 2015 taxation year, a paper copy of Form T1255 or T2091 must be submitted to *Revenu Québec* when one of these forms is used to designate a property as a principal residence as a result of a change-in-use election filed by the taxpayer with the CRA (under subsection 45(2) or 45(3) of the *Income Tax Act*). A check box related only to returns filed in Québec has been added to these forms so you can indicate if the applicable form has been completed to comply with this *Revenu Québec* requirement.

## T2038 – Investment Tax Credit (Individuals) (Jump Code: 2038)

Note that the amounts from box 186 and/or box 187 of the T5013 slip now correspond to the investment tax credit amount that can be claimed on Form T2038 (rather than the amount of eligible investments).

In addition, the ITC codes drop-down list used for box 189 of the T5013 slip has been modified based on new instructions for this slip provided by the CRA. Henceforward, if the code selected in box 189 is “4B,” the amount of the credit entered in box 186 or 187 must be carried over to line 6725 of Form T2038. For all other codes, the amount of the credit in box 186 or 187 must be divided by the ITC rate whose code has been selected in box 189, and the result must be entered on Form T2038.

Because the list of codes provided for box 189 of the T5013 slip has been modified, when opening a client file prepared with version 1.0 of *Personal Taxprep*, the ITC code will not be retained; you will have to enter it again.

### Planner rate table – Several 2016 rates updated

Most of the 2016 rates, available at the time this version was released, have been updated in the software (including the provincial tax brackets and non-refundable tax credits) in order to estimate the total tax liability for the 2016 taxation year. The new federal tax bracket will be added in version 2015 3.0.



## ID – Client Identification and Other Information (Jump Code: ID)

The question *Has the taxpayer’s mailing address changed from the previous taxation year?* has been added to the “Mailing address” section.

An answer to this question is required to transmit the TP1 return. This information will allow *Revenu Québec* to update the taxpayer’s address in their files, if applicable.

### Tax credit for union, professional or other dues – TP1 – Lines 397.1 and 397

For 2015, the rate of this tax credit is decreased to 10% from 20%, and the credit must now be claimed on lines 397 and 397.1 of the income tax return rather than on line 373.

## MR-69 – Power of Attorney, Authorization to Communicate Information, or Revocation (Jump Code: Q69)

The check box *You held a valid authorization or power of attorney in the previous year* has been

added to the “Rolled Forward Data” section (displayed only in a rolled forward client file). This box will be selected for the rolled forward client files with version 2.0 and subsequent versions, if in the previous year, you had answered “Yes” to the question *Do you have a valid authorization or power of attorney?*

Note that the program now automatically answers this question, by taking into account the status (selected or not) of the new check box.

## Modifications Made to Version 1.0

### What’s New?

#### Integration with CCH iFirm

Wolters Kluwer Canada is happy to announce that *Taxprep* now integrates with *CCH iFirm*. As a *Taxprep* client, you are entitled to have *CCH iFirm’s Contacts and Portal* modules FREE until December 1, 2016. This way, you will be able to create, in a few clicks, your list of contacts in *CCH iFirm* from your Client Manager in *Taxprep*. Then, you will be able to synchronize your taxpayers’ information in *Taxprep* with the contact information in *CCH iFirm*. This integration will significantly reduce the time required to prepare returns.

For more information on the modifications made as a result of this integration, consult the “[Technical Changes](#)” section.

#### What is CCH iFirm?

*CCH iFirm* is more than a simple application. It is a system that offers dynamic and integrated cloud solutions designed to simplify and automate firm management. Its integrated management modules – of contacts, jobs & billing, document, portal setup, capacity planning and Intranet – perfectly meet the management requirements of accounting firms. *CCH iFirm* helps you work efficiently, whether you are at the office, at home or visiting clients.

[Click here](#) for more information on *CCH iFirm*.

#### Principal changes made to the calculation of the capital gains deduction – Federal

##### History of the capital gains deduction limit:

For gains arising from dispositions made between 1985 and March 18, 2007, the lifetime deduction is \$250,000, which represents half of a lifetime exemption of \$500,000.

For gains arising from dispositions of qualified property made after March 18, 2007, but before 2014, the

lifetime deduction is \$375,000, which represents half of a lifetime exemption of \$750,000.

For gains arising from dispositions of qualified property made in 2014, the lifetime deduction is \$400,000, which represents half of a lifetime exemption of \$800,000.

For gains arising from dispositions of qualified property made in 2015, the lifetime deduction has been increased to \$406,800, which represents half of a lifetime exemption indexed at \$813,600 for 2015. This amount will be indexed each year until it reaches \$1,000,000.

In addition, for dispositions of qualified farm property or qualified fishing property made after April 20, 2015, the lifetime deduction has been increased to \$500,000, which represents half of a lifetime exemption of \$1,000,000. The dispositions of qualified small business corporation shares do not give rise to this additional deduction.

In order for the capital gains deduction to be calculated correctly, several modifications have been made to the program in Form T657 as well as in the following forms:

### **T3 - Statement of Trust Income (Jump Code: T3)**

A new box 30 has been added to differentiate the capital gain arising from the disposition of qualified farm property or fishing property realized before April 21, 2015, and the capital gain realized after April 20, 2015, as applicable.

### **T4PS - Statement of Employees Profit Sharing Plan (Jump Code: T4PS)**

A new box 34 has been added to allow you to differentiate the capital gain arising from the disposition of qualified farm property or qualified fishing property realized before April 21, 2015, and the capital gain realized after April 20, 2015, as applicable.

### **T5013 - Statement of Partnership Income (Jump Code: T5013)**

New boxes 154, 155 and 158 have been added to allow you to differentiate the capital gain realized before April 21, 2015, from the capital gain realized after April 20, 2015, as applicable. The new boxes relate to qualified farm property and qualified fishing property (boxes 154), the mortgage foreclosures of property relating to farm property or fishing property (boxes 155), and farming or fishing income arising from the disposition of eligible capital property (box 158).

In addition, boxes 222 to 225 have been added so you can indicate the reserve amount requested for the various periods during which dispositions have been made.

### **T2017 - Summary of Reserves on Dispositions of Capital Property (Jump Code: 2017)**

In Section A, "Dispositions of qualified farm property (QFP) and qualified fishing property (QXP) and Section B, "Dispositions of qualified small business corporation shares (QSBCS)" of Part 1, several lines have been added so you can indicate the provisions requested for the different periods during which dispositions of property have been made.

### **Schedule 3 - Summary of Dispositions - Capital Gains (or Losses) (Jump Code: 3)**

In Sections 2.a, "Qualified farm property and qualified fishing property," and 2.b, "Qualified farm property and qualified fishing property - Mortgage foreclosures and conditional sales repossessions," a new check box has been added so you can indicate if the disposition took place after April 20, 2015.

### **Principal changes made to the calculation of the capital gains deduction – Québec**

#### **Limit of the capital gains deduction**

For the years 1985 to 2014, the deduction limit is identical to the limit that was in effect federally, except with respect to the provisions relating to qualified farm property and fishing property. If such property has been disposed of after December 2, 2014, the limit can reach \$1,000,000.

For the 2015 taxation year, unlike the tax treatment applied federally, the capital gains deduction limit is \$1,000,000 for qualified farm property or fishing property disposed of after December 31, 2014.

#### **Québec RL slips**

The RL-15, RL-16 and RL-25 slips, which correspond to the previously listed federal slips, also take into account the different periods of dispositions of qualified property.

### **Schedule G - Capital Gains and Losses (Jump Code: QG)**

Lines have been added to Section C, "Qualified farm property, qualified fishing property or qualified small business corporation shares," to specify the provisions requested for new disposition periods. For qualified farm property and qualified fishing property, the program now determines the provisions for the following periods: after March 18, 2007, but before January 1, 2014, after December 31, 2013, but before December 3, 2014, and after December 2, 2014, but before January 1, 2015. In addition, for qualified small business corporation shares, the program now determines the provisions for the following periods: after March 18, 2007, but before January 1, 2014, and after December 31, 2013, but before January 1, 2015.

The values on these new lines will be calculated based on data entered in federal Form T2017, *Summary of Reserves on Dispositions of Capital Property* (Jump Code: 2017).

#### TP-726.7 - Capital Gains Deduction on Qualified Property (Jump Code: Q726.7)

This form reflects all of the changes that have been made to the calculation of the capital gains deduction: it takes into account the disposition periods of qualified property for which different limits apply for purposes of this deduction.

### Forms, Schedules, and Workcharts Added to the Program



#### Federal

#### T1 Line 459 – Children’s Fitness Tax Credit (Jump Code: J459)

This form has been added so you can enter the amount paid to register a child in a fitness program. This amount gives rise to the children’s fitness tax credit, a refundable tax credit calculated on line 459 of the federal return. This credit replaces the non-refundable tax credit that was previously calculated on line 365 of Schedule 1, i.e., the children’s fitness amount. The eligibility conditions for the children’s fitness tax credit are the same as those that allowed you to claim the children’s fitness amount.



#### Québec

#### Schedule I – Additional Subsidized Educational Childcare Contribution (Jump Code: QI)

In Québec, an adjustment of childcare fees based on family income is in effect since April 22, 2015. Therefore, an additional subsidized childcare contribution will have to be paid to *Revenu Québec* when filing the 2015 tax return. Schedule I, *Additional Subsidized Educational Childcare Contribution*, has been introduced for the calculation of this additional contribution.

#### RL- 30 slip – Subsidized Educational Childcare (Jump Code: QR30)

Subsidized childcare suppliers will provide an RL-30 slip, no later than February 29, 2016, to each parent who will have signed the subsidized childcare agreement. This slip will allow taxpayers to determine the amount of the additional contribution payable in their 2015 tax return. It will include the name of the child who attended childcare, the child’s date of birth (box A) as well as the number of days of care for the child (box B). Input of data from RL-30 slips will be

done in Form CARE, *Child Care Expenses* (Jump Code: CARE).

*Taxprep* will carry the values in boxes A and B of the RL-30 slip to Schedule I to calculate the amount of the additional contribution payable.

#### RL-31 slip – Information on the Occupancy of a Dwelling (Jump Code: QR31)

In order for a tenant or subtenant of an eligible dwelling to obtain the component of the solidarity tax credit relating to a dwelling, you must enter the unit number (box A) as well the total number of tenants or subtenants (box B) that appears on the RL-31 slip provided by the owner of the building in which the dwelling was located. This RL slip must be issued no later than February 29, 2016, to each person who, on December 31, 2015, was a tenant or subtenant of an eligible dwelling.

The values entered in boxes A and B of the RL-31 slip will then be carried over to Schedule D to determine the eligibility and the amount of the dwelling component of the solidarity tax credit to which the taxpayer may be entitled.

#### TP-1029.TM – Grant for Seniors to Offset a Municipal Tax Increase (Jump Code: Q1029.TM)

This form is for any individual who wants to claim, for the 2016 taxation year, the grant for seniors to offset a municipal tax increase on line 462 of the 2015 tax return.

This grant is intended to partly compensate for the municipal tax increase payable for the taxpayer’s residence as a result of a significant increase in the value of this residence.

The taxpayer can apply for this grant if, on December 31, 2015, he or she:

- resided in Québec;
- was 65 year of age or more;
- was the owner of his or her residence for at least 15 consecutive years; and
- had a family income for 2015 not exceeding \$50,000 (the family income corresponds to the total of the amount on line 275 of the taxpayer’s return and the amount on line 275 of the spouse’s return on December 31, 2015).

If, on December 31, 2015, the taxpayer was the co-owner of his or her residence, the grant amount can be split with the other co-owners, including the spouse, if the spouse was co-owner of the residence. In that case, each of the co-owners must complete a separate copy of Form TP-1029.TM.

 **Manitoba**
**MB6131 – Paid Work Experience Tax Credit (Jump Code: MB6131)**

A calculation worksheet has been added to allow the preparer to calculate the paid work experience tax credit.

 **New Brunswick**
**NB S12 – New Brunswick Seniors' Home Renovation Tax Credit (Jump Code: NB S12)**

In New Brunswick, the seniors' home renovation refundable tax credit has been introduced this year. This credit, whose maximum has been set at \$1,000, is calculated on New Brunswick Schedule 12 and its amount is transferred to line 479 of the T1 return.

**Modifications Made to Forms**
 **Federal**
**DD – Direct Deposit Request (Jump Code: DD)**

The check box **Use the spouse's banking information** has been added to allow you to transfer banking information from one spouse to the other. If you select this box, the information already entered for the spouse will be used on page 4 of the active return.

**INFO – Client Information (interview) (Jump Code: INFO)**

"Age" fields have been added to this form to display the age of the taxpayer, the spouse and the dependants.

**Line 232 – Other deductions (Jump Code: J232)**

The minimum amount that must be withdrawn each year from a registered retirement income fund (RRIF), a variable benefit money purchase registered pension plan (RPP), or a pooled registered pension plan (PRPP) has been reduced. If a withdrawal greater than the reduced 2015 minimum amount has been made, all or part of the excess may be eligible to be re-contributed to a RRIF, an RPP, or an account under a PRPP, or to buy a qualifying annuity and deduct the amount paid on line 232.

Therefore, the following line has been added:  
*RRIF/RPP/PRPP withdrawals greater than the reduced 2015 minimum amount: Excess amount re-contributed to a RRIF/RPP/PRPP before March 1, 2016.*

**T1 Line 256 – Additional Deductions (Jump Code: J256)**

The line *Tuition assistance for adult basic education that is more than the scholarship exemption (T4A, box 196)* has been added to automatically claim a deduction equal to the portion of the amount in box 196 of the T4A slip in excess of the exempt portion of the scholarships whose amount is indicated on line 130, *Other Income*, of the T1 return.

**T3, T4PS, T5 and T5008 Slips**

The description of the check boxes **Not eligible for the purposes of the foreign tax credit** has been modified and is now the following: **Eligible for the purposes of the foreign tax credit**. These boxes will now be selected by default. If certain amounts are not eligible for the purposes of the foreign tax credit, you have to clear the related boxes.

Note that in the Xpress tool, a check mark in the **2014** column indicates that the particular amount is not eligible for the purposes of the foreign tax credit. However, a check mark in the **2015** column indicates that the particular amount is eligible for the purposes of the foreign tax credit.

**Schedule 1 – Federal Tax (Jump Code: 1)**

For the 2015 taxation year, the labour-sponsored funds tax credit that can be claimed on line 414 of Schedule 1 has been decreased from 15% to 10%. The allowable credit cannot exceed 10% of the net cost, to a maximum of \$500 per year.

**Schedule 1-A – Family Tax Cut (Jump Code: 1A)**

The Family Tax Cut calculation has been modified in order to allow the unused tuition, education and textbook amounts transferred from a spouse or common-law partner (line 360 of Schedule 2). This change is reflected on line 14 of Schedule 1-A.

**Schedule 1 Line 367 - Family caregiver amount for children Under 18 years of age - (Jump Code: 367)**

The amount for children under 18 years of age has been eliminated; it has been replaced by the enhanced universal child care benefit. Line 367 is now used for the family caregiver amount for children under 18 years of age.

**T2202A – Tuition, Education, and Textbook Amounts Certificate (Jump Code: T2202A)**

When the taxpayer is registered in part-time studies and is entitled to the disability amount or is registered in part-time studies because of a mental or physical disability, certified in a letter by a qualified practitioner, the taxpayer is considered as a full-time

student for purposes of calculating the education amount and the textbook amount (Schedule 11). The box *Number of months considered as full-time for the calculation of Schedule 11, included in box B<sup>1</sup>* has been added to take this measure into account. The number of months indicated in this box will be considered as months of full-time study for purposes of the calculations in Schedule 11.

#### **T5007 - Statement of benefits (Jump Code: T5007)**

Box 11<sup>2</sup>, *Other government financial assistance*, has been added to the T1/TP1 version of *Personal Taxprep*. This box allows the program to correctly manage the amount shown in box B, *Other government financial assistance*, of the RL-5 slip. Generally, the amount indicated in box 11, *Social assistance or provincial/territorial supplements*, of the T5007 slip can be found in box A, *Social assistance payments*, of the RL-5 slip. However, in certain exceptions, this amount can be found in box B of the RL-5 slip. The tax treatment applied to the amount in box 11<sup>2</sup> is the same as the one applied to the amount in box 11<sup>1</sup> as both are considered as social assistance payments.

#### **T5008 – Statement of Securities Transactions (Jump Code: T5008)**

The check box **Capital loss deemed to be nil** has been added to this input screen to allow you to enter a capital transaction that gave rise to a loss that cannot be deducted. If you select this box, the data relating to the transaction will be transferred to Section 3 of Schedule 3, and *Taxprep* will display an amount of "\$0.00" in the **Gain (or loss)** column.

#### **T1013 – Authorizing or Cancelling a Representative (Jump Code: 1013)**

The name of the representative and his or her postal address must now be indicated in Part 2 of Form T1013. Two lines have been added to the form so you can provide this information. These lines will be completed automatically based on the settings defined for Part 2A or 2B of Form T1013 in the **AUTHORIZATION FORMS** tab of the preparer profile used and based on the address indicated in this profile.

#### **T1135 – Foreign Income Verification Statement (Jump Code: 1135)**

When a transfer of information from Form T776 to Form T1135 is requested and an amount for the adjusted cost base of the land is indicated in Form T776 CCA FA, *Taxprep* transfers this amount into the column **Cost amount at year end** of Form T1135.

In the preparer profile you are using, you can choose whether or not to display the warning diagnostic for

Form T1135 indicating that the cost amount must be used to determine if the \$100,000 threshold is reached when the taxpayer reports foreign property in category 7.

#### **T2203 – Provincial and Territorial Taxes – Multiple Jurisdictions (Jump Code: 2203)**

The operation and the presentation of the automatic allocation functionality have been enhanced to make it more intuitive for the user. Consult the Help with respect to Form T2203 for more information.

You can also choose to disable the functionality for the automatic allocation to each jurisdiction of Form T2203 for all your client files from the preparer profile that you are using.

#### **DONATIONS – Charitable Donations – Federal (Jump Code: DONATIONS)**

The two options allowing you to optimize the tax credits for donations in the spousal or common-law partners coupled returns have been put one after the other in the form and their text has been modified as follows:

**Option 1: Optimize the donations tax credits claimed by the couple** by combining all of the amounts of donations entered in the DONATIONS forms of the taxpayer and the spouse.

**Option 2: Transfer the amount of donations made in the current year by the spouse** into the taxpayer's DONATIONS form to calculate the donations tax credit for the taxpayer.

Only one of these options can be selected at one time.

A section relating to ecological gifts made after February 10, 2014, has been added to the DONATIONS and QDON forms. This new section allows you to appropriately manage the carryforward of this type of donations, which can be done over 10 years.

In addition, if the taxpayer is deceased and the return of the surviving spouse is coupled, the balances of donations carried forward to future years will be transferred to the surviving spouse during roll forward.

#### **Invoice (Jump Code: BILL)**

The line *Discount* will now always be displayed in the *Invoice* form. If no choice with respect to the discounts is made in the preparer profile used, this line will be an input line. In addition, this line will print only if an amount has been entered by the preparer.

## Preparer Profiles

### PROFILE Tab

The field "Name of firm" can now contain up to 60 characters.

In addition, five options have been added to Section C, "Options - Other forms." In this section you can now choose to display all sections of the MED form for all your clients, and whether or not to display the warning diagnostic for Form T1135 indicating that the cost must be used to determine if the \$100,000 threshold is reached when the taxpayer reports foreign property in category 7. You can also choose to disable the functionality for the automatic allocation to each jurisdiction of Form T2203 for all your client files. Furthermore, a new option allows you to automatically designate contributions to an RRSP/PRPP/SPP, as applicable, as a repayment under the HBP and/or the LLP. Finally, you can choose to disable the display in the "CCH Practice" section of Form *Client Identification and Other Information* (Jump Code: ID) for all your client files.

Finally, an option has been added so you can choose whether or not to print Form T1134. However, you will be able to modify this choice for a particular return in Form T1134.

### AUTHORIZATION FORMS tab

The field "Name of business" has been added to the section relating to Form MR-69. By default, this field will contain the value entered in the PROFILE tab for the firm name, but you will be able to modify the content of this field if the name registered with *Revenu Québec* is different.

### EFILE tab

An option has been added to allow you to select for electronic filing all applicable Forms T1135.

### CLIENT LETTER tab and Client Letter Worksheet (Jump Code: LW)

Additional lines have been added in the "Additional paragraphs," section: the number of lines available in this section is now 60.

### INTEREST tab

An option has been added to allow you to include an estimate of the interest and penalty in the amount paid on the remittance Form T7DR(A) as well as on the Québec TP-1026.0.1.P remittance slip.

## Client letters

A paragraph has been added to the client letter templates "EFILE - TED (TP1)" and "Abbreviated letter CPL - Lettre abrégée CPL (TP1)" to advise the client that he or she must send federal Forms T657 and T2017 to the address specified by *Revenu Québec*. This paragraph is included only when the return is eligible for electronic transmission and the forms(s) concerned are applicable.

You can enable or disable the display of this paragraph by modifying the status of the check boxes relating to Forms T657 and T2017 in the "Québec - General paragraphs" section of the Client Letter Worksheet (Jump Code: LW).

Form TP-1033.2, *Election to Defer the Payment of Income Tax on Income Relating to the Deemed Disposition of Property*, has been added to the section of forms to sign for paper-filed returns.

### INFO – Client information (interview) (Jump Code: INFO)

A check box indicating that the direct deposit has already been requested by the taxpayer has been added to the "Direct deposit request" and "LM-3 - Request for direct deposit" sections.



### TP-1.D – Income Tax Return (Jump Code: TP1) – Federal forms to be sent to Revenu Québec

For the 2015 taxation year, *Revenu Québec* requires that a paper copy of the following forms is sent to them when these forms apply to the taxpayer's situation, even when the Québec tax return is filed electronically:

- T657 - *Calculation of Capital Gains Deduction* (Jump Code : 657);
- T1255, *Designation of a Property as a Principal Residence by the Legal Representative of a Deceased Individual* (Jump Code: 1255);
- T2017 - *Summary of Reserves on Dispositions of Capital Property* (Jump Code: 2017);
- T2091, *Designation of a Principal Residence by an Individual* (Jump Code: 2091);
- T2091 WS, *Principal Residence Worksheet* (Jump Code: 2091 WS).

When the above forms apply to the taxpayer's situation, the following forms must also be paper-filed with *Revenu Québec*:

- T1 General Condensed, *Income Tax and Benefit Return* (Jump Code: J CONDENSED);
- Schedule 3, *Summary of Dispositions - Capital Gains (or Losses)* (Jump Code: 3).

A taxpayer who omits to send these documents to *Revenu Québec* may be charged penalties.

Diagnostics have been added to remind you of this *Revenu Québec* requirement in cases where it applies to the taxpayer. In addition, the letters have been modified and now include a list of federal forms that must be sent to *Revenu Québec*. In version 2015 1.0, the "Govt" and "EFILE" pre-defined print formats have also been adjusted to include the federal forms to be sent to *Revenu Québec*.

### **FAM – Family Profile (Jump Code: FAM)**

For purposes of calculating the premium payable under the Québec prescription drug insurance plan (Schedule K) and the health contribution (line 448 of the TP1 return), a child must be considered as a dependent child if, during the current taxation year, the spouse or the spouse or common-law partner, where applicable, received a child assistance payment for the child. The check box **The taxpayer or the spouse or common-law partner, if applicable, received in 2015, child assistance payments** has been added to the *Family Profile* to allow you to identify the children for whom such a payment has been received.

### **TP1 Line 401 – Income Tax on Taxable Income (Jump Code: Q401)**

Lines 400 and 400.1 have been removed from the Québec tax return. Therefore, calculation worksheets 400 and 400.1 have been replaced by a new calculation worksheet, i.e. worksheet TP1 Line 401, which will include the four tax brackets (at rates of 16%, 20%, 24% and 25.75%).

The threshold of the taxable income bracket to which applies a 25.75% tax rate is indexed annually. It increases from \$100,970 to \$102,040 for the 2015 taxation year.

### **Schedule P – Tax Credits Respecting the Work Premium (Jump Code: QP)**

Starting in 2015, a full-time student is no longer eligible for the tax credits respecting the work premium unless he or she, on December 31, was the parent of a child who lived with him or her.

### **RL-10 slip – Tax Credit for a Labour-sponsored Fund (Jump Code: QR10)**

The rate of the tax credit for a labour-sponsored fund claimable on line 424 of the TP1 return has been modified for Fondation CSN shares.

For an investment made:

- before June 1, 2015, the rate is 25% and the maximum credit is \$1,250;

- after May 30, 2015, the rate is 20% and the maximum credit is \$1,000\$.

Boxes have been added to the RL-10 slip data entry screen so you can indicate the period during which the investments in Fondation CSN have been made.

### **Copyright Worksheet (Jump Code: QART)**

The line *Expenses related to the income in box H-2 of the RL-3 slip* has been added to Section "Line 297 - Deduction for copyright income." In this section, you will be able to indicate the expenses incurred to earn the amount entered in box H-2 of the RL-3 slip that have been deducted.

A diagnostic has also been added to prompt you to verify when an amount is entered in box H-2 of the RL-3 slip and this amount is transferred to Form T2125. Consult the Help with respect to the QART form for more information.

### **Schedule D – Solidarity Tax Credit (Jump Code: QD)**

The solidarity tax credit will now be determined annually rather than monthly. To calculate this credit, *Revenu Québec* will take into account the information provided in the tax return of the taxpayer and/or the spouse. Therefore, for the payment period from July 2016 to June 2017, the tax credit will be calculated based on the circumstances of the taxpayer and/or the spouse on December 31, 2015.

The payment frequency will depend on the amount determined for the payment period. So, if the amount determined for the payment period is:

- \$800 or over, the tax credit will be paid monthly, for each month in the payment period;
- over \$240 but less than \$800, the tax credit will be paid on a quarterly basis, in July, October, January, and April;
- \$240 or less, the tax credit will be paid in a single instalment in July.

In addition, in order for the owner of an eligible dwelling to benefit from the component relating to a dwelling, the application must include the roll number or the identification number shown on the municipal tax bill. In order for the tenant or subtenant of an eligible dwelling to receive this component, you must instead enter the dwelling number (box A) and the total number of tenants or subtenants (box B) shown on the RL-31 slip provided to the tenant by the owner of the building in which the dwelling is located. This RL slip must be issued no later than February 29, 2016, to each person who, on December 31, 2015, was a tenant or subtenant of an eligible dwelling.

Note that all the above-mentioned changes are reflected in Schedule D and in the calculation workchart of the solidarity tax credit (Jump Code: QSOLIDARITY). The paragraph on Schedule D included in the letters has also been modified, to indicate the frequency of the payments that the taxpayer will receive based on the total amount determined.

Finally, because the solidarity tax credit is now calculated based on the taxpayer's situation on December 31, the option that concerned the display of the paragraph relating to the change in situation during the year has been deleted.

### **Schedule J – Tax Credit for Home-Support Services for Seniors (Jump Code: QJ)**

The check boxes that allow you to indicate the level of dependency of the taxpayer and the spouse or common-law partner are now input check boxes. A diagnostic will display to prompt you to verify the level of dependency of the taxpayer and the spouse or common-law partner if *Taxprep* determines that one of them is eligible for the amount for a severe and prolonged impairment in mental or physical functions and that his or her level of dependency is "not dependent."

### **Schedule V – Tax credits for Donations and Gifts (Jump Code: QV)**

If, after March 26, 2015, as a recognized farm producer, the taxpayer donated food that he or she produced, the eligible amount of this donation can be increased by 50% for purposes of calculating the tax credit for donations. Forms DONATIONS, QC Donations and Schedule V have been modified to reflect this change.

### **Donations QC – Charitable Donations – Québec (Jump Code: QDONS)**

The text relating to the option allowing you to group the donations of spouses whose returns are coupled has been modified. In addition, the box **Transfer the amount of donations made in the current year by the spouse into the QC Donations form of the taxpayer to calculate the donations tax credit for the taxpayer** is now automatically selected when option 1 or option 2 is selected in Form DONATIONS (Jump Code: DONATIONS) of the taxpayer.

A section relating to ecological gifts made after February 10, 2014, has been added to the DONATIONS and QDONS forms. This new section allows you to appropriately manage the carryforward of this type of donations, which can be done over 10 years.

In addition, if the taxpayer is deceased and the return of the surviving spouse is coupled, the balances of

donations carried forward to future years will be transferred to the surviving spouse during roll forward.

### **MR-69 – Power of Attorney, Authorization to Communicate Information, or Revocation (Jump Code: Q69)**

The field "Date the form was last submitted or previous year date entered in the "Signature" section" has been added to the "Rolled Forward Data" section. The value that was entered in the "Signature" section of the form for the previous year will be rolled forward to that section, but you will also be able to enter in that field the date on which you have filed this form with *Revenu Québec*. The value in this field will be used to determine if you have an authorization or a power of attorney for the taxpayer.

The program automatically answers the question *Do you have a valid authorization or power of attorney?* based on the information entered in the form and the settings defined in the preparer profile used, in the section relating to Form MR-69 of the **AUTHORIZATION FORMS** tab.

The answer to this question will be "Yes":

- if, in Form MR-69, the date entered in the field "Consent expiry date rolled forward from the previous year" is not passed;
- if, in Form MR-69, a date is indicated in the field "Date the form was last submitted or previous year date entered in the "Signature" section"; or
- if, in the preparer profile used, the box **Select the Yes check box for all existing clients at the question Do you have a valid authorization or power of attorney?** is selected.

The answer to this question will be "No":

- if you create a new client file;
- if, in the **AUTHORIZATION FORMS** tab of the preparer profile used, it is indicated that the form must be filed, and that, in Form MR-69, the date entered in the field "Consent expiry date rolled forward from the previous year" is passed;
- if, in the **AUTHORIZATION FORMS** tab of the preparer profile used, it is indicated that the form must be filed for deceased clients, and that a date of death is provided for the client; or

- if, in the **AUTHORIZATION FORMS** tab of the preparer profile used, it is indicated that the form must be filed, and that, in a copy of Form MR-69 without rolled forward data, no date is entered in the field "Consent expiry date rolled forward from the previous year" or in the field "Date the form was last submitted or previous year date entered in the "Signature" section."

### **TP-965.55.R – Recovery of Deductions for a Stock Savings Plan II (SSP II) (Jump Code: Q965.55.R)**

The deduction for shares purchased and included in an SSP II is no longer in effect. Form Q965.55 has been modified to reflect this change.

### **1170 QC – Capital Gain Resulting from the Donation of Certain Property (Jump Code: Q1170)**

The check box **Resource property** has been added to each line in table 1 to allow you to transfer the gain subject to the 50% inclusion rate to Section B of Schedule G.

### **TP-1026.0.1.P – Remittance Slip (Jump Code: Q1026.0.1.P)**

The description and the jump code for this form have been modified so as to no longer refer to the electronic transmission. In addition, the applicability of the form has been revised in order for the form to become applicable as soon as there is a balance payable in Québec, whether or not the return is transmitted electronically. Finally, this form has been added to the "Govt" print format.



### **ONCOOP – Ontario Tax Credit for Self-Employed Individuals (Jump Code: ON COOP)**

The Ontario apprenticeship training tax credit has been modified. Changes have been made to the form to reflect the modifications to the credit described below.

Henceforward, when the apprentice has begun an apprenticeship program on or before April 23, 2015, the rates are 35% of the eligible expenditures if the total of all salaries and wages paid during the previous taxation year was \$600,000, and 45% if the total of all salaries and wages paid during the previous taxation year was \$400,000 or less. In addition, the maximum amount of the credit is set at \$10,000 for each apprentice who began an apprenticeship program on or before April 23, 2015.

When the apprentice begins an apprenticeship program after April 23, 2015, the rates are 25% of the eligible expenditures if the total of all salaries and wages paid

in the previous taxation year was \$600,000 or more, and 30% if the total of all salaries and wages paid in the previous taxation year was \$400,000 or less. In addition, the maximum amount of the credit is set at \$5,000 for each apprentice who began an apprenticeship program on or after April 23, 2015.



### **British Columbia**

#### **BC428 – British Columbia Tax (Jump Code: BC 428)**

Lines have been added with respect to two new non-refundable tax credits, i.e., the children's fitness equipment tax credit and the education coaching tax credit.



### **Alberta**

#### **AB428 – Alberta Tax and Credits (Jump Code: AB 428)**

Four new income tax rates have been added for taxable income over \$125,000.

#### **PROV BEN – Provincial or Territorial Benefit Worksheet (Jump Code: PROV BEN)**

The new Alberta Child Benefit (ACB) will help children in families with lower income. This program will begin in July 2016 and will provide families with an annual benefit of up to:

- \$1,100 for 1 child;
- \$1,650 for 2 children;
- \$2,200 for 3 children;
- \$2,750 for 4 or more children.

Families with net income of up to \$25,500 will receive the maximum benefit under this program. Benefits will begin to phase out once family net income exceeds \$25,500, and will be fully phased out once family net income reaches \$41,220.

This benefit will be paid in four payments, which will be made each year in August, November, February and May.



### **Saskatchewan**

#### **SK428 – Saskatchewan Tax (Jump Code: SK 428)**

The taxable income levels and most of the non-refundable tax credits used to calculate Saskatchewan's income tax have changed.

In addition, the graduate retention program has been modified. Starting with the 2015 taxation year, the Saskatchewan graduate tuition tax credit is now entirely non-refundable and must be used to reduce Saskatchewan's income tax payable. Any unused credit

can now be carried forward nine years after the year of graduation.

### **SK479 – Saskatchewan Credits (Jump Code: SK 479)**

The active families benefit is now available only when the adjusted family income is not more than \$60,000.

### **RC360 – Saskatchewan Graduate Retention Program (Jump Code: RC360)**

Form RC360, *Saskatchewan Graduate Retention Program*, has been modified, because all or part of the tax credit for graduate tuition could, in prior years, be refundable, but is now only non-refundable.

The graduate tuition tax credit amount and, if applicable, the unused amount of the tax credit that can be carried forward are now calculated in this form. Any unused credit can be carried forward for nine years after the year of graduation; the credits that are not used during this period will expire.

## Manitoba

### **MB428 – Manitoba Tax (Jump Code: MB 428)**

Lines have been added with respect to two new non-refundable tax credits, i.e., the volunteer firefighters' tax credit and the search and rescue volunteers' tax credit.

## New Brunswick

### **NB428 – New Brunswick Tax and Credits (Jump Code: NB 428)**

Two new tax rates have been added, i.e., a tax rate of 21% applicable to the portion of the taxable income between \$150,000 and \$250,000 and a tax rate of 25.75% applicable to the portion of the taxable income over \$250,000.

## Newfoundland and Labrador

### **NL428 – Newfoundland and Labrador Tax and Credits (Jump Code: NL 428)**

Two new tax rates have been added, i.e., a tax rate of 13.80% applicable on the portion of taxable income included between \$125,000 and \$175,000 and a tax rate of 14.30% applicable on the portion of taxable income in excess of \$175,000.

In addition, line 62 has been added to the 2015 version of the form to make it possible to enter the unused amount of venture capital tax credit for 2014, if applicable. This tax credit has been introduced in 2014 and its cumulative maximum is \$75,000. The credit unused in a year can be carried forward seven years, or carried back three years, starting in 2014.

The labour-sponsored venture capital tax credit has expired. Line 6176, which related to this credit, has therefore been removed from this form.

## Nova Scotia

### **NS428 – Nova Scotia Tax and Credits (Jump Code: NS 428)**

If you indicate, in Form 362/395, *Volunteer Firefighters' Amount and Search and Rescue Volunteers' Amount* (Jump Code: 362/395), that the taxpayer was a volunteer firefighter and/or search and rescue volunteer in 2015, a new diagnostic will display to prompt you to verify if the taxpayer is also eligible for the Nova Scotia volunteer firefighters and ground search and rescue tax credit.

In addition, note that the sport and recreational expenses for children tax credit has been eliminated.

Finally, since January 1, 2015, the rate used to calculate the dividend tax credit for dividends other than eligible dividends has changed to 3.5%.

## Prince Edward Island

### **PE428 – Prince Edward Island Tax and Credits (Jump Code: PE428)**

The Prince Edward Island low-income tax reduction has been modified. It now includes a new component for seniors aged 65 or older. A line relating to this new component has been added to the form.

## Northwest Territories

### **NT428 – Northwest Territories Tax (Jump Code: NT 428)**

The risk capital investment tax credits have expired. The line related to those credits has therefore been removed from this form.

## Yukon

### **YT428 - Yukon Tax (Jump Code: YT 428)**

The personal income tax rates have changed and a fifth income tax rate of 15% has been added for the portion of the taxable income over \$500,000.

The children's fitness amount is now a refundable tax credit. It must no longer be claimed on Form YT 428: it should be claimed on Form YT479 instead.

The 5% surtax and the low-income family tax credit are no longer in effect. The related lines have therefore been removed from the form.

As for the political contribution tax credit, it must now be claimed in Form YT428 instead of in Form YT479.

**YT479 - Yukon Credits (Jump Code: YT 479)**

The children's fitness amount is now a refundable tax credit and can be claimed on this form.

 **Nunavut****NU428 – Nunavut Tax (Jump Code: NU 428)**

If you indicate, in Form 362/395, *Volunteer Firefighters' Amount and Search and Rescue Volunteers' Amount* (Jump Code: 362/395), that the taxpayer was a volunteer firefighter and/or search and rescue volunteer and completed at least 200 hours of eligible services in 2015, a new diagnostic will display to prompt you to verify if the taxpayer is also eligible for the Nunavut volunteer firefighters' tax credit.

**Forms Removed** **Federal**

- RC310 - *Election for Special Relief for Tax Deferral Election on Employee Security Options* (Jump Code: RC310)
- Schedule 1 Line 365 - *Children's Fitness Amount* (Jump Code: 365)

 **Québec**

- TP-1029.ER - *Tax Credit for Eco-Friendly Home Renovation (EcoRenov)* (Jump Code: Q1029.ER)
- TPFZ - *Keying Summary* (Jump Code: Q1029.ER TPFZ)
- TP-1129 - *Election for Special Tax Relief Related to the Deferred Taxation of Security Option Benefits* (Jump Code: Q1129)
- QC EFILE - *Summary of EFILE Data Fields (TP-1029.ER)* (Jump Code: QEFILE ER)

 **Nunavut**

- T1317 - *Nunavut Business Training Tax credit (Individuals)* (Jump Code: 1317)

**Technical Information****Technical Changes****Change relating to the information required for the integration of CCH Document On-Premise**

For integration purposes between *Taxprep* and *CCH Document On-Premise*, you are no longer required to indicate the identification information for *CCH Document On-Premise* in the *Taxprep* options and settings.

If the Windows (Active Directory) connection information is used to login to *CCH Document On-Premise*, no additional identification is required to move PDF documents to *CCH Document On-Premise*.

If you are using the *Smart Client* tool, you will have to provide your credentials only the first time you login to *CCH Document On-Premise*. To provide this information, click the **Smart Client** icon minimized in the taskbar to enter your account number, your user ID and your password.

**Enhancement of the integration with the CCH iFirm Contacts module**

To facilitate the integration with the *CCH iFirm Contacts* module, the visual presentation of the **Synchronizing data** box has been enhanced. This box now allows you to synchronize the data of a taxpayer with those of a contact in *CCH iFirm* more intuitively. In addition, the box that was used to confirm the creation of the links no longer displays when the synchronization is requested via the **Synchronize** command of the CCH iFirm menu.

Furthermore, a visual indicator has been added to allow you to quickly know if an action related to *CCH iFirm* can be performed. This visual indicator displays to the left of the CCH iFirm menu title (in the **Advanced** tool bar) and of the applicable item of this menu. Consult the Help to obtain the list of the various indicators and review their significance.

Finally, the *CCH iFirm* authentication box no longer displays when a client file is opened by a user who is not logged in.

**Removal of the Practitioner's Collection**

*IntelliConnect* is Wolters Kluwer's new generation tax research platform. As this platform replaces the *Practitioner's Collection*, we have terminated the integration between the latter and *Taxprep*.

## Integration with the CCH iFirm Portal

The *CCH iFirm Portal* module is a secure space that allows you to communicate with your clients online, and securely exchange documents, data and reports. Note that this module is available for free to all *Taxprep* clients until December 1, 2016.

The integration between *Taxprep* and the *CCH iFirm Portal* module allows you to send income tax returns, forms or letters in PDF format to all *CCH iFirm* contacts, for whom a portal is activated, directly from *Taxprep*.

### CCH iFirm Portal configuration

To enable the publication of PDF files on the portal of *CCH iFirm* contact, the "Portal" section has been added to the *CCH iFirm* pane in the **Options and Settings** dialog box. This new section allows you to enter the destination folder for the publication of PDF files on *CCH iFirm* portals.

Consult the Help to view the complete list of options available in that dialog box.

### Identification and Other Client Information (Jump Code: ID)

The "CCH iFirm" section has been added for integration purposes between *Personal Taxprep* and *CCH iFirm*. This new section includes fields displaying additional information from the *CCH iFirm* linked contact; the content of these fields is synchronized with the *CCH iFirm* contact information. The field "Client code," in which you can enter the client code allocated to the taxpayer is part of these fields. It will be used to search for corresponding contacts and for creating contacts in *CCH iFirm*. However, it is possible to configure another field for searching and creating contacts to use in cases where no value is shown in the "Client code" field.

In addition, the box **Portal activated** has been added to the "CCH iFirm" section to indicate if a portal is activated for the taxpayer in *CCH iFirm*. *Taxprep* has access to that information only when the return is linked with a contact in *CCH iFirm*. You can use this box in a customized filter, in order to identify all of your clients for whom a portal is activated.

For more information, consult the Help.

### Configuring the integration with CCH iFirm

To enable the integration between *Taxprep* and *CCH iFirm*, the *CCH iFirm* pane has been added in the **Options and Settings** dialog box. In particular, the "General" section allows you to enter the address of your firm's *CCH iFirm* site required to configure the integration.

Consult the Help to view the entire list of options available for this dialog box.

### Addition for the integration with CCH iFirm

The *CCH iFirm* menu has been added to the **Advanced** toolbar. This new menu is available in the **Tax Return** and **Client Manager** views and allows you to perform the following operations:

- Link a taxpayer to a contact in *CCH iFirm*;
- Synchronize a taxpayer with a *CCH iFirm* contact;
- Delete the link between a taxpayer and a *CCH iFirm* contact;
- Access a contact or the list of contacts in *CCH iFirm*;
- Login to firm's *CCH iFirm* site.

In addition, two diagnostics have been added to facilitate the integration. The first displays when a return contains enough data to launch the search for a contact to link. The second displays when a taxpayer is linked with a contact and *Taxprep* detects data to synchronize.

Finally the *CCH iFirm* filter has been added to the **Client Manager** to allow you to quickly know whether or not a taxpayer is linked with a contact in *CCH iFirm*.

### Use the screen resolution for PDF printing

The check box **Use the screen resolution for PDF printing** has been added to the **Advanced** pane of the "Options" section in the **Options and settings** dialog box. This box is selected by default and enables the use of the screen resolution when printing PDF files rather than the resolution defined for the printer. This change has been made to correct the problem that caused the generated PDF files to sometimes be of a smaller dimension than what was expected (e.g. the file was sometimes printed in the upper left portion of the page).

### Identify the author of an attached note

To facilitate the review of returns, Form *Attached Notes Summary* (Jump Code: **ATTN**) now displays, for each note, the name of the author as well as the date on which the note has been added to the form. This information is also included in the attached notes hover message and will be kept during roll forward if the check box **Keep this note when rolling forward the file** is selected. This information will only be available for notes created or modified with the current version of *Taxprep* or a future version.

## Proxy Server

In accordance with the most recent requirements from the Canada Revenue Agency and *Revenu Québec*, if you are using a **proxy server** to access the Internet, you must configure the settings to connect to this server to enable the electronic transmission of data in *Taxprep*. To find out how to configure the usage settings of a proxy server, refer to the "Taxprep Configuration for the Use of a Proxy Server" section of the *Installation Procedures*.

### Using a proxy server to access InfoConnect

You may now display data available via the **InfoConnect** functionality when a proxy server is used to access the Internet.

If such a server is used for Internet connection and you want, among other things, to take advantage of content accessible via **InfoConnect**, define the connection settings to the proxy server in the **Options and Settings** dialog box, under **Electronic Services/Proxy Server**.

### Updating the different viewers integrated with Taxprep for tax research

*IntelliConnect* is Wolters Kluwer's new generation research platform. Because this platform replaces the *CCH Online* platform, we have ended the integration of *CCH Online* with *Personal Taxprep*.

### Retrieving credentials required to access to Revenu Québec's electronic services

Because the credentials for *Revenu Québec's* NetFile Québec service can now be permanent, *Personal Taxprep* retrieves the NetFile Québec access code when the configuration of a prior version of the program is converted.

Therefore, if you retrieve the prior version configuration, you are no longer required to enter this information, provided it has not changed.

### Enhancement of the performance for operations on client files requiring opening or saving

In Windows Server 2012 Terminal Services environments where the *Fair Share* policy is enabled, the performances of the program during operations requiring the opening or the saving of one or more client files (e.g. a batch recalculation from the **Client Manager**) has been enhanced significantly.

## Where to Find Help

If you have any questions regarding the installation or use of the program, there are several options for getting help. Refer to the *Quick Start Guide* in the **Professional Centre** for tips and useful information on how to use the program. If you are in the program and need help, press F1 to get help on a specific topic.

### Videos available in the Professional Centre and on our Web site!

To learn more about *Taxprep* or to become familiar with the different features, consult the videos available in the **Professional Centre** or at [www.taxprep.com](http://www.taxprep.com).

To view a tutorial, access the "Tutorials" section in the **Professional Centre**, or visit the *Taxprep* Web site and, in the **Support** menu, select your product, then click the 2015 tax year. Videos are displayed under the **Tutorials** link. Simple as that!

## Taxprep e-Bulletin

For your convenience, you are automatically subscribed to **Taxprep e-Bulletin**, a free e-mail service that ensures you receive up-to-date information about the latest version of *Personal Taxprep*. If you wish to review your subscription to **Taxprep e-Bulletin**, visit [www.taxprep.com](http://www.taxprep.com). In the **Support** menu, select **Taxprep e-Bulletin**. Click on **My e-Bulletin** in the "Taxprep e-Bulletin" section. You can also send an e-mail to [cservice@wolterskluwer.com](mailto:cservice@wolterskluwer.com) to indicate the products for which you wish to receive general information or information on our CCH software (*Personal Taxprep*, *Corporate Taxprep*, *Taxprep for Trusts*, *Taxprep Forms* or *CCH Accountants' Suite*).

## How to Reach Us

### E-mail

Customer Service:  
[cservice@wolterskluwer.com](mailto:cservice@wolterskluwer.com)

Tax and Technical support:  
[csupport@wolterskluwer.com](mailto:csupport@wolterskluwer.com)

### Telephone

1-800-268-4522

### Web Site

[www.taxprep.com](http://www.taxprep.com)