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# Personal Taxprep®

## Release Notes

### Personal Taxprep 2011 v.3.0

T1/TP1

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#### About

This version of *Personal Taxprep* was updated in order to integrate the most recent tax measures pursuant to the 2011 taxation year.

This version is approved by the CRA for both paper filing and EFILE (including electronic filing of Form T1013).

#### Webinars

Attend a Webinar to learn about *Personal Taxprep* and to interact with our experienced trainers without leaving your office!

Some of our Webinars are designed for new users, some for seasoned veterans and others for support staff who assist preparers during tax season.

To consult the various Webinars available, click the following link: [cch.ca/2011-TaxprepWebinars](http://cch.ca/2011-TaxprepWebinars).

#### 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) always correspond to your situation for the current season. For more information on the new options offered in the *Tax Preparer's Profile* form of the program's current version, please refer to the "[Modifications Made to Forms](#)" section.

#### Improve Your Productivity

Once again this year, *Personal Taxprep* contains several enhancements and new features that have been added as per your suggestions. They are intended to optimize the time that you spend preparing tax returns.

#### Tax organizer for the taxpayer

You can now avail yourself of a new *Personal Taxprep* add-on module to better serve your clients and improve your productivity. The **Tax Organizer** module allows you to send, on paper or in electronic format, a questionnaire that you can use to establish a first contact with your clients and inform them of the documents you will need. By using this questionnaire, your clients can also provide you with certain useful information on their financial situation. Please consult the program's Technical Help (under **Technical Help/Sharing Information/Tax Organizers**) to get acquainted with the features of this new module.

You can also consult our Web site for more information on this module at the following address: [www.taxprep.com/organizer/](http://www.taxprep.com/organizer/).

#### Taxprep Forms & Taxprep for Trusts data import

*Personal Taxprep* allows you to import data from the *Taxprep Forms* T5013/RL-15, T4A/RL-2 and T3/RL-16 slips. This functionality is also offered to import data from T3/RL-16 slips prepared with *Taxprep for Trusts*. Please consult the [note](#) on this topic.

## **FOREIGN – Foreign Income Summary (Jump Code: FOREIGN)**

This form centralizes the input of the different types of foreign income, other than income included in the various slips, that should be reported as income in the T1 tax return and that should be used to determine the foreign tax credit, where applicable. The various exchange rates in this form can be used to translate foreign currency into Canadian dollar.


Based on the selected type of income, the income is automatically carried over to the appropriate lines in the income tax return and is taken into account in the calculations of the taxable income and the foreign tax credit.

Please also note that the field entitled **Name of the country where the foreign income was earned** that was in the ID form has been transferred to the Foreign form.

## **PARTNER – Partner’s Income and Expenses Workchart (Jump Code: PARTNER)**

Starting with the 2011 version, *Taxprep* allows you to transfer self-employment income from boxes 35 through 43 of the T5013/T5013A slip to a self-employment statement (T2125, T2121 or T2042) in order to report additional income and/or deduct expenses for the partner. The choice of the destination statement is performed in the T5013/T5013A slip, using a drop-down menu which lists all of the statements to which the transfer can be performed. However, the name of the statement must first be entered in the “Identification” section on a copy of the form in order to select it. The additional income and expenditures can then be entered in the *Partner’s Income and Expenses Workchart* (Jump Code: **PARTNER**) and transferred to the self-employment statement. This new approach allows you to use the Partner form and yet still be eligible for EFILE.

## **New Search Tool**

A new search tool has been developed to replace the drop-down lists of certain fields. This tool is accessible using the  icon adjacent to any field where you have to select one of the following:

- A North American industry Classification System (NCAIS);
- A foreign country; or
- An AgriStability and AgriInvest code.

This tool allows you to quickly find the information by performing a search using a key word or a category.

## **Variable printing and display now offered for various comparative forms and tax scenarios worksheets**

The following tax scenario worksheets and comparative forms now offer an option allowing you to define either fixed or variable printing:

- COMP - Comparative Review and Analysis Workchart - Federal (Jump Code: **COMP**)
- QCOMP - Comparative Review and Analysis Workchart - Québec (Jump Code: **QCOMP**)
- Scenarios - Tax Scenario Worksheet - Federal (Jump Code: **SCENARIOS**)
- QScenarios - Tax Scenario Worksheet - Québec (Jump Code: **QSCENARIOS**)
- CPL Scen - Taxpayer and Spouse Scenarios Worksheet - Federal (Jump Code: **CPL SCEN**)
- QCPL Scen - Taxpayer and Spouse Scenarios Worksheet - Québec (Jump Code: **QCPL SCEN**)

When variable printing is selected, only the lines on which an amount is entered in one of the columns displays, on screen and when printing.

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

A **Sort** button has been added to the DONATIONS form to enable sorting of the list of donations in alphabetical order, both on screen and when printing.

### **Eligible amount of gifts of certain capital property**

The eligible amount of gifts of certain capital property from column 6 of Form T1170 is now automatically transferred to the DONATIONS form to be taken into account when calculating the amount of tax credit for donations.

### **Transfer to the spouse of charitable donations carried forward from prior years**

It is now possible to transfer to the spouse all charitable donations carried forward from prior years of a taxpayer by selecting the appropriate box in the DONATIONS form.

## **MED – Medical Expenses Worksheet (Jump Code: MED)**

Two **Sort** buttons have been added to the MED form to offer two new sorting possibilities, on screen and when printing: sorting in ascending order, based on the payment date, and sorting in alphabetical order, based on the name of patient.

### **Use the taxpayer’s mailing address in a statement**

The taxpayer’s mailing address from the ID form can now be used in any statement (T2125, T2121, T2042,

T1163 or T1273) by selecting the **Use the taxpayer's mailing address** checkbox.

### **T5 – Statement of Investment Income (Jump Code: T5)**

It is now possible to transfer the amounts from box 17, *Royalties from Canadian sources*, to a statement of business or professional activities. The destination statement can be selected from a drop-down list displaying all of the statements (T2125) to which a transfer can be performed.

### **Scenarios – Tax Scenarios Worksheet (Jump Code: SCENARIOS & QSCENARIOS)**

In Form Scenarios and QC Scenarios, numbers corresponding to the various lines in the T1 return, Schedule 1 and TP1 return were allocated to the existing lines.

### **QSlips – Québec Slips Summary (Jump Code: QSLIPS)**

This form is a verification tool that allows you to quickly review the amounts posted to the slips of a tax return to ensure that they were entered correctly. Previously, when an amount was incorrect, the correction had to be made to the slip concerned. Henceforward, it will be possible to correct entries made in the slips using the *Québec Slips Summary* form.

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

### Federal

#### **Schedule 1 Line 362 – Volunteer firefighters' amount (Jump Code: 362)**

A new line has been added to allow you to calculate the volunteer firefighters' amount. The taxpayer can claim an amount of \$3,000 if the requirements are met. Please note that the taxpayer is not eligible for this amount if the exemption is claimed in box 87 of the T4 slip. If the taxpayer chooses to claim the volunteer firefighters' amount (choice defaulted by the program), the exempt amount in box 87 of the T4 slip will be included in the employment income on line 101 of the T1 return.

#### **Schedule 1 Line 370 – Children's Arts Amount (Jump Code: 370)**

In 2011, the CRA has introduced a new non-refundable credit for children's arts activities. A new workchart has been integrated into the program to enable the calculation of the eligible expenses paid for the activities of each child. The total expenses paid for all the children, up to the allowable limit, is updated to line 370 of Schedule 1.

### **GST370 – Allocation of Eligible Expenses for the GST/HST rebate (Jump Code: GST 370 EXPENSES)**

This form can be used to allocate the expenses giving rise to a GST/HST rebate when more than one sales tax rate is applicable. By default, Taxprep uses the sales tax rate applicable in the taxpayer's province of residence.

The allocation of the expenses according to the different sales tax rates to which the expenses were subject to is performed manually in the form. The amounts are then used in Form GST370, to determine the GST/HST rebate.

### **SC ISP 3025 – Application for the Guaranteed Income Supplement or Statement of Income for the Allowance or Allowance for the Survivor (Jump Code: SC ISP 3025)**

This new form can be used, among other things, to apply for the Guaranteed Income Supplement. However, if the taxpayer already receives the Guaranteed Income Supplement or if he or she applied for GIS in a prior year, he or she is not required to reapply.

This form will be automatically updated using the income entered in the income tax return. It will only print if the check box **Select this check box to print the form** is selected.

This form should be sent to the Service Canada office as it must not be filed with the income tax return.

### **SC ISP 3026 – Application for Renewal of the Guaranteed Income Supplement or Statement of Income for the Allowance or Allowance for the Survivor (Jump Code: SC ISP 3026)**

This new form can be used, among other things, to apply for the renewal of the Guaranteed Income Supplement.

This form will be automatically updated using the income entered in the income tax return. It will only print if the check box **Select this check box to print the form** is selected.

This form should not be completed every year, but only when an important change has an impact on the calculations with respect to the Guaranteed Income Supplement. In addition, this form should be sent to the Service Canada office as it must not be filed with the income tax return.

### **GIS – Guaranteed Income Supplement Calculations (Jump Code: GIS)**

This form is used to evaluate the Guaranteed Income Supplement amount for which the taxpayer is eligible. It is automatically updated using data in the income tax return.

## Employment Expenses – Expenses Summary (Jump Code: EMP EXP)

This form is a summary of all copies of Form T777.

### Manitoba

#### MB5839 – Fitness Amount (Jump Code: MB5839)

The province of Manitoba has introduced a new refundable tax credit for the physical activity of children and young adults. A new form has been integrated into *Taxprep* to enable the calculation of the eligible expenses paid for activities for each child. The total expenses paid for all the children, up to the allowable limit, is updated to line 5839 of Form MB428.

The amounts are entered in the corresponding federal form (Schedule 1 Line 365) and the amounts are updated to Form MB5839.

### Nova Scotia

#### NS5849 – Sports and Recreational Expenses for Children (Jump Code: NS5849)

A new form has been integrated into the program to enable the calculation of the eligible expenses paid for activities for each child. The total expenses paid for all the children, up to the allowable limit, is updated to line 5849 of Form NS428.

The amounts are entered in the corresponding federal form (Schedule 1 Line 365) and the amounts are updated to Form NS5849.

### Québec

#### TP1 Line 390 – Tax Credit for Volunteer Firefighters (Jump Code: Q390)

A new workchart has been added to allow you to calculate the tax credit for volunteer firefighters. The taxpayer can claim an amount of \$3,000 if the requirements are met. Please note that the taxpayer is not eligible for this credit if the exemption is claimed in box L-2 of the RL-1 slip. If the taxpayer chooses to claim the tax credit for volunteer firefighters (choice defaulted by the program), the exempt amount in box L-2 of the RL-1 slip will be included in the employment income on line 101 of the TP1 return.

#### TP1 Line 457 – Québec Parental Insurance Plan (QPIP) Overpayment (Jump Code: Q457)

This new workchart details the calculations performed by the program with respect to the QPIP overpayment shown on line 457 of the TP1 return.

#### Employment Expenses of Salaried Employees and Employees Who Earn Commissions – Expenses Summary (Jump Code: QEMP EXP-Q59)

This form is a summary of all copies of Form TP-59

## Employment Expenses of Forestry Workers – Expenses Summary (Jump Code: QEMP EXP-Q78)

This form is a summary of all copies of Form TP-78

## Employment Expenses of Salaried Tradespeople – Expenses Summary (Jump Code: QEMP EXP-Q75.2)

This form is a summary of all copies of Form TP-75.2

## Employment Expenses of Salaried Musicians – Expenses Summary (Jump Code: QEMP EXP-Q78.4)

This form is a summary of all copies of Form TP-78.4

## Modifications Made to Forms

### Federal

#### T1 Line 101 – Employment Income (Jump Code: J101)

A new line has been added to this form to take into account the volunteer firefighter exempt amount in box 87 of the T4 slip. If the taxpayer is claiming the volunteer firefighters' amount on line 362 of Schedule 1, the amount from box 87 of the T4 slip will be included on line 101.

Moreover, the foreign income eligible for the overseas employment tax credit in box 72 of the T4 slip is now included on line 101 of the T1 return instead of line 104.

#### T1 Line 130 - Other Income (Jump Code: J130)

It is now possible to add an unlimited number of lines under "Income other than income indicated above" at the bottom of this form.

#### T1 Line 437 – Total Tax Deducted (Jump Code: J437)

In the past, the amounts deducted other than according to the slips had to be combined and their total had to be entered directly in the T1 return above line 437. It is now possible to add an unlimited number of lines for tax deducted other than according to slips.

#### T4 – Statement of Remuneration Paid (Jump Code: T4)

Box 53, *Deferred security option benefits* has been removed because the measure to which it related has been abolished.

In addition, the following boxes have been added:

Box 32, *Travel in prescribed zone*;

Box 87, *Volunteer firefighter exempt amount*.

Beginning January 1, 2012, (for the 2011 taxation year), boxes 24, *El insurable earnings* and 26, *CPP/QPP pensionable earnings*, have to be completed at all

times on the T4 slips issued by employers. *Personal Taxprep* calculates these amounts automatically using the amount from box 14.

#### **T4A – Statement of Pension, Retirement, Annuity & Other Income (Jump Code: T4A)**

Box 119<sup>2</sup> has been added to allow you to report premiums paid to a group term life insurance plan on line 130 of the T1 return instead of line 104 of this same form. This box should be used when the taxpayer is not eligible for the Canada employment amount.

Box 028<sup>2</sup>, “Other income (line 104),” has been removed from the T4A slip data entry screen, because the CRA no longer accepts that income from box 028 be reported on line 104 of the T1 return. Therefore, the “Employment support allowance” box, whose number was 028<sup>3</sup> in previous versions, is now numbered 028<sup>2</sup>.

In addition, the question *Does the amount from box 028 represent non-business travel assistance?* has also been added under box 028<sup>2</sup>. When the box **Yes** is selected to answer this question, *Taxprep* carries the amount of taxable travel benefits to Form T2222, *Northern Residents Deductions*.

#### **Schedule 1 Line 365 – Children’s Fitness Amount (Jump Code: 365)**

Form Schedule 1 Line 365, *Children’s Fitness Amount* has been modified. Two sections were added to the form, to allow you to enter the amounts related to the physical activity of children not eligible federally, but eligible in Nova Scotia and/or Manitoba.

The amounts entered in the section for dependants 17 years old (Nova Scotia only) are updated to Form NS5849 and the amounts entered in the section for dependants aged 17 years old or young adults (Manitoba only) are updated to Form MB5839. These amounts have no impact on the total updated to line 365 of Schedule 1.

#### **Schedule 2 – Amounts transferred from your spouse or your common-law partner (Jump Codes: 2 and provincial equivalents)**

The printing applicability of the federal and provincial Schedules 2 was modified in accordance with a new CRA requirement. As soon as a transferred amount is calculated in the federal or provincial Schedule 2 (applicable based on the province), the CRA now requires that both schedules be printed even if one of them has no transfer.

#### **Schedule 4 – Statement of Investment Income (Jump Code: 4)**

In Section IV of Schedule 4, it is now possible to allocate carrying charges and interest expenses between the taxpayer and the spouse by selecting the

box **Select this box to indicate the percentage held by the taxpayer and the spouse.**

#### **T1032 – Joint Election to Split Pension Income (Jump Code: 1032)**

Minimum tax savings amount required to perform the pension income split

In Form T1032, it is now possible to define a minimum tax savings amount that has to be reached in order for the pension income split to be performed. If the tax savings resulting from a 1 to 50% split of the pension income is lower than the desired amount, no split will be performed. If the defined minimum tax savings is reached, the split will be optimized.

#### **Display of the pension income split effect**

From now on, when you click the **Calculate** button to perform the pension income split, a table showing an analysis of the effect of each split scenario on the income tax return of the pensioner and that of the transferee will display at the bottom of Form T1032.

#### **T2222 – Northern Residents Deductions (Jump Code: 2222)**

A check box has been added to allow you to calculate the northern residents’ deduction even if the period of residence in a prescribed northern zone is less than six consecutive months.

#### **MED – Medical Expenses Worksheet (Jump Code: MED)**

Allowable amount of medical expenses for other dependants

The applicable limit for medical expenses for other dependants has been abolished at the federal level (line 331) and in the following provinces and territories (lines 5872):

- Alberta
- Manitoba
- New Brunswick
- Newfoundland and Labrador
- Nova Scotia
- Prince Edward Island
- Nunavut
- Saskatchewan
- Yukon

#### **RRSP – RRSP/SPP Deduction Worksheet (Jump Code: RRSP)**

It is now possible to enter the date of contribution or to select the period during which the contributions were made. The date of contribution is only used to



determine the period during which the contributions were made.

### **T1028 – RRSP Deduction Limit Statement (Jump Code: 1028)**

A field was added to allow you to enter the RRSP deduction limit for 2011 shown on the 2010 Notice of Assessment.

### **SUPPORT – Support Payments (Jump Code: SUPPORT)**

In the past, the various support payments received had to be combined and entered directly on line 156 of the T1 return. It is now possible to enter an unlimited number of support payments received in this form.

In addition, it is now possible to enter an unlimited number of support payments paid. This number was previously limited to three.

### **T1273 – Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals (Jump Code: 1273)**

For 2011, Form T1163 must be completed by individuals who operate a farm located in Saskatchewan and who participate to the AgriStability and AgriInvest Programs.

In 2010, individuals who met those criteria had to complete Form T1273.

When rolling forward client files prepared in 2010, data in the 2010 Form T1273 will be rolled forward to the 2011 Form T1163 when the farm is located in Saskatchewan.

### **T776 – Statement of Real Estate Rentals (Jump Code: 776)**

It is now possible to add an unlimited number of lines at field 9270, "Other expenses."

### **Links between CCA-related forms and Form T2038**

In the CCA forms, a new check box has been added to allow you to create a link between the applicable CCA class and Form T2038 for new *Taxprep* data files. (For existing files, this link would have been created in a prior year when the addition giving rise to the ITC was originally entered.)

This will allow you to link those forms and enter the unused investment tax credits carried forward (Form T2038WS) for a specific CCA class. Then, when the ITC is utilized, the program will be able to properly adjust the UCC of the applicable CCA class the following year.

### **Tax Preparer's Profile**

#### **Options - Authorization forms**

The following new print options have been added to Section, C, "Options - Authorization forms," to allow you better manage the applicability of the authorization forms:

- **Print for deceased clients**  
This option allows you to make Forms T1013 and MR-69 applicable for clients who died in the year.
- **Print for expired authorizations**  
This option allows you to make applicable, according to a date you will have determined, Forms T1013, RC59 and MR-69 containing a rolled forward expiry date for all of your clients.
- **Print for authorizations whose online access to tax information is enabled**  
This option allows you to make applicable, for all of your clients, Forms T1013 and RC59 in which the **Online access to tax information is enabled** check box has been selected as a result of roll forward of the file.

Please note that these options are independent of the existing options and that all the print options apply to both the paper filing and the electronic transmission of the form.

#### **Options - Bill**

In the **Bill** tab, of the *Tax Preparer's Profile*, an option has been added to allow you to automatically calculate the applicable sales taxes based on your client's province of residence. However, it is still possible to calculate the sales taxes based on your own settings.

### **Letters – Predefined Templates**

#### **Notice to Reader**

The following forms have been added to the list of forms that can be specified in the Notice to Reader:

T777 - Statement of Employment Income;

TP-59 - Employment Expenses of Salaried Employees and Employees Who Earn Commissions.

#### **Additional client letters**

The number of customizable letter templates has been increased: the program now offers ten additional letter templates.

#### **Letters to Québec clients**

A new option was added to Section 5, "Additional printing options," to allow you to include a new paragraph to the letters intended for Québec clients with respect to a change in situation during the year for the solidarity tax credit. This new paragraph has been added to the letters QCLP (regular letter), QCLP (abbreviated letter) and QCLE (letter for electronically filed returns).

## Ontario

### **ON479 – Ontario Credits (Jump Code: ON 479)**

The section used to claim the Ontario Energy and Property Tax credit has been removed from Form ON479. You can now apply for this credit in Form ON-BEN.

### **ON6309 – Ontario Children’s Activity Tax Credit (Jump Code: ON 6309)**

This form has been modified to take into account the expenses paid for sports-related activities and arts-related activities. For each child, the amount entered in Forms Schedule 1 Line 365, *Children’s Fitness Amount* (Jump Code: 365), and Schedule 1 Line 370, *Children’s Arts Amount* (Jump Code: 370), are updated to Form ON6309.

### **ON BEN – Application for the Ontario Trillium Benefit and the OSHPTG (Jump Code: ON BEN)**

The “General information” section will display on screen only. This section groups into the same location all data input to be performed in this form.

In addition, the information with respect to the principal residence is automatically transferred to the spouse.

### **ON BEN Calc – Calculation of the OSHPTG and the Ontario Trillium Benefit (Jump Code: ON BEN CALC)**

Starting July 2012, the Ontario Trillium Benefit will include the Ontario sales tax credit, the Ontario Energy and Property Tax Credit and the Northern Ontario Energy Tax Credit. This benefit will be paid every month. A monthly chart has been added at the top of Form ON BEN CALC. You can display the detailed calculation of the Ontario Trillium Benefit by selecting the appropriate check box at the bottom of the form.

## Saskatchewan

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

The tax credit for post-secondary graduates has been abolished.

## Manitoba

### **MB479 – Manitoba Credits (Jump Code: MB479)**

The province of Manitoba has introduced a new refundable Cultural Industries Printing tax credit. This credit applies to income earned after April 12, 2011.

### **T1005 – Manitoba Tuition Fee Income Tax Rebate (Jump Code: 1005)**

Important changes were made to lines 1 and 9 of Form T1005. In 2010, the amount on line 1 included the Manitoba tuition fee income tax rebate earned from the 2009 notice of assessment. In 2011, the amount on

line 1 should include the total eligible tuition fees on line 6087 of Forms T1005 from 2007 through 2010. *Personal Taxprep* determined this amount at the time of roll forward, but ensure this amount is correct.

At the time of roll forward, *Personal Taxprep* also determined the amount for line 9 by using the total Manitoba tuition fee income tax rebate claimed from 2007 through 2010. Since this amount was not on the 2010 form, ensure that it is correct.

## Prince Edward Island

### **PE428 – Prince Edward Island Tax and Credits (Jump Code: PE 428)**

The province of Prince Edward Island has introduced a new equity tax credit for investments in eligible shares. You can claim this tax credit for eligible shares that the taxpayer acquired in 2011 or in the first 60 days of 2012.

## Nunavut

### **NU479 – Nunavut Credits (Jump Code: NU 479)**

The risk capital investment tax credit has been abolished.

## Québec

### **Generic boxes on certain Québec RL slips**

RL slips 1, 2, 3, 16 and 25 underwent important changes in 2011: several generic boxes were added to allow slip issuers to provide the additional information that they previously had to enter by way of references on the RL slips.

The generic boxes that have an impact on the return calculation have been added to the various *Personal Taxprep* slips. However, several of these boxes have no equivalent on the CRA slips. However, since the amounts in certain generic boxes are processed the same way in the federal return and the Québec return, an input box corresponding to each of these generic boxes was added to the **Federal** column of the affected slips.

### **TP1 Line 101 – Employment Income (Jump Code: Q101)**

A new line has been added to this form to take into account the volunteer firefighter exempt amount in box L-2 of the RL-1 slip. If the taxpayer is claiming the tax credit for volunteer firefighters on line 390 of the TP1 return, the amount from box L-2 of the RL-1 slip will be included on line 101.

### **TP1 Line 445 – QPP Contributions on income from self-employment (Jump Code: Q445)**

A section has been added to the workchart on line 445 to enable the calculation of QPP contributions on self-

employment for a taxpayer 70 or more or who received CPP/QPP pension benefits, and who contributed to the CPP during the year.

### **Schedule B – Tax Relief Measures (Jump Code: QB)**

The property tax refund was replaced by the housing component of the solidarity tax credit. As a result, landlords no longer have to provide their tenants with RL-4 slips, and Part E of Schedule B, which had to be completed to claim the refund, has been removed.

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

*Revenu Québec* requests that tax software developers print Schedule D only if the individual's family income is lower than the maximum determined according to the guidelines in the table on page 14 of the TP1 return guide. For an individual with a spouse, the maximum is \$51,710 and this amount is increased by \$1,888 for each dependant for whom the individual or the spouse receives the child assistance payment from the *Régie des rentes du Québec*. For a single-parent family or an individual without a spouse, the maximum is \$47,465 and this amount is increased by \$1,888 for each dependant for whom the individual receives the child assistance payment from the *Régie des rentes du Québec*.

Starting with version 3.0, when the taxpayer has a spouse (i.e., the answer on line 40 is "Yes") and the taxpayer is not living with this spouse, (i.e., the answer on line 44 is "No"), the value entered on line 48 of the taxpayer's Schedule D no longer updates to line 50 of the spouse's Schedule D and the value entered on line 50 of the taxpayer's Schedule D no longer updates to line 48 of the spouse's Schedule D.

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

*Revenu Québec* requests that tax software developers evaluate the solidarity tax credit amount using the same rates for the months of July 2012 to June 2013. However, note that the rates will be indexed by *Revenu Québec* in January 2013. Therefore, the payment amounts for the months of January 2013 to June 2013 calculated in Form QSOLIDARITY are undervalued. This information has been added to the client letters.

### **Schedule H - Tax Credit for Caregivers (Jump Code: QH)**

The tax credit for caregivers was divided into three components. The first component concerns caregivers of a spouse 70 or older who is unable to live alone, the second, caregivers housing an eligible relative and the third, caregivers cohabiting with an eligible relative who is unable to live alone.

Please note that a physician must certify that the person is unable to live alone and must complete the new part in Form TP-752.0.14 (Part 3). If the person with a disability is unable to live alone and Form TP-752.0.14 has already been filed in a prior year, the form must be filed again.

If the tax return of the spouse or the eligible relative is paper filed, Form TP-752.0.14 must be mailed to *Revenu Québec* at the address corresponding to the area of the spouse or the eligible relative. If the tax return of the spouse or the eligible relative is filed electronically, the form must be mailed to the NetFile Québec service at the following address:

Service d'aide ImpôtNet Québec  
Revenu Québec  
328, boulevard René-Lévesque Ouest, bureau 101  
Chandler (Québec) G0C 1K0

### **Schedule S – Amount Transferred by a Child 18 or Over Enrolled in Post-Secondary Studies (Jump Code: QS)**

A new line has been added to take into account the solidarity tax credit received by the child in 2011. The amount that can be transferred by a child to the father or the mother will be reduced by five times the amount of the solidarity tax credit.

Furthermore, note that this form now contains the reduction calculation which was previously determined in Form QS Reduction.

## Multiple Copy Forms

It will now be possible to complete more than one copy of the following forms:



### **Federal**

- T777 - Statement of Employment Expenses (Jump Code: 777)



### **Québec**

- TP-59 - Employment Expenses of Salaried Employees and Employees Who Earn Commissions (Jump Code: Q59)
- TP-78 - Employment Expenses of Forestry Workers (Jump Code: Q78)
- TP-75.2 - Employment Expenses of Salaried Tradespeople (Jump Code: Q75.2)
- TP-78.4 - Employment Expenses of Salaried Musicians (Jump Code: Q78.4)




## Forms Removed

- QS REDUCTION, Reduction Calculation (Line 8 of Schedule S): This form has been removed and the reduction calculation is now performed in Schedule S.
- RL-4 Slip - Real Estate Tax
- TP-752.0.7.4 - Certification for Purposes of the Amount for a person Living Alone

## Technical Changes

### New field type – Improvement to the search

The following field type  has been created, among other things, to facilitate the selection of the North American Industry Classification System (NAICS) codes. You can display a search box by clicking the ellipsis points or by using the Alt+Down arrow shortcut. You may also enter the appropriate code directly in the field. This new field type is also used in forms with respect to self-employed workers and in the Identification form.

### Improvement to the integration with CCH Portal

The most recent version of *CCH Portal* makes it possible to publish several files to the portal at the same time, using a new functionality that allows you to generate a file used to link clients to their respective portals. Once the link is established between clients and their portal, the dialog box used to publish files to *CCH Portal* displays the portal linked to the client.

These improvements will limit the possibilities of errors when publishing files to *CCH Portal*, and speed up the file publishing process. For more information on the steps to follow to generate the linking file, consult the “Export the Client List to CCH Portal” Help topic.

### Options and Settings – Default folder

The panel used to indicate the default folders and the various templates has been redesigned in order to make it easier to configure these locations while giving you the possibility of customizing the folders for saving the templates. In particular, you will be able to configure a parent folder to which all template folders will be moved.

The configuration of the above mentioned locations is also possible during the program’s installation.

### Attach the return in PDF format for roll forward purposes

When printing in PDF format, you can now attach the generated PDF file to the corresponding return using the new command **Attach to client file**.

Therefore, once the return is rolled forward, if you had chosen to retain the attached PDF file at the time of roll forward, you will quickly have access to the previously prepared return, directly under the **Attached Files** tab in the properties dialog box, without having to install several versions of the program.

For more information on this new functionality, please consult the “Attach the Prior Year Return in PDF format” Help topic.

### Coupling a prior year return

The option that allowed you to couple the spouse’s prior year return with the taxpayer’s current year return has been removed. From now on, to couple a prior year return with the current year return, proceed as follows:

1. Roll forward to the current year, the prior year return to be coupled.
2. Using the current year main file, couple the return that you rolled forward in step 1.

### Importing Taxprep slips data

Since last year, *Personal Taxprep*, allows you to import data from certain slips prepared with *Taxprep Forms* (T4/RL1 and T5/RL3 slips). Therefore, when a preparer prepares the slip for a taxpayer using *Taxprep Forms* and the tax return of this taxpayer in *Personal Taxprep*, the preparer can import data entered in *Taxprep Forms* directly into the return, thus saving preparation time while eliminating the risk of errors.

This year, the integration has been improved: the T5013 (the form will be available in version 2011 2.0 only), T4A and T3 federal forms as well as their Québec equivalent have been added to the list of forms of *Taxprep Forms* whose data can be imported into *Personal Taxprep*.

In addition, starting this year, this functionality is also offered to import T3/RL16 slips prepared with *Taxprep for Trusts*. Therefore, the functionality has been renamed “Importing Taxprep Slips Data.” Please note that the import is done the same way from *Taxprep Forms* and *Taxprep for Trusts*.

By default, the import is done directly when the client file is opened, but you may also manually import data by selecting **File/Import Data/Taxprep Slips Data** in the **Return** view.

For more information on importing *Taxprep Forms* data, consult the “Import Taxprep Slips Data” Help topic.

### Shortcut to prior year client files

When rolling forward a *Taxprep* client file, a shortcut to that client file will be automatically created. The

shortcut will allow you to quickly access the client file in question directly from the current program, in particular, using the **File** menu, by selecting the **Prior Year** command. For more information on the addition, the modification or the deletion of a shortcut to a prior year client file, consult the “Open a Client File Created with a Prior Version of the Program” Help topic.

### Default display on start up

You may now select the default view that displays when you launch the program. To do so, open the **Options and Settings** dialog box and select the desired view in the **General** pane. The views that can be selected are the following: **Tax Return, Client Manager, Professional Centre** and **EFILE Log**.

### Modify the properties of several client

From the **Client Manager** view, you may now select several client files in order to modify all of their properties at the same time. To do so, access the properties dialog box by selecting **File/Client File Properties**.

This new functionality allows you to change the return status, modify passwords used to protect client files and lock data. For more information, consult the “Client File Properties” Help topic.

Please note that with the **Advanced Network** version, you may limit the use of this functionality by configuring users’ rights.

## Roll Forward

### Roll forward - Account Number

In the past, the CRA accepted that preparers enter only the first nine digits of the account number: it was possible to disregard the last six characters (RTNNNN) at the end of the number. However, the CRA now wants to receive all 15 alphanumeric characters.

Therefore, the fields containing the account number are not rolled forward this year if the value from last year is less than 15 characters.

In such circumstances, you will need to manually enter the account number using the following format: NNNNNNNNNRTNNNN.

Here is the list of forms affected by the modification to the CRAs requirements with respect to the account number:

- T2125 - Statement of Business or Professional Activities
- T2042 - Statement of Farming Activities
- T2121 - Statement of Fishing Activities
- Partner - Partner’s Income and Expenses Workchart
- T776 - Statement of Real Estate Rentals
- T5013-T5013A - Statement of Partnership Income

- T1163 - AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals
- T1273 - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals

### Rolling forward 2010 client files

Your 2010 client files must be rolled forward using the **Roll Forward** command on the **File** menu before you can access them with this version.

### Rolling forward the LW worksheet

The option **Retain these values when rolling forward the file** has been added to the “Opening paragraph” and “Closing paragraph” sections so you can retain the values that differ from the values in the preparer profile when rolling forward.

Select this new check box if you want these values to be rolled forward

### Planner Files

As indicated in the past, client files created using the Planner mode in any of the 2010 versions of the program cannot be converted for use with this version, however, you can use the **Export Tax return** and **Import Data** functions.

### Slips

The roll forward is performed only for slip copies 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 client files (competitor roll forward)

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

## Electronic Filing



### Important dates with respect to the CRA's transmission reception schedule

- **January 23, 2012** - The EFILE On-Line Plus transmission system became available.
- **February 13, 2012** - Acknowledgements for EFILE On-Line Plus became available.
- **February 13, 2012** - The EFILE On-Line transmission system opened.
- **September 30, 2012** - The CRA will shut down its system.

### What's new for EFILE

Starting this version and for subsequent tax years, the CRA will allow electronic filing of returns in which the following credits are claimed:

- Overseas employment tax credit;
- Federal non-business foreign tax credit (for up to three different countries).

### Transmitting to the CRA in XML format

The CRA now requires the transmission files to be generated in XML format. The EDI format that was previously generated has been replaced by the XML format, for both the EFILE and EFILE Online Plus services.

As a result, the "813" and "151" transaction types were renamed "Transmission" and "Receipt," and the "997" and "864" transaction types that related to the structure of EDI files have been deleted.

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

This form's print applicability has been modified to account for the fact that it should be printed and signed before being Efiled. Henceforth, when the form is Efiled and the value of the T1013 EFILE status is "Accepted," the form will not be applicable when printing the return. However, if you have to print the form again, you can use the **Print Form** (Ctrl+P) command.

### Registration and Renewal On-line

To renew your EFILE privileges and your System for Electronic Notification of Debt (SEND) account for this year's tax season, you must register online by completing the "Renewal" page on the CRA Web site at <http://www.efile.cra.gc.ca/l-rnwl-eng.html>.

To register as a new electronic filer and use the System for Electronic Notification of Debt (SEND), 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/>.

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" online service. To register with the service, go to <http://www.cra.gc.ca/representatives>.

### New validations for the electronic filing of the T1013 form

Since February 13, 2012, the CRA has introduced new validations for the electronic filing of the T1013 form. These validations include rejecting a T1013 form if it is filed for a taxpayer for whom authorization has already been obtained and there is no change in the representative. Note that an authorization granted via an electronically transmitted T1013 form does not expire and therefore, a new T1013 form should only be transmitted for a previously authorized client if you need to change the representative information (e.g. new RepID, GroupID or BN). You can verify your list of authorized clients within the Represent a Client service.

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

*Personal Taxprep 2011 v.2.0* enables you to obtain information on a client's account by sending a request to the System for Electronic Notification of Debt (SEND).

For each SEND request submitted, your client must have read, signed and dated a current version of Form T1153, *Consent and Request Form*. You must keep the original copy of Form T1153 for your files for up to three years after the taxation year in which it was signed, even if you are not discounting the client's return.

Note that the CRA anticipates receiving information on Employment Insurance and Other Benefits (T4E), Social Assistance and Worker's Compensation Benefits (T5007) and on Universal Child Care Benefits (RC62) in February 2012. The CRA systems will be updated as taxpayers' information slips are processed. Once its systems are updated, the CRA will display SEND results for taxpayers who were issued these benefits or payments.



### Important dates

- **February 13, 2012** - NetFile Québec system opened.
- **February 14, 2012** - Refund Info-line system opened.
- **February 23, 2012** - Issuing of the accelerated refund cheques began.
- **September 30, 2012** - NetFile Québec will shut down its system.

### What's new for NetFile Québec

*Revenu Québec* has eliminated the possibility of transmitting the taxpayer's access code (in Form QC EFILE, *Electronic Filing Worksheet*) in replacement of Part 2 of Form TP-1000.TE. In order to be able to file the returns of your clients via the NetFile Québec service, you must make all of your clients sign Part 2 of Form TP-1000.TE. In addition, note that you and your clients must keep a signed copy of Form TP-1000.TE for at least six years after the end of the taxation year covered by the form.

### Balance due – new questions

*Revenu Québec* has added new questions with regards to the payment date of the balance due and the payment mode used to pay this balance.

These questions must be answered if the TP1 return is EFILED and there is a balance due of at least \$2.

When the taxpayer has a balance due, you must indicate if he or she wants to pay that balance within five days of the transmission or at a later date by selecting box 4811 or box 4812 at the bottom of the TP1 return.

If the taxpayer intends to pay the balance due within five days of the return's transmission, you must also indicate a payment mode in field 4813 at the bottom of the TP1 return.

### NetFile Québec

If you want to register for NetFile Québec as a preparer or a transmitter, you must complete Form TP-223, *NetFile Québec Registration Form 2011*. For more details on how to register, access [http://www.revenuquebec.ca/en/sep/sep/services/sgp\\_impotnet\\_prep/comment.aspx](http://www.revenuquebec.ca/en/sep/sep/services/sgp_impotnet_prep/comment.aspx).

A preparer that was registered in 2010 should have already received a pre-completed Form TPZ-223, *Renewing a Tax Preparer's NetFile Québec Registration*. This form includes the preparer's number and a notice number. This information allows the preparer to make the renewal online on the *Revenu Québec* Web site at

[http://www.revenuquebec.ca/en/sep/sep/services/sgp\\_renouvel\\_impotnet/default.aspx](http://www.revenuquebec.ca/en/sep/sep/services/sgp_renouvel_impotnet/default.aspx).

The online registration service is reserved for preparers that are renewing their annual registration with NetFile Québec. Preparers registering for the first time must register by mail.

### Taxprep Transmission Service via the Internet

When you use this service you transmit your batches of returns via the Internet to our **Taxprep Transmission Service** which will then transmit them to the CRA and/or *Revenu Québec*. Once the acknowledgments are available, they are saved and sent to you the next time you connect to our system.

**Note:** Using our services does not release you from the obligation to register with the CRA and/or *Revenu Québec* to obtain authorization to electronically transmit returns.

### Advantages:

- You can continue to transmit your returns even when the CRA or *Revenu Québec* Web sites are unavailable.
- The usual verifications are done without you having to contact the CRA or *Revenu Québec*.
- The transmission statistics are displayed in the **Professional Centre**.
- Quick and reliable service, superior to that of other filing services.

### Taxprep Print Service (via the Internet)

The **Taxprep Print Service** is available in this version. Please note that you will need to send your **Taxprep Print Service** files and EFILE transmission separately.

## Corrected Calculations

### Federal

- Foreign calculation workchart – Amounts taken into account in each copy of the FIT form

### Ontario

- GST/HST credit or Ontario sales tax credit (OSTC) incorrectly claimed in both the taxpayer and the spouse's return
- Ontario residents - Incorrect provincial tax payable on line 428 of the T1 return



## 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 *QuickStart Guide* for tips and useful information on how to use the program; not only is this booklet included in your software package, but it is also available in the **Professional Centre** for quick reference. If you are in the program and need help, press F1 to get help on a specific topic.

## 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) and click **My e-Bulletin** in the “e-Bulletin” section. You can also send an e-mail to [cservice@cch.ca](mailto:cservice@cch.ca) 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

### Sales and Customer Service:

**E-mail:** [cservice@cch.ca](mailto:cservice@cch.ca)  
**Telephone:** 1-800-268-4522  
**Fax:** 1-800-461-4131

### Tax and Technical support:

**E-mail:** [support@cch.ca](mailto:support@cch.ca)  
**Telephone:** 1-800-567-6173  
**Web Site:** [www.taxprep.com](http://www.taxprep.com)