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Personal Taxprep®

Release Notes

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Our earlier versions included several new features introduced for the 2010 taxation year. This version provides access to all of the forms, without exception.

This version of *Personal Taxprep* was updated in order to integrate the most recent tax measures pursuant to the 2010 taxation year.

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.

Slips - Federal Slips Summary (Jump Code: SLIPS)

This form is a verification tool that allows you to quickly review the amounts entered in the federal slips of a tax return to make sure the amounts were correctly entered. Previously, when an amount was incorrect, you had to return to the affected slip and make the correction. Now, it will be possible to correct data entered in federal slips in the *Federal Slips Summary* form.

T4/T4A - Carry forward to a statement

It is now possible to transfer the amounts from certain boxes to an appropriate statement. Please consult the [note](#) on this topic.

MED/QMED - Medical Expenses Worksheet (Jump Code: MED/QMED)

To facilitate data entry of expenses for medical services not provided in the taxpayer's area, the MED form has been modified: the Section "Expenses for medical expenses not provided in an area" has been divided in three separate parts based on the distance travelled.

Taxprep Forms Data Import

Personal Taxprep allows you to import data from the *Taxprep Forms* T4/RL1 and T5/RL3 slips. Please consult the [note](#) on this topic.

Notes Attached to Cells

In the new form *Attached Notes - Summary* (Jump code: ATTN), you can now view and print all of the notes attached to a return. In addition, in *Personal Taxprep* 2011, you will be able to roll forward these notes. Please consult the [note](#) on this topic.

Customized Diagnostics

You can create diagnostics meeting your criteria or conditions using the Filters and Diagnostics Wizard in the program's *Filters and Diagnostics* view. Please consult the [note](#) on this topic.

New optimization diagnostics

New diagnostics have been added to inform the preparer of the program's limits with respect to the federal optimizations when there is an interaction between several optimizations or between several elements for which the net

income must be taken into account. For example, when the RRSP deduction is optimized and the non-refundable tax credit for medical expenses is claimed, a diagnostic will display to advise the preparer that the RRSP deduction might not be optimal, because the optimization of this deduction does not take the non-refundable tax credit for medical expenses into account. The reason that the RRSP deduction might not be optimal in this case is that the non-refundable tax credit for medical expenses cannot be calculated until the net income is determined; however, the optimization of the RRSP deduction impacts net income yet should take into account all of non-refundable tax credits, including the medical expenses tax credit.

Forms, Schedules, and Workcharts Added to the Program

Federal

T1 - Income Tax and Benefit Return for the Province of Nova Scotia (Jump Code: J)

In 2010, the CRA introduced a new T1 return for the province of Nova Scotia.

Schedule 13 - Employment Insurance Premiums on Self-Employment and Other Eligible Earnings (Jump Code: 13)

Based on the new measures with regard to employment insurance (EI), effective since January 2010, self-employed individuals can elect to pay EI premiums to be eligible to receive special EI benefits. The CRA has introduced a new schedule to calculate the employment insurance premiums payable on self-employment and other eligible earnings. The premium amount is posted to line 317 of Schedule 1 and to line 430 of the federal return. A line has also been added (line 5829) to Forms 428 of all provinces.

In addition, if the taxpayer had entered into an agreement with the Employment Insurance Commission to contribute to employment insurance with respect to self-employment income and the taxpayer is subject to instalments, these contributions will be taken into account when calculating instalments.

RC310 - Election for Special Relief for Tax Deferral Election on Employee Security Options (Jump Code: RC310)

This new form allows the taxpayer to elect for special relief when, in a previous or current taxation year, the taxpayer disposed of securities for which he/she previously elected to defer the taxable benefit that resulted when he/she exercised a security option.

PROV BEN - Provincial or Territorial Benefit (Jump Code: PROV BEN)

This new form groups the calculations for the provincial or territorial child benefit estimates that were previously performed in the CCTB form. In addition to being able to consult the monthly amounts in the same form, it is now possible to display the detailed benefit calculation. Here is the list of benefits calculated in this form:

- Alberta Employment Tax Credit
- Ontario Child Benefits
- British Columbia Family Bonus
- New Brunswick Child Tax Benefit
- Nova Scotia Child Benefit
- Northwest Territories Child Credit
- Nunavut Child Credit
- Newfoundland and Labrador Child Benefit
- Yukon Child Benefit

 **Ontario**

The Ontario Property and Sales Tax Credits have been replaced by two separate credits: the Ontario Sales Tax Credit, which is issued in four instalments during the year, and a new refundable Ontario Energy and Property Tax Credit.

The 2010 Ontario Energy and Property Tax Credit must be claimed by completing Form ON479 when filing the return. For 2011 and subsequent years, this credit will be paid in four instalments during the year; you will no longer have to claim it as a refundable tax credit when you prepare a return.

There is also a new credit for Northern Ontario residents: the Northern Ontario Energy Credit. The payments for the 2010 credit are issued by the Ontario Ministry of Revenue. To receive the payments for 2010, Ontario residents have to apply for the credit by June 30, 2011. The application form is available at www.ontario.ca/revenue and at ServiceOntario locations in Northern Ontario. Payments for subsequent years will be issued by the CRA.

The amounts and the income thresholds used to calculate the 2011 Ontario Sales Tax Credit, the 2011 Ontario Energy and Property Tax Credit and the 2011 Northern Ontario Energy Credit have been modified in this version, as a result of the publication, on February 4, 2011, of the amounts and income thresholds indexed by the Ontario Ministry of Revenue. The indexing factor used is 1.8%.

ON-BEN - Application for the 2011 Ontario Senior Homeowners' Property Tax Grant, the 2011 Ontario Energy and Property Tax Credit, and the 2011 Northern Ontario Energy Credit (Jump Code: ON BEN)

This new form is used to apply for these credits for 2011.

ON-BEN Calc - Calculation of the OSHPTG, the OEPTC and the NOEC (Jump Code: ON BEN CALC)

An estimate of the payments for the Ontario Senior Homeowners' Property Tax Grant, the Ontario Energy and Property Tax Credit and the Northern Ontario Energy Credit for 2011 is performed in this new form. When a taxpayer is eligible for one or more of these payments, the appropriate check box in Form ON-BEN is selected to make that claim and a paragraph is added to the client letter to indicate the total estimate amount of the grant or the credit that will be paid to the taxpayer for the year.

ON6309 - Ontario Children's Activity Tax Credit (Jump Code: ON 6309)

The province of Ontario has introduced a new refundable tax credit for children's activity expenses. A new chart has been created to enter the eligible activity expenses per child and the total amount is posted to line 6309 of Form ON479.

 **Québec****TP1, line 448 - Health contribution (Jump Code: Q448)**

A new workchart has been added to allow you to calculate the amount on line 448 of the Québec tax return, i.e. the health contribution that the individual has to pay for the year.

Schedule D - Solidarity Tax Credit (Jump Code: QD)

This schedule must be completed to claim the solidarity tax credit. As of July 2011, the solidarity tax credit will replace the QST credit, the property tax

refund and the credit for an individual living in a northern village. This tax credit will be paid once a month.

QSolidarity - Solidarity Tax Credit (Jump Code: QSOLIDARITY)

Important: To receive this credit every month, the taxpayer must be registered for direct deposit.

This new form has been added to estimate the solidarity tax credit that the taxpayer could receive starting in July 2011. This estimated amount is determined based on the information in the return and the information provided in Schedule D. RQ will confirm the exact amount of the credit.

In accordance with a legislative change announced in February 2011 by the *ministère des Finances du Québec*, the solidarity tax credit calculation is performed as follows: a first time by taking all eligible components for the individual into account and a second time by excluding the dwelling component (if the individual is eligible for this component). Depending on the result, *Personal Taxprep* displays the detail of the most advantageous calculation in the QSolidarity form.

TP-752.0.13.1 - Expenses for Medical Services Not Available in Your Area (Jump Code: Q752.0.13.1)

This form has been added to allow for the calculation of the amount on line 378 of the Québec income tax return.

TP-1129 - Election for Special Tax Relief Related to the Deferred Taxation of Security Option Benefits (Jump Code: Q1129)

This new form allows the taxpayer to benefit from the special tax relief related to the taxable benefit received from exercising a security option, when the taxpayer previously elected to defer taxation of this benefit.

Modifications Made to Forms



Federal

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

A new line has been added to the Section "Other information" of Form *Identification and Other Client Information*. The line *The taxpayer has a Tax Free Savings Accounts (TFSA)* allows you to indicate whether or not the taxpayer has a TFSA. This way you can determine which clients have a TFSA and send them information specific to this type of account.

FAM - Family Profile (Jump code: FAM)

Entitlement to benefits - Shared custody

In order to improve the allocation of child benefits between parents sharing custody of a child starting in July 2011, the CRA allows two eligible individuals to receive the CCTB and the UCCB in a particular month, and two eligible individuals to receive GST/HST credit amounts in a particular quarter, in respect of a child if the recipients would be eligible to receive amounts under the CRA's existing shared eligibility policy.

This policy applies when a child lives more or less equally with two individuals who live separately. CCTB and UCCB payments will be equivalent to each eligible individual receiving one-half of the annual entitlement that they would receive if they were the sole eligible individual, paid in monthly instalments over the year. The child component of the GST/HST credit will similarly be equivalent to each eligible individual receiving one-half of the annual entitlement that they would receive if they were the sole eligible individual, paid in quarterly instalments over the year.

A new line has been added to Form, *Family Profile* (Jump Code: **FAM**) to identify the children who are in shared custody. This new line will affect the following calculations:

- CCTB: Canada Child Tax Benefits
- PROVBEN: Provincial or Territorial Benefits
- UCCB: Universal Child Care Benefit
- GSTC: GST/HST credit
- ONBENCLC: Ontario Energy and Property Tax Credit (OEPTC) and Northern Ontario Energy Credit (NOEC)
- QASSISTANCE: Refundable Tax Credit for Child Assistance
- Schedule D: Solidarity Tax Credit
- QSOLIDARITY: Calculation of the Solidarity Tax Credit

Line 115 - Other Pensions and Superannuation (Jump Code: J115)

The Section "Foreign pension income" has been divided in two sections, i.e. "Pension income from the U.S." and "Foreign pension income."

The American annual average exchange rate has been added to the Section "Pension income from the U.S." to allow you to convert this currency.

A drop-down list, allowing you to select an annual average exchange rate for several currencies based on the *Foreign Exchange Rates Worksheet* (Jump Code: **RATES**), has been added to the Section "Foreign pension income." If applicable, you can override the annual average exchange rate with a different exchange rate.

Line 256 - Additional Deductions (Jump Code: J256)

If a taxpayer was a Canadian resident and has been in receipt of U.S. social security benefits continuously since before January 1, 1996, the taxpayer can claim, on line 256 of his/her return, a deduction equal to 50% of the U.S. social security benefits received in 2010. However, a taxpayer who started to receive these benefits on January 1, 1996, or after, can only claim a deduction equal to 15% of the U.S. social security benefits.

The amount of social security benefits received by a taxpayer must be reported on line 115 of his/her return. To do this, the amount has to be entered in Form *Other Pensions and Superannuation* (Jump Code: **J115**). To ensure that the appropriate rate is used for purposes of calculating the deduction on line 256, a check box allowing you to indicate if the taxpayer received the benefits throughout the period that started before January 1, 1996, and ending in 2010 has been added to this form. When this box is selected, the rate used to calculate the allowable deduction is 50%, when this box is not selected, the rate used is 15%.

T4 - Statement of Remuneration Paid (Jump Code: T4)

New boxes

Starting in 2010, the eligible and non-eligible retiring allowances (including those paid to a status Indian) should normally be reported in a T4 slip (boxes 66 to 69) rather than in the T4A slip (box 026 and/or box 027). The retiring allowances in boxes 66 and 67 will be carried forward to line 130 of the T1 return.

Transfer to a statement (T2121 or T2125)

It is now possible to transfer the amounts from boxes 78, 81, 82 and 83 to an appropriate statement. The destination statement can be selected from a drop-down list displaying all of the statements to which a transfer can be performed.

Québec column

In some cases, the Québec employment income in box A of the RL-1 slip may differ from the amount in box 14 of the T4 slip. In prior versions of the program, you could enter a different Québec employment income under box A, but the calculations did not allow you to enter an amount equal to zero in the RL-1 slip. You will now be able to enter “zero” as a Québec employment income (box A), while retaining the desired federal employment income in box 14 of the T4 slip.

T4A - Statement of Pension, Retirement, Annuity and Other Income (Jump Code: T4A)

Scholarships received in connection with a part-time program

A new box (105⁴) has been added for scholarships received in connection with a part-time program.

When a scholarship, fellowship, or bursary is received in connection with a part-time program for which you can claim the part-time education amount in respect of that program, the scholarship exemption is equal to the amount of tuition paid for the program plus the costs of program-related materials.

In order to calculate the exempt portion of a scholarship received in connection with a part-time program, enter the tuition fees and the cost of material related to this program in Form J130.

Transfer to a statement (T2125)

It is now possible to transfer the amounts from boxes 020, *Self-employed commissions*, and 048, *Fees for services*, 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.

Slip redesign

The T4A data entry screen has been modified to take into account the T4A slip redesign made by the CRA. For more information concerning the T4A slip redesign, visit the <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/rtrns/t4a/slp-rdsgn-eng.html>.

RC62 - Statement of Universal Child Care Benefit (Jump Code: RC62)

A new section has been added to allow you to make an election with respect to the UCCB taxation in the T1 return for a single parent. Starting in the 2010 taxation year, if the taxpayer is a single parent on December 31, the taxpayer can elect one of the two following options:

- include all UCCB amounts received in the taxpayer's return;
- include all UCCB amounts received in the income of the eligible dependant for whom the taxpayer is claiming the amount for an eligible dependant on line 305 of Schedule 1 (if the taxpayer is not claiming this amount on line 305, the taxpayer can elect to include all UCCB amounts received in the income of one of the children for whom the UCCB has been paid).

The *Personal Taxprep* program defaults to the first option, i.e. include all UCCB amounts received in the taxpayer's return.

Schedule 8 (outside Québec) - CPP Contributions on Self-Employment and Other Earnings (Jump Code: 8)

A check box has been added in Schedule 8 to elect to pay CPP contributions in a pre-bankruptcy return.

GST370 - Employee and Partner GST/HST Rebate Application (Jump Code: GST 370)

As a result of the coming into force of the HST in Ontario and British Columbia and the increase in the Nova Scotia HST rate, important modifications have been made to Form GST370.

The form now has four charts:

- Chart A - GST
- Chart B - British Columbia 12% HST (starting on July 1, 2010)
- Chart C - New Brunswick, Newfoundland and Labrador and Ontario 13% HST (starting on July 1, 2010).
- Chart D - Nova Scotia 15% HST (starting on July 1, 2010).

For British Columbia, the allocation of expenses subject to the 5% GST (expenses incurred before July 1, 2010) and the 12% HST (expenses incurred after June 30, 2010) has to be performed in chart B of Form GST370.

For Ontario, the allocation of expenses subject to the 5% GST (expenses incurred before July 1, 2010) and the 13% HST (expenses incurred after June 30, 2010) has to be performed in chart C of Form GST370.

For Nova Scotia, the allocation of expenses subject to the 13% HST (expenses incurred before July 1, 2010) and the 15% HST (expenses incurred after June 30, 2010) has to be performed in chart D of Form GST370.

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

As a result of the coming into force of the HST in Ontario and British Columbia and the increase in the Nova Scotia HST rate, important modifications have been made to Form T777.

A column has been added to this form to allow you to enter expenses subject to the HST. These expenses will be posted to the appropriate charts. However, for the above mentioned provinces, the allocation of expenses must be performed in Form GST370, because these expenses can be subject to the GST or the HST.

T1013 - Authorizing or Cancelling a Representative (Jump Code: 1013) and RC59 - Business Consent Form (Jump Code: RC59)**Roll forward**

During roll forward, the check box **Online access to tax information is enabled** will be automatically selected in the "Other information" section of Forms RC59 and T1013 if you had selected this check box in last year's file or if the "Authorizing online access" section of these forms had been completed and the forms were applicable for printing.

CCTB - Canada Child Tax Benefits Worksheet (Jump Code: CCTB)

In addition to performing the estimate for monthly CCTB amounts, this worksheet now offers the possibility of displaying the detailed calculation of this benefit.

DONATIONS, Charitable Donations (Jump Code: DONATIONS)

In the 2009 Québec tax return, claiming donations made in 2010 to assist victims of the earthquake in Haiti was allowed. To claim these donations in the 2010 federal return, a new line has been added to the *Charitable Donations - Federal* form. When rolling forward your client files, this amount will be rolled forward to this new line.

T2222 - Northern Residents Deductions (Jump Code: 2222)

Henceforward, the total non-taxable benefits received for board and lodging at special work sites shown in box 31 of the T4 slip and/or in box 124 of the T4E slip is transferred automatically by the program on line 4 or line 9 of Form T2222.

GSTC - Goods and Services Tax Credit (Jump Code: GSTC)

Starting next version, the calculation of the estimated goods and services tax credit for certain provinces will be added to the form, i.e.:

- British Columbia Harmonized Sales Tax Credit;
- Nova Scotia Affordable Living Tax Credit;
- Nova Scotia Poverty Reduction Credit.

RRSP - RRSP Deduction Worksheet (Jump Code: RRSP)

As a result of changes to the legislation that came into force in 2010, the annual threshold for tax-deductible Saskatchewan Pension Plan (SPP) contributions increases from \$600 to \$2,500, subject to an individual's available RRSP contribution room.

Furthermore, the draft legislation includes amendments that bring the treatment of the SPP in line with that of Registered Pension Plans (RPPs) and RRSPs. More specifically:

- Transfers from RPPs and RRSPs to the SPP will be permitted within existing limits on such transfers under the RPP/RRSP rules, subject to any additional limits imposed by the SPP;
- SPP annuity payments will be eligible for the pension income credit and pension income splitting;
- Rollovers of SPP funds on death to the RRSP or Registered Disability Savings Plan (RDSP) of a financially dependent infirm child or grandchild will be permitted;
- SPP contributions will be taken into account in determining RRSP over-contributions; and
- SPP savings will be subject to the same income attribution rules as RRSPs.

To manage this new legislation, we have modified the RRSP form to include contributions to the Saskatchewan pension plan which will be carried over to line 208 of the T1 Jacket (and no longer on line 209).

T7DR(A) - EFILE Remittance Form (Jump Code: T7DR(A))

Data from Form T7DR(A) can now be printed directly on the preprinted form provided by the CRA.

To do so, the box T7DR(A) must be selected in Form *Client Letter Worksheet* (Jump Code: LW). This box can be selected for all your client files in the Preparer Profiles under the **CLIENT LETTER** tab. It can also be selected only for the active client file in Form *Client Letter Worksheet*.

Note: The CRA does not authorize a computer-generated facsimile of this form. If you want to complete this preprinted form with the *Taxprep* letter template provided for this purpose, you must first obtain a copy of this preprinted form from the CRA by contacting your tax services office or the tax centre in your area.

Tax Preparer's Profile**Options - Authorization forms**

New fields related to the identification numbers (RepID, GroupID, BN) have

been added under the **Authorizing online access** check boxes with regard to Forms T1013 and RC59. You can enter information in these fields in the “Options - Authorization forms” section in order for this information to apply to all of your clients.

Options - Other forms **Change to the default values**

The default amounts for the option **Required contributions for the employment insurance, the CPP/QPP and PPIP** have been increased to \$10 for employment insurance, \$50 for the CPP/QPP and \$10 for the PPIP.

Roll forward

If you are rolling forward your profile from last year, note that the default amounts for this option will be those from last year.

Letters - Predefined Templates

New paragraphs have been added for the following credits:

- the Energy and Property Tax Credit;
- the Northern Ontario Energy Credit;
- the Nova Scotia affordable living tax credit and poverty reduction credit.

The following forms have been added to the list of forms to sign:

- RC310 - Election for Special Relief for Tax Deferral Election on Employee Security Options;
- TP-1129 - Election for Special Tax Relief Related to the Deferred Taxation of Security Options Benefits.

Letter templates “EFILE - TED” and “EFILE - TED (TP1)”

Since the T1013 form can now be filed electronically, this form will now be mentioned in a separate paragraph.

Predefined Filters

A new predefined filter has been added. The filter *T1013 Electronic Filing Status - État de la transmission électronique T1013* allows you to view the status the electronic filing of Form T1013 for each return.

Ontario

ON428 - Ontario Tax (Jump code: ON428)

Ontario Health Premium - Bankruptcy returns

Before 2010, the Ontario Health Premium was payable in the post-bankruptcy return only and was calculated based on the taxable income of all returns filed in the calendar year (i.e., the pre-bankruptcy, in-bankruptcy and post-bankruptcy returns).

Starting in 2010, the health premium must be paid in the pre-bankruptcy return and the post-bankruptcy return.

In the pre-bankruptcy return, the health premium must be calculated based on taxable income in the pre-bankruptcy return.

In the post-bankruptcy return, the calculation of the health premium must take into account the taxable income of all returns filed in the calendar year. From this amount, deduct the premium that was paid in the pre-bankruptcy return to get the health premium amount payable in the post-bankruptcy return. *Personal Taxprep* performs this calculation automatically.

 **Québec****RL-1 slip, box G - QPP pensionable earnings (Jump Code: T4)**

Previously, the calculation performed by *Taxprep* in box G was limited to the maximum pensionable earnings for the year. Starting in 2010, as a result of the new RQ instructions with regard to box G of the RL-1 slip, an amount should always be entered in this box and this amount should represent the total QPP pensionable earnings, even if this amount exceeds the maximum eligible earnings. The calculation performed by *Taxprep* in this box has been modified accordingly, but it is important to verify that it corresponds to the amount in box G of the taxpayer's RL-1 slip.

RL-15 slip - Amounts allocated to the members of a partnership (Jump Code: T5013 T5013A)

The RL-15 slip underwent important changes in 2010: several sub-boxes were added to the slip. Because these sub-boxes do not all have an equivalent in the T5013 T5013A slip, you will have to perform data entry specific to the Québec tax return. Access the help topic dealing with the T5013 T5013A slip for more information on the specific data entry to be performed.

TP-726.30 - Income Averaging for Forest Producers (Jump Code: Q726.30)

Section 2.2, "Amount deducted in 2010," in Form TP-726.30 has been removed. This change is the result of a modification to section 726.30 of the *Taxation Act*, to the effect that, it is no longer possible for a forest producer to average his/her income.

QASSISTANCE - Refundable Tax Credit for Child Assistance (Jump Code: QASSISTANCE)

In addition to performing the refundable tax credit estimate for monthly child assistance amounts, this worksheet now offers the possibility of displaying the detailed calculation for this refundable tax credit.

TP-1026 (Jump Code: Q1026)

The *Taxprep* Form QC INST, *Schedule of Instalment Payments* (Jump Code: QC INST), has been replaced by Form TP-1026, *Calculation of Instalment Payments to Be Made by Individuals* (Jump Code: Q1026), published by RQ.

Moreover, a diagnostic has been added to the new form to inform the preparer that the taxpayer might have to pay interest for insufficient instalment payments in the case where the taxpayer's estimated net tax exceeds \$1,800 for 2011, and where, for either one of the two previous years, the taxpayer's net tax exceeded \$1,800.

 **Manitoba****MB479 - Manitoba Credits (Jump Code: MB479)**

The province of Manitoba has introduced a new refundable tax credit for fertility treatment expenses that were incurred after September 30, 2010, and that were paid in 2010.

A new refundable tax credit has also been introduced for students who are Manitoba residents and are attending a post-secondary school. They can now claim an advance on the income tax refund for tuition fees for a school session ending after November 30, 2010.

T1256-1 - Manitoba Small Business Venture Capital Tax Credit (Individuals) (Jump Code: 1256-1)

The Manitoba community enterprise investment tax credit (individuals) is now entitled “Manitoba Small Business Venture Capital Tax Credit (Individuals).” Therefore, the title of Form T1256-1 has also been modified.

Newfoundland and Labrador

NL428 - Newfoundland and Labrador Tax and Credits (Jump Code: NL428)

The eligible dividends tax credit for the province of Newfoundland and Labrador has been revised. For the 2010 taxation year, two different rates apply based on the period where the eligible dividends for taxable Canadian corporations have been paid.

Nova Scotia

NS428 - Nova Scotia Tax and Credits (Jump Code: NS428)

A fifth taxation bracket has been added on taxable income of more than \$150,000. This measure eliminates the line with respect to the surtax.

Modification to Provincial Sales Tax

On July 1, 2010, the provinces of Ontario and British Columbia harmonized their sales tax system with the goods and services tax (GST). The harmonized sales tax (HST) is now in effect in those provinces.

- In Ontario, the HST has been set to a single rate of 13%, which combines the 5% GST and the 8% PST rates.
- In British Columbia, the HST has been set to a single rate of 12%, which combines the 5% GST and the 7% PST rates.

On July 1, 2010, the Nova Scotia HST rate was raised from 13% to 15% because of an increase in the provincial portion of the HST from 8% to 10%.

Multiple Copy Forms

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

- T1141 - Information Return in Respect of Transfers or Loans to a Non-Resident Trust (Jump Code: 1141);
- T1142 - Information Return in Respect of Distributions From an Indebtedness to a Non-Resident Trust (Jump Code: 1142).

Forms Removed

- Schedule 12, *Home Renovation Expenses*
- TP-1029.RR, *Tax Credit for Home Improvement and Renovation*
- Schedule I, *Credit for Individuals Living in Northern Villages*
- QSTC, *QST Credit*
- AFEC, *Alberta Family Employment Tax Credit*
- ON FAM, *Ontario Child Benefits*

Printing of Bar Codes

This version allows for printing of bi-dimensional bar codes on the federal, Québec and T1013 returns.

Technical Changes

Taxprep Forms Data Import

Personal Taxprep allows you to import data from certain *Taxprep Forms* slips (T4/RL1 and T5/RL3). Therefore, when a preparer generates the slip of a recipient in *Taxprep Forms* as well as the T1 return of this recipient, he/she can import data entered in *Taxprep Forms* directly into the T1 return, thus saving preparation time while eliminating the risk of errors.

By default, this import is performed when opening the client file, but it is also possible to manually import data using the **File/Import Data/ Taxprep Forms data** command in the **Return** view.

For more information on *Taxprep Forms* data import, consult the *Frequently Asked Questions* on the [Taxprep Forms Web site](#) in the Section “Import Taxprep Forms data into Personal Taxprep.”

Files attached to returns

When rolling forward a client file, it is now possible to roll forward files attached to this client file by selecting the type of files to roll forward (Excel, Word, PDF or Others) in the “Attached files” section of the **Roll Forward** dialog box accessible from the **File** menu. Certain changes have been made to the **Attached Files** tab in the **Properties** dialog box. Therefore, it is now possible to select attached files to be rolled forward next year by selecting the box located to the right of each file in the new **To roll forward** column.

Previously, files attached to a return could only be displayed in read-only. Now, they can be opened inside the return and modified throughout the processing process.

Note: The option **Only roll forward files selected for roll forward** under **Tools/Options and Settings/Roll Forward/File Options** will be available next year.

For more information on any of these subjects, consult the **Modify an Attached File** and **Roll Forward - File Options** help topics.

Merging the return and attached PDF files into a single PDF

In a print format, following the list of included forms, you may now choose to include *CCH Scan* PDF files and all PDF files attached to the return. In this case, the PDF print option must be selected and the following options cannot be modified: **Copies**, **Printer** and **Paper Source**.

For more information on this subject, consult the **About Print Formats** help topic.

Client Files Notes

The notes entered in the client files properties can now be rolled forward when rolling forward the client file. To enable the roll forward of these notes, you must select the **Keep notes from client files** check box under **Options and Settings/Roll Forward/Data Options**.

For more information on this subject, consult the **About Roll Forward** help topic.

Export Rights

In the **Advanced Network** version of the program, it is now possible to manage the rights with regard to exporting various data items for each of the user groups.

For more information on this subject, consult the **Define the Rights for Program Functions** help topic.

Customized Diagnostics

Diagnostics are short messages issued by the program warning you that there might be errors or particular tax situations that may require corrections or entry of additional information. Customized diagnostics are now added to the program's predefined diagnostics. Henceforth, you can create diagnostics meeting your criteria or conditions using the Filters and Diagnostics Wizard in the program's **Filters and Diagnostics** view. These diagnostics are easy to create and allow firms to perform a follow up specific to their internal procedures. The customized diagnostics are also easy to share and can be rolled forward from one year to the next.

For more information on this subject, consult the **Create a Filter or a Diagnostic** help topic.

Notes Attached to Cells

In the new Form *Attached Notes - Summary* (Jump code: **ATTN**), you can now view and print all of the notes attached to a return. Therefore, each time you attach a note to a cell, a new section is added to Form ATTN. For each of the notes, the name of the cell as well as the title and the description of the form concerned are displayed. Moreover, notes attached to cells can now be selected for roll forward by selecting the **Keep this note when rolling forward the file** check box in the **Note** dialog box or in Form ATTN. In addition, in *Personal Taxprep 2011*, you will be able to roll forward these notes.

For more information on these subjects, consult the **Attached Notes and Schedules** help topic.

Highlight improvement in the Xpress tool

Starting this version, you can easily trace the corresponding form cell when you move from one data item to another in the **Xpress** and **CCH Scan** panes or yet, when you edit a letter. You will notice that when your cursor is on a data item in the Xpress tool, the corresponding form cell will be framed and greyed for better visibility.

Roll Forward

Rolling forward 2009 client files

Your 2009 client files must be rolled forward using the **Roll Forward** command on the **File** menu before you can access them with this version.

Roll Forward - ProFile

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

Planner Files

As indicated in the past, client files created using the Planner mode in any of the 2009 versions of the program cannot be converted for use with this version.

Attached Schedules

The attached schedules will be rolled forward from the 2009 client files (unless this option is disabled under the Roll Forward data options).

Roll forward - Partnership Business Number

As the partnership business number format has changed, going from two alphanumeric characters followed by seven digits to nine digits, the fields

containing this number are not rolled forward this year. Therefore, the partnership business number must be entered manually.

Here is the list of forms affected by the modification to the partnership business number:

- T2125 - Statement of Business or Professional Activities
- SFD - Selected Financial Data Record (SFD)
- QC EFILE- Electronic Filing Worksheet
- QC SFD - Selected Financial Data Record (SFD)
- T1273 - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals
- T2042 - Statement of Farming Activities
- Q2042 - Statement of Farming Activities
- T2121 - Statement of Fishing Activities
- Partner - Statement of Partner's Income and Expenses
- T776 - Statement of Real Estate Rentals
- T5013 - T5013A - Statement of Partnership Income

Electronic Filing

EFILE Approved

Returns can be EFILED to the CRA and RQ using this version of *Personal Taxprep*. Furthermore, the transmission of Form T1013 to the CRA is now possible.



Federal

What's new for EFILE

Electronic Transmission of Form T1013

This version of *Personal Taxprep* enables, with its EFILE module or its Taxprep Transmission Service, the electronic transmission of Form T1013 with the CRA. A command has been added to that effect under the **Transmission** menu. The configuration of this service is the same as the EFILE (federal), i.e. you must specify your EFILE number and password (provided by the CRA). It is possible to transmit one or more eligible Forms T1013 at a time. The T1013 can be submitted at any time - you do not have to wait until the return is EFILED. You can only EFILE the T1013 if you are requesting Online Access and have already registered as a representative. For more information on this new feature, consult the **Transmission of T1013 Forms** help topic and the CRA Web site at <http://www.cra.gc.ca/representatives>.

Registration and Renewal On-line

To renew your EFILE and SEND privileges 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 SEND system, 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/>.

The CRA's Transmission Reception Schedule:

- **January 24, 2011** - The EFILE On-Line Plus and Form T1013 transmission system became available.
- **February 14, 2011** - Acknowledgements for EFILE On-Line Plus became available.
- **February 14, 2011** - The CRA began processing Form T1013.
- **February 14, 2011** - The EFILE On-Line transmission system opened.
- **September 30, 2011** - The CRA will shut down its system, except for transmission of Form T1013, which is available throughout the year.

SEND

Personal Taxprep 2010 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.

The CRA begins processing SEND requests on December 13, 2010.

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 2011. The CRA systems will be updated as these information slips are processed. Once updated, the CRA will display SEND results for taxpayers who were issued these benefits.

It is no longer possible to use the SEND service via the Web pages. Only the default Web services used in the previous years versions, will be used for purposes of transmitting data to the CRA.

Québec

Transmission to RQ - XML Format

From now on, the files transmitted to RQ will be generated in XML format. The transmission address configured in the **Options and Settings** dialog box remains unchanged. The transmitted file (previously named 813) is now called "Transmission" and the acknowledgement (previously named 151) is now called "Receipt."

Reception Schedule:

- **February 14, 2011** - Opening of the NetFile Québec system.
- **February 15, 2011** - Opening of the Refund Info-line system.
- **February 24, 2011** - Issuing of the accelerated refund cheques begins.
- **September 30, 2011** - NetFile Québec will shut down its system.

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 2010*. For more details on how to register, access http://www.revenu.gouv.qc.ca/en/sep/ services/sgp_impotnet_prep/comme nt.aspx.

A preparer who was registered in 2009 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 RQ Web site at

http://www.revenu.gouv.qc.ca/en/sep/sep/services/sgp_renouvel_impotnet/default.aspx.

The online registration service is reserved for preparers who 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 RQ. 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 RQ to obtain authorization to electronically transmit returns.

Advantages:

- You can continue to transmit your returns even when the CRA or RQ Web sites are unavailable.
- The usual verifications are done without you having to contact the CRA or RQ.
- 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

The following problems have been resolved in version 2.0 - 2010 of *Personal Taxprep*:



Federal

- Roll forward of 2009 DT Max files

The following problems have been resolved in version 3.0 - 2010 of *Personal Taxprep*:



Federal

- Incorrect instructions on line 6 of Form RC310, *Election for Special Relief for Tax Deferral Election on Employee Security Options* (Jump Code: RC310)



Ontario

- Amounts not indexed for the purpose of calculating the 2011 Ontario Energy and Property Tax Credit, the 2011 Northern Ontario Energy Credit and the 2011 Ontario Sales Tax Credit

 Québec

- Changes in the calculation of Form QSolidarity, *Solidarity Tax Credit*, when an individual is eligible for the component related to the dwelling (Jump Code: QSOLIDARITY)