



It doesn't have to be complicated

Tax | Accounting | Business | Consulting

Personal Tax

10 Tax Preparation Tips

1. **Collect your documents.**
Designate a location for the slips as they come in. Many clients use the prior year tax folder.
2. **Review the Tax Checklists.**
Several checklists are available on our website including Employment, Rental, and Self-Employment.
3. **Compare**
Check that your documents are complete by comparing to your prior year tax package.
4. **Changes**
Advise us of any significant changes since the previous year such as contact info, family (births, deaths, marital status, and health), or employment.
5. **Medical expenses**
Review for eligibility and check dates.
If reimbursed from an extended plan, calculate net cost.
6. **Charitable donations**
Review for eligible dates and charities.
(Lottery tickets are not eligible.)
7. **Tax Changes**
Acquaint yourself with the tax changes.
8. **Complete Records?**
Incomplete information causes delays in processing and may increase the cost of preparation.
9. **Questions?**
Send an email or attach a notes page to your slips.
10. **My Account**
Sign up for this service to have access to your tax filing status.
www.cra.gc.ca

New Clients

Complete the New Client Registration form (www.skidmorecga.com - New Clients) and send it to us before your first appointment. Contact us early to avoid disappointment.

Diane Skidmore CPA CGA

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What people are saying about us:

Clients

"Diane has made my life easier and saved me money! She has made the tax process straightforward. Diane is a consummate professional who is easy to reach, responsive, knowledgeable and eager to serve."

Rita Westfal-MacDonald, Vancouver

"The firm has provided tax services to my firm and family for many years. Their service is very personalized and to the highest professional standards. I have no hesitation recommending them."

Eric Vance, MA, FCMC, MCIP, RPP

Principal, Eric Vance & Associates

Other Professionals

"I have been very fortunate to be able to refer clients of my law practice to Diane. Diane's breadth of knowledge and experience, combined with her wonderfully approachable and engaging personality, make her a tremendous resource for my clients and me. I unhesitatingly recommend her."

Richard Rainey, BA, LLB

Richard Rainey Law Corporation

"As a Notary Public working in the Tri-Cities, I have had the opportunity to refer several clients to Diane for advice on tax matters regarding personal, corporate and estate tax issues. She has proven to be a reliable, professional and knowledgeable resource for myself and my clients. As a fellow member of the Chamber of Commerce, I have witnessed firsthand the respect she has earned from other business owners in the community."

Bart Aldrich Notary Corporation



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Tax Credits

To keep your taxes as low as possible, be sure to claim all the tax credits you are entitled to. Tax credits reduce taxes payable and are the same for all taxpayers – regardless of their tax bracket.

Below are the most frequently claimed federal and BC tax credits for 2013.

Tax Credit	Federal Amount	BC Amount
Tax rate applied to credits	15%	5.06%
Basic personal	11,038	10,276
Spouse / partner / eligible dependant	11,038	9,746
Net income threshold ¹	\$0	\$886
Age 65 and over (born 1947 or earlier)	6,854	4,421
Net income threshold ¹	34,562	32,911
Disability (Approved T2201 required)	7,697	7,394
Pension	2,000	1,000
Employment	1,117	-
Child (born 1996 or later)	2,234	-
Children's fitness (max) (born 1997 or later)	500	500
Children's arts (max) (born 1997 or later)	500	500
<i>For children that qualify for the disability tax credit, the age is extended to those born 1995 or later and the amount is doubled to a maximum of \$1,000</i>		
Canada Pension Plan (max earnings \$51,100)	2,356	2,356
Employment Insurance (max earnings \$47,400)	891	891

The following credits are limited by the cost to the taxpayer and are calculated as a percentage of the qualifying amount.

Education and textbooks (T2202A required)		
Full Time / per month (max)	465	200
Part Time / per month (max)	140	60
Maximum transferable to supporting spouse, parent, or grandparent		\$5,000.
Medical expense threshold	2,109	1,972
Charitable donations		
Credit on first \$200	15.00%	5.06%
Credit on balance	29.00%	14.70%

Combined Federal and BC Income Tax

Taxable Income	Total Tax ²	Self Employed Tax & CPP ³
10,000	-	640
15,000	300	1,560
20,000	1,080	2,760
25,000	2,170	4,320
30,000	3,270	5,870
35,000	4,230	7,340
40,000	5,230	8,750
45,000	6,400	10,280
50,000	7,830	12,090
55,000	9,320	13,670
60,000	10,800	15,140
65,000	12,290	16,630
70,000	13,770	18,100
75,000	15,260	19,600
80,000	16,880	21,150
85,000	18,500	22,780
90,000	20,310	24,450
95,000	22,230	26,360
100,000	24,140	28,280
110,000	28,100	32,180
120,000	32,170	36,250
130,000	36,240	40,320
140,000	40,460	44,460
150,000	44,830	48,830
160,000	49,200	53,200
170,000	53,570	57,570
180,000	57,940	61,940
190,000	62,300	66,310
200,000	66,680	70,680

Figures have been rounded to the nearest \$10.

2013 Individual Marginal Rates

Taxable Income From	To	Other Income	Non-Eligible Dividends	Eligible Dividends
0	37,568	20.06%	4.16%	-6.84%
37,569	43,561	22.70%	7.46%	-3.20%
43,562	75,138	29.70%	16.21%	6.46%
75,139	86,268	32.50%	19.71%	10.32%
86,269	87,123	34.29%	21.95%	12.79%
87,124	104,754	38.29%	26.95%	18.31%
104,755	135,054	40.70%	29.96%	21.64%
135,055	150,000	43.70%	33.71%	25.78%
150,001*	Over	45.8%	36.3%	28.7%

* New temporary tax bracket starting Jan 1/14. This temporary measure expires Dec 31/15

Due Dates

March 3	Last day to contribute to RRSPs
April 30	Personal Tax Filing Due Date Tax Owing Due Date
June 16	Personal Tax Filing Due Date for Self-Employed Individuals and their spouse.

Prescribed Interest Rates

	Tax Refunds	Tax Debts
2013 Q1-3	3.0%	5.0%
2013 Q4	4%	6%
2014 Q1	3.0%	5.0%

Automobile

	2013	2014
First 5000 Km	54¢	54¢
Each additional	48¢	48¢

Maximum deductible allowances paid to employees for employment related Km.

RRSP Contribution Limits

Lesser of 18% of earned income or:		
2013	2014	2015
\$23,820	\$24,270	\$24,930

TFSA Contribution Limits

The annual Tax-Free Savings Account limit increased to \$5,500 effective Jan 12013.

CRA Contact

Individual	1-800-959-8281
Business	1-800-959-5525

Select * to bypass prompts.

¹ Net income threshold: Income earned in excess of the net income threshold as indicated, reduces the available credit on a dollar-for-dollar basis with the exception of the Age Credit which is reduced by 15%.

² Tax computations reflect basic employment income with claims for the basic personal amount, applicable CPP, EI, and the Federal Employment amount.

³ Tax computations reflect self-employment income with claims for the basic personal amount and applicable CPP.

The information is current as of January 31, 2014. It is of a general nature and is not intended to address the specific circumstances of a particular individual. You should not act on this information without appropriate professional advice after thorough examination of a particular situation. E&OE