

The 17th Floor

Personal Taxes Kit

First Steps

Get Your Social Insurance Number (SIN)

A social insurance number, often called a SIN, is a 9-digit identification number you need to work in Canada. Your SIN allows you to receive benefits and services from the Government of Canada. It is issued by [Service Canada](#). Keeping it safe is paramount to avoid fraud or even identity theft.

Fill Out the TD1 Form

When you start a new job, you will fill out a [TD1 form](#), Personal Tax Credits Return, with your personal information and your best estimate of your tax situation. Your employer uses this form to calculate the amount of income tax to deduct from your pay.

Understanding Payroll Deductions

One of the main deductions from your paycheck is for income tax. Regular income tax deductions cover the income tax you might owe for the year. Your employer must also deduct other amounts from your pay, including:

- [Canada Pension Plan \(CPP\)](#) or [Quebec Pension Plan \(QPP\)](#) contributions
- [Employment Insurance \(EI\)](#) premiums

The T4 Slip Explained

The [T4 slip](#), Statement of Remuneration Paid, shows information about your employment income and payroll deductions for the entire calendar year. You use the information on this slip when you do your taxes. Your employer must send you a T4 slip by the end of February following the year you worked for them.

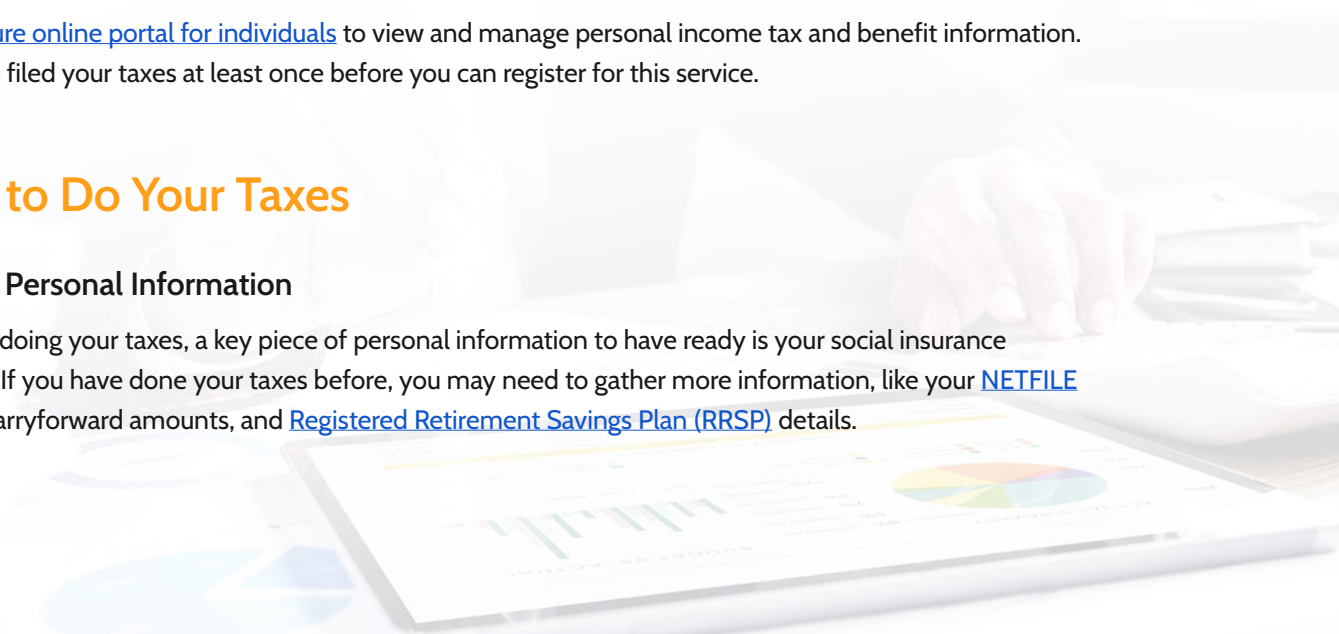
My Account

The [CRA's secure online portal for individuals](#) to view and manage personal income tax and benefit information. You must have filed your taxes at least once before you can register for this service.

Prepare to Do Your Taxes

Gather Your Personal Information

When you are doing your taxes, a key piece of personal information to have ready is your social insurance number (SIN). If you have done your taxes before, you may need to gather more information, like your [NETFILE](#) access code, carryforward amounts, and [Registered Retirement Savings Plan \(RRSP\)](#) details.



Get Your Information Slips

Many tax slips are available in My Account or through the [Auto-fill my return service](#). The most common ones are the T4 slip, T4A slip (Statement of Pension, Retirement, Annuity, and Other Income), T4E slip (Statement of Employment Insurance and Other Benefits), and T5007 slip (Statement of Benefits). If you live in Quebec, you'll need your Relevé slips.

Proofs of Income Not Declared on the Slips

This could include tips or occasional earnings, and to report them, you may need to gather documents such as financial statements, invoices, or other records.

Doing Your Taxes

File Electronically

The fastest and easiest way to do your taxes is electronically. Once received, the CRA usually takes about two weeks to process your taxes. You must use NETFILE-certified tax software to do your taxes online. Remember to update your personal information on MyAccount before filing electronically.

Use a Tax Preparation Service Provider

If you are uncomfortable doing taxes yourself, you can authorize a representative to do them for you. Tax preparation service providers will do your taxes using EFILE-certified tax software and will send your tax return electronically to the CRA through an online service known as EFILE.

Important Dates

Know the Due Date for Filing: April 30th

The tax-filing season opens in mid-February; individuals and their representatives can start filing electronically, and the CRA can begin processing returns filed for the previous year. Your tax return is usually due on or before April 30 of the following year. Remember to do your taxes every year, even if you have no income.

The Importance of the Payment Deadline

If you have a balance owing when you do your taxes, it is due by April 30 of the year following the tax year. If you have not paid your balance by that date, the CRA will start charging you compound daily interest on any outstanding balance starting the day after the due date until you pay your balance in full.

SOURCE: Canada Revenue Agency

