

FILING YOUR TAXES

Canada's tax year runs from the beginning of January until the end of December of every year. For any work that you did in 2015, you will file your taxes in early 2016 with the Canada Revenue Agency. For any work that you do in 2016, you must wait until early 2017 to file your taxes. You should file your 2015 taxes before April 30, 2016.

The amount of tax that you will get back from the Canada Revenue Agency depends on a variety of factors, such as: how much money you made while in Canada, how long you were in Canada, how much your employer was deducting in taxes, etc. While most SWAP participants do get some of their taxes back, most people do not get 100% back.

You have 3 basic choices for filing your return: You can hire an accountant, work with a third-party such as Taxback.com, or you can do it yourself using the forms from the Canada Revenue Agency website. This document will outline the process for doing it on your own. Information on accountants can be found at the end of this document.

Resident or Non-resident?

If you have been in Canada for 6 months (183 days) or more during 2015, you will do your taxes as a resident. If you have been here for less than 6 months, you may have the option of doing your taxes as a resident or a non-resident.

You may be considered a resident even though you have been here for less than 6 months if you have considerable residential ties to Canada, such as: a job, a bank account, a house/apartment rental contract, etc. Generally, residents get more tax benefits than non-residents do, and receive larger tax returns.

If you are unsure of your residential status, you can contact the International Tax Services office at 1-800-959-8281

To File Your Taxes Independently:

Step 1: Get your T4 forms from *all* employers you had during the tax year. You should be given 2 copies of the form – one for you to keep for your own records, and one for you to send in with your tax return. Your employer generally mails these to you before the end of February. If you're going to be back home at the time that T4s are mailed out, be sure to give your employer your home address before you leave. If your T4 is sent to the SWAP offices, we will email you to let you know it has arrived; if your T4 arrives at our offices and you are back in your home country, and if you give us express permission to do so, we can open the mail and scan your T4s to you.



Step 2: Download the appropriate forms from the “General Income Tax and Benefit package for 2015” section under “Individuals” on www.cra-arc.gc.ca.

For those filing as **non-residents:**

- Under the province you were living in on December 31 or the province you were living in before you left Canada, download the T1 General 2015; the Schedule 1 - Federal Tax; and the 428 form from your province (ie: BC428)
- Under **Non-Residents of Canada**, download Schedule A
- Download the T1234 (which includes Schedules B & D), which can be found by doing a search on the site

For those filing as **residents:**

- Download the T1 General 2015; Schedule 1 Federal Tax and the 428 form for your province. **These forms are also available from any Canadian post office during the tax season.**

Step 3: Fill out the tax return forms. The forms also come with a downloadable guide to assist you in filling them out.

***Important information about completing the forms:**

- If you are **filing as a resident**, you will need to report any income that you made outside of Canada during the calendar year on the T1 General form (foreign income goes on Line 130). You should then deduct this amount from line 256 (Additional Deductions) of the T1 to avoid being double-taxed. Non-residents do not have to report any foreign income on their T1.
- **Only Residents, and Non-Residents who have 90% or more on Line A of the T1234**, qualify for the Basic Personal Amounts on both the Federal and Provincial forms. If you do not qualify you must claim "0.00" for your basic personal amount. If you do qualify, your Basic Personal Amount must be PRORATED! Instructions on how much to claim are below (No. 1 under "IMPORTANT INFORMATION").

Step 4: Send your completed forms, along with a copy of each of your T4 slips, to the Canada Revenue Agency. **Please note:** If you are filing your taxes as a non-resident, or if you are filing as a resident but are overseas at the time that you file, you must **mail them** into this address:

International Tax Services Office

Post Office Box 9769, Station T
Ottawa ON K1G 3Y4
CANADA

If you are filing as a resident and are in Canada at the time of filing, send your return to the closest Tax Centre. Visit the Canada Revenue Agency website to find the address of the closest centre:

<http://www.cra-arc.gc.ca/cntct/t1ddr-eng.html>



Note that for first time income tax filers it will take 8–10 weeks before you receive your refund.

***Important Stuff to Consider...**

1. If you are filing as a resident, you are entitled to the basic personal amount tax-free. Non-residents are also entitled to this amount if they make 90% of their total income for the year within Canada - use the T1234 (Schedule B) to find out if you qualify. If you are eligible, the amount you are entitled to will be prorated based on how much time you spent in Canada that year. For example: if you were in Canada for 12 months, you get the full amount of \$11,327. For 6 months, it will be \$5,569, etc. To figure out how much to claim, use this simple equation: [the number of days spent in Canada in 2015] ÷ 365 x 11 327.
2. If you are going home before the end of the tax year, you must tell your employer before you leave your job what your address is in your home country so that they can send you your T4 slips – you can do your 2016 taxes at the beginning of 2017 from home!
3. If you are filing your taxes from outside Canada, or if you will be home before your tax return is sent out, include a letter with your forms indicating where you would like your return sent, and in what currency – Canadian dollars, US dollars or Euros.
4. If you have questions about your tax return, call the International Tax Services Office at 1-800-959-8281 from within Canada, or 613-940-8495 from overseas. You can also visit a Canada Revenue Agency Tax Services office near you: <http://www.cra-arc.gc.ca/cntct/tso-bsf-eng.html>

Using an Accountant

If you choose to file your return with an accountant, it is best to choose a registered accountant or tax return specialist. Make sure that you ask if the accountant is familiar with filing foreign worker's tax returns. To find an accountant in your area, go online to www.canada411.ca or search the Yellow Pages phone book. Call around to compare prices – generally it will cost \$50–\$100.

For those filing from outside of Canada and wishing to use an accountant, Taxback is a company that specializes in international tax returns. You can check them out at www.taxback.com. They charge a processing fee.

Further Questions?

If you require further assistance with filing your taxes or have any in-depth questions please do not hesitate to get in touch with the Canadian Revenue Agency's International Tax Office. They have very helpful staff that can help with many of your questions and concerns.

Contact them within Canada: 1-800-959-8281

Contact them outside of Canada: 1-613-940-8495