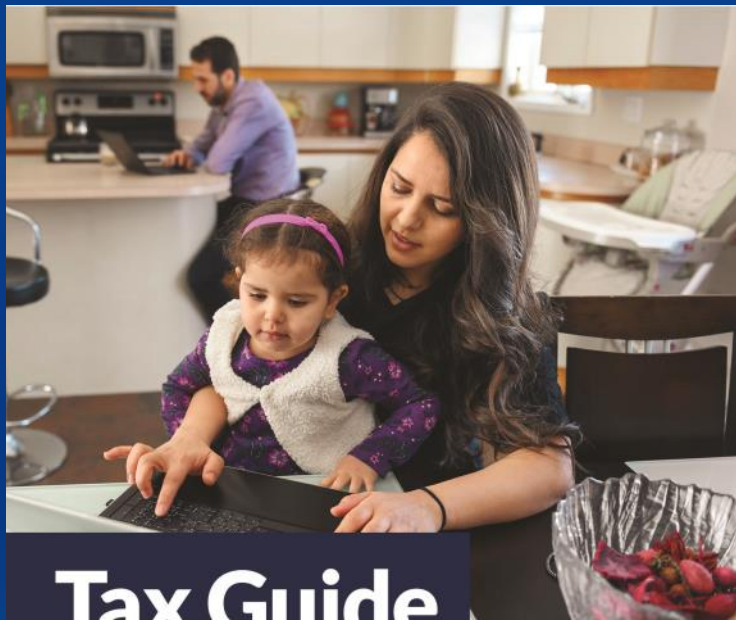


LEN

WEBBER



MP FOR
CALGARY CONFEDERATION



Tax Guide

SAVING YOU MORE

Read this guide before completing
your 2020 tax return!



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/lenwebberyc



www.lenwebber.ca



Canadians have always been able to rely on Conservatives as the best party to manage the economy and be the voice of hard-working taxpayers. The pandemic has created massive economic damage. Millions of Canadians are struggling.

I hear from constituents everyday that people are doing everything they can to get through, but many fear there will be tougher days ahead.

Even before the pandemic, the Liberal government's high-tax agenda was doing real damage, and Conservatives are worried that the Liberals will hike taxes even higher to pay for Justin Trudeau's out-of-control spending.

New tax hikes are hitting Canadians at the worst possible time, especially in Alberta. Conservatives are focused on supporting Canadians through these tough times and building a recovery so our economy doesn't just survive COVID-19, but thrives.

That's why as income tax season approaches, it's imperative that you receive all the benefits you qualify for. Take a look through this Tax Guide and find some of the tax savings you may be eligible for. Many were created by the previous Conservative government.

As always, I appreciate your ongoing support and encouragement and consider it an honour to be your elected federal representative in the House of Commons.

Sincerely,

Len Webber, MP
Calgary Confederation



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SUPPORT FOR INDIVIDUALS IMPACTED BY COVID-19

Conservatives worked with the government to create support programs that help Canadians who have lost their jobs or saw their hours cut. We have worked to expand the programs to ensure that everyone is covered. If you need financial assistance, have lost a job, are unable to work or are taking care of family members due to the COVID-19 pandemic, there are programs to help you.

Employment Insurance (EI) program

- For 2021, there are changes to the Employment Insurance (EI) program to better support Canadians who need financial assistance. As of September 27, 2020, the minimum benefit rate is \$500 per week before taxes in most cases.

Canada Recovery Benefit (CRB)

- The CRB provides \$500 per week for up to 26 weeks for workers who have stopped working or had their income reduced by at least 50% due to COVID-19, and who are not eligible for Employment Insurance (EI).

Canada Recovery Sickness Benefit (CRSB)

- The CRSB provides \$500 per week for up to a maximum of two weeks, for workers who:
 - Are unable to work for at least 50% of the week because they contracted COVID-19;
 - Are self-isolated for reasons related to COVID-19;
 - Have underlying conditions, are undergoing treatments or have contracted other sicknesses that, in the opinion of a medical practitioner, nurse practitioner, person in authority, government or public health authority, would make them more susceptible to COVID-19.

Canada Recovery Caregiving Benefit (CRCB)

- The CRCB provides \$500 per week for up to 26 weeks per household for workers:
 - unable to work for at least 50% of the week because they must care for a child under the age of 12 or family member because schools, day-cares or care facilities are closed due to COVID-19; or
 - because the child or family member is sick and/or required to quarantine or is at high risk of serious health implications because of COVID-19.

Apply and learn more about these programs at

www.Canada.ca/coronavirus

WARNING AT TAX TIME: If you received the Canada Emergency Response Benefit (CERB) or other benefits in 2020, they are considered taxable income by CRA and there were no source deductions, so be prepared for a hefty tax bill of up to 15-20% of benefits received, depending on your overall income level.



Keep your receipts for tax purposes when you see this symbol!

SAVINGS FOR ALL CANADIANS



The previous Conservative government succeeded in reducing the tax burden on Canadians to the lowest point in half a century. We did this by removing one million Canadians from tax rolls, increasing the amount Canadians could earn tax free, and cutting the lowest personal income tax rate to 15%.

Here is a list of some tax benefits that you can claim:

Goods and Services Tax (GST) Credit

Four times a year, this tax-free payment helps individuals and families with modest incomes offset all or part of the GST they pay.

If you have a spouse or common-law partner, just one of you can receive this credit. When you file your 2020 tax return, CRA will determine your eligibility and will advise those who are eligible to receive the credit.

Medical Expense Deductions

This credit applies to a number of eligible expenses – from home care services, to laser eye surgery, to orthopedics. The previous Conservative government expanded the deduction itself, as well as the list of expenses, to include costs associated with certain types of service animals (e.g. diabetes alert dogs). The amount you can claim is the total of your expenses, minus approximately \$2,397 or 3% of the claimant's income (whichever is less). There is no limit on the amount of eligible expenses a taxpayer can claim for himself or herself, a spouse or common-law partner, or a child under 18.

Climate Action Incentive

Canadians who live in a province where the Liberal Carbon Tax applies (Alberta, Saskatchewan, Manitoba and Ontario) can claim the climate action incentive with their income tax return. The amount you receive depends on your province of residence and your personal living situation, and it probably won't cover all the costs of the carbon tax. You may also qualify for a 10% supplement if you are a resident of a small or rural community. (The basic amounts for 2020 are as follows: Alberta \$490, Saskatchewan \$500, Manitoba \$360, Ontario \$300.)

Simplified Home Office Tax Credit for 2020

For 2020, employees who worked from home more than 50% of the time over a period of at least four consecutive weeks in 2020 due to COVID-19 can claim a deduction of \$2 for each day they worked at home up to a maximum of \$400.

Canada Training Credit

The Canada Training Credit (CTC) is available for eligible tuition and other fees paid for courses taken in 2020 and subsequent tax years. An eligible individual can accumulate \$250 in each year toward their CTC limit, up to a maximum of \$5,000 in a lifetime, which can be accessed the following year to help cover up to half of eligible tuition and fees associated with training.



SAVINGS FOR FAMILIES

Child Care Expense Deductions

You can claim payments you have made to someone who has looked after your child while you either earned an income from employment, operated a business alone or as an active partner, attended school or conducted research.

The previous Conservative government increased the dollar limits that parents can claim up to \$8,000 per child who is under the age of seven, up to \$5,000 for each child aged 7 to 16 (and for infirm children over the age of 16), and \$11,000 for any children who are eligible for the Disability Tax Credit.

Canada Caregiver Credit

You can claim \$2,230 under the Canada Caregiver Credit if you support a spouse, a common-law partner or a dependent with a physical or mental impairment. For your spouse, common-law partner or eligible dependent over 18, you may also claim an additional amount up to a maximum of \$7,140.

Child Disability Benefit

To recognize the additional costs that can add up when caring for a child with a severe disability, families can continue to claim the Child Disability Benefit. It is an amount of up to \$2,886 per eligible child.

Registered Disability Savings Plan

The previous Conservative government introduced the Registered Disability Savings Plan (RDSP) to ensure long-term financial security for Canadians and families who are dealing with severe disability. Over the years, we have also made a number of enhancements. In particular, the Plan now ensures that long-term financial security is provided to children whose parents are no longer able to provide support.

Adoption Expense Tax Credit

This credit is a 15% non-refundable tax credit that allows adoptive parents to claim eligible adoption expenses relating to the completed adoption of a child, up to a maximum of \$16,563.

SAVINGS FOR SENIORS

60+

Home Accessibility Tax Credit

Seniors and persons with disabilities who are eligible for the Disability Tax Credit can qualify for tax relief of 15% on up to \$10,000 in eligible expenses, delivered by the previous Conservative government. To be eligible, expenses must be incurred in relation to a renovation allowing for better mobility and functionality or reducing the risk of harm.

Doubling the Pension Income Amount

Years ago, a non-refundable pension income credit was introduced to apply to the first \$1,000 of eligible pension income. A lot has changed since then, which is why the previous Conservative government increased the maximum amount of eligible pension income that can be claimed to \$2,000. This results in even more savings that will make a real difference for pensioners.

Increasing the Age Amount

The Age Amount allows seniors to claim up to \$7,637 on their 2020 tax return, depending on the individual's net income.





**Claim childcare
expenses up to
\$8,000**

(for children under
the age of seven)

**Claim home
care services,
laser eye surgery,
orthopedics and more**



Claim adoption
expenses up to
\$16,563

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Pension Income-Splitting

The previous Conservative government introduced pension income-splitting to help ease the tax burden and deliver fairness for Canadian pensioners.

Generally, each individual Canadian pays taxes on their full income earned. Pension income-splitting allows any Canadian resident who receives qualifying pension income to allocate to their spouse (or common-law partner), with whom they reside, up to one-half of that income. By doing so, a pensioner and their family can dramatically reduce their tax load.

Increasing the Age Limit for Converting RRSPs to RRIFs

Registered Retirement Savings Plans (RRSPs) provide one of the best opportunities for Canadians to save for the future. Since RRSP contributions are not taxable below your RRSP deduction limit, they are an ideal way to plan for retirement. However, some Canadians have been restricted by the way RRSPs are structured. Even though they chose to work past 69 years of age, it was a requirement to convert their RRSP into a Registered Retirement Income Fund (RRIF) and begin making withdrawals.

The previous Conservative government increased the age limit for converting RRSPs to RRIFs from 69 to 71. Now, more Canadians have the freedom to choose when they convert their RRSPs.



SAVINGS FOR WORKING CANADIANS

Canada Workers Benefit

This benefit, introduced by the previous Conservative government in 2007, is a refundable tax credit that supplements the earnings of low-income workers to ensure they aren't penalized for getting a job. The Liberal government has since renamed and expanded the benefit.

For those low-income working Canadians with a disability who face even larger barriers to workforce participation, the Working Income Tax Benefit (WITB) provides an additional supplement.

Canada Employment Amount

The Canada Employment Amount provides most employees of the public and private sector (excluding the self-employed) with help to offset the cost

Save 15%
on up to
\$10,000
for renovations,
allowing for
better mobility,
with the
**Home
Accessibility
Tax Credit**

Pension income-splitting
helps ease the tax burden –
\$2,000
per eligible pension income



Keep more of your
hard-earned money with the
Increased Age Amount

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Employers can save up to
**\$2,000 per eligible
apprentice**

**Claim tools and
meal expenses**



Supporting **volunteer
firefighters, and search
and rescue personnel**



of work-related expenses such as home computers, uniforms and supplies. If you qualify for this amount, you can claim up to \$1,245 on your 2020 tax return.

Apprenticeship Job Creation Tax Credit

Employers who employ an eligible apprentice in a skilled trade in the first two years of an apprenticeship contract (registered with the federal, provincial, or territorial government) can be eligible to receive a non-refundable tax credit equivalent to 10% of the salaries and wages paid to the apprentice.

Introduced by the previous Conservative government, this can translate into tax savings for an employer of up to \$2,000 per eligible apprentice. Visit online for more information at www.red-seal.ca.

Lower Taxes for Local Business Owners, Farmers and Fishermen

When an owner of a family farm, local business, or fishing enterprise passes from one generation to the next, the properties – or shares – are subject to a Capital Gains Tax. Previously, the first \$500,000 of the value was tax-free.

The previous Conservative government increased this exemption to \$800,000. (As it is indexed for inflation, the lifetime capital gains exemption is \$883,384 for the 2020 tax year.) Additionally, Conservatives also increased the limit specifically for farm and fishing businesses to \$1 million.

Eligible Educator School Supply Tax Credit

Eligible educators can claim a 15% refundable tax credit on up to \$1,000 of supply purchases per year. Some examples include flashcards, arts supplies, writing materials, books for the classroom and more.

Volunteer Firefighters' Tax Credit

This is a 15% non-refundable tax credit based on an amount of \$3,000 for volunteer firefighters who perform at least 200 hours of service per year. Delivered by the previous Conservative government, the option to claim the exempt amount of up to \$1,000 for honoraria will remain in lieu of the credit, if desired.



SAVINGS FOR WORKING CANADIANS (cont'd)

Search and Rescue Volunteer Tax Credit

This is a 15% non-refundable tax credit based on an amount of \$3,000 to acknowledge the valuable contributions of ground, air and marine search and rescue volunteers, who perform at least 200 hours of service per year. Delivered by the previous Conservative government, the option to claim the exempt amount of up to \$1,000 for honoraria will remain in lieu of the credit, if desired.

Tradespersons' Tools Deduction 💰

This tax deduction on tools, delivered by the previous Conservative government, helps those tradespeople who often must pay for their work expenses up front out of their own pockets.

Meal Expenses of Long-Haul Truck Drivers 💰

The Canadian tax system generally limits business-related meal, entertainment, and other expenses to be deductible only up to 50%. The previous Conservative government raised the deductible portion of meal expenses for long-haul truck drivers to 80%.



SAVINGS FOR HOME BUYERS

Here is a list of some tax benefits that you can still claim:

Home Buyers' Amount

The credit (delivered by the previous Conservative government) allows first-time home buyers to claim an amount of \$5,000 on qualifying homes purchased. It's also available to those who are not first-time home buyers but who are eligible for the Disability Tax Credit (DTC) when they purchase a more accessible or functional home.

Home Buyers' Plan 💰

Under the Home Buyers' Plan, the previous Conservative government raised the amount Canadians can withdraw from their Registered Retirement Savings Plans (RRSP) for a down payment on their first home. The amount has increased again to \$35,000.



Under the
Home Buyers' Plan
Canadians can withdraw
\$35,000 from their RRSP for a
down payment on their first home.

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**DO YOU HAVE QUESTIONS
ABOUT YOUR TAX FILE?**

Contact the
Canada Revenue Agency

1-800-267-6999
www.cra-arc.gc.ca