



PAT KELLY

Member of Parliament
Calgary Rocky Ridge

Tips for your 2020 Tax Return

Dear Residents of Calgary Rocky Ridge:

As your Member of Parliament, I will continue speaking out in Parliament for lower taxes and greater affordability. This guide includes some of the available tax credits and deductions and is intended to help you prepare your personal 2020 income tax return.

I urge you to take advantage of all credits and deductions for which you qualify to minimize your taxes, while noting that this is not a comprehensive list and is not tax advice.

Savings for All Canadians:

Goods and Services Tax (GST) Credit

This tax-free quarterly payment helps those with modest incomes offset all or part of the GST that they pay. You can check the box to apply when filing your taxes, and CRA will determine your eligibility. Only one spouse may claim it.

Medical Expense Deductions

You can claim the total of your expenses, minus the lesser of \$2,397 or 3% of your income. 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.

Canada Training Credit (CTC)

The Canada Training Credit 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:

Childcare Expense Deductions

Claim childcare expenses incurred while earning an income from employment, operating a business, attending school, or conducting research. You may claim up to \$8,000 per child who is under the age of seven, up to \$5,000 for each child aged seven to sixteen (and for infirm children over the age of sixteen), and \$11,000 for a child eligible for the Disability Tax Credit.

Adoption Expense Tax Credit

This 15% non-refundable tax credit allows adoptive parents to claim eligible expenses relating to the completed adoption of a child under the age of 18 up to a maximum of \$16,563.

Child Disability Benefit

Families can receive up to \$2,886 per eligible child.



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 claim an additional amount up to a maximum of \$7,140.

Registered Disability Savings Plan (RDSP)

The RDSP allows parents to save for future care of children who qualify for the Disability Tax Credit. The Government of Canada matches contributions through the Canada Disability Savings Grant and Canada Disability Savings Bond.

Savings for Seniors:

Home Accessibility Tax Credit

Those who are eligible for the Disability Tax Credit are considered qualified for this tax relief of 15% on up to \$10,000 in eligible expenses. Expenses must be incurred in relation to a renovation allowing for better mobility and functionality or reducing the risk of harm.

Age Amount

Seniors may claim up to \$7,637, depending on their net income.

Pension Income Splitting

Any Canadian resident who receives qualifying pension income may allocate up to half of that income to their spouse or common-law partner with whom they reside.

**Were pandemic response
program criteria and tax
implications explained clearly?**

YES

☐

NO

☐

Name: _____

Address: _____

Email: _____

Comments:



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Savings for Workers

Canada Workers Benefit

A refundable tax credit supplementing earnings of low-income workers to avoid penalizing them for getting a job. The Working Income Tax Benefit (WITB) provides an additional supplement for low-income workers with a disability.

Canada Employment Amount

This amount provides most employees with help offsetting the cost 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.

Eligible Educator School Supply Tax Credit

Eligible educators can claim a 15% refundable tax credit on up to \$1,000 of out of pocket supply purchases per year.

Tradespersons' Tools Deduction

This tax deduction on tools helps tradespeople who must pay for their work expenses up front out of their own pockets.

Savings for Home Buyers

Home Buyers' Amount

The credit allows first-time home buyers to claim up to \$5,000 on qualifying homes. It is also available to home-buyers who are eligible for the Disability Tax Credit when they purchase a more accessible or functional home.



COVID-19 benefits, including the Canada Emergency Response Benefit (CERB), are considered taxable income. Aside from the more recent CRB, there were no source deductions taken, so be prepared for a tax bill of up to 15-20% of benefits received. You should receive a T4A slip from the Canada Revenue Agency (CRA) by March 10th.

For more information, visit the Canada Revenue Agency website: canada.ca/en/services/taxes.html

Support for Individuals Impacted by COVID-19

Employment Insurance (EI)

For 2021, there are changes to the 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 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, daycares 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.

Simplified Home Office Tax Credit 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 may claim a deduction of \$2 for each day they worked at home up to a maximum of \$400.

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