Tax Prep Quick Reference Guide – For 2018 Tax Year

Helpful Phone Numbers

e4c Make Tax Time Pay (MTTP) **Hana** 780-554-0894 **Jasmine** 780-554-3674	**CVITP Volunteer Dedicated line** 1-866-398-3488 (do not give out)
EFile Help Desk 1-800-461-1806 (Call when you have problems E-Filing returns * tell them you are a CVITP volunteer *)	**General Tax Info Line** 1-800-959-8281 (Press * for help)
CRA Benefit Inquiries 1-800-387-1193	**Alberta Works Tax Credit Info & T5 request line** 780-442-1849

Definitions

- **UFile:** the tax software program we use to generate a T1 tax return
- **EFile:** the process of electronically filing a tax return over the internet
- **MTTP:** Make Tax Time Pay (program of e4c)
- **CVITP:** Community Volunteer Income Tax Program (CRA Program)

Before you start a Tax Return

1. Introduce yourself as a volunteer tax preparer
2. Ask the individual/family for their tax slips and receipts
3. Ensure that all of the tax slips and receipts they give you are:
    a. for the **correct tax year** (ex. 2018)
    b. have their **correct name and address** (if they've moved, ask if they have updated CRA)
    c. have their **correct SIN number**
    d. If you are doing a prior-year tax return (2017 and back), double-check the tax year on the slips/receipts and make sure you are using the correct U-File software year.
4. TIP: Before you start, sort the tax slips and receipts by year and then by person (for families). It helps to put income slips in one pile, and then receipts (deductions) in another.

Helpful Questions to Ask

Is your address correct? If the answer is no, ask if they have updated their address with CRA. This can be done online using *My Account*.

If divorced or separated ask, "Are you paying child or spousal support, or receiving child or spousal support?" (Enter Total amount paid or received, both taxable & non-taxable.)
- Usually people have no slips or documentation that states the amount of child and/or spousal support they have paid or receive. Most people will know how much they receive and whether it's taxable or non-taxable.

Do you have dependent children? (Enter all children's info. 'Add a Dependent' for each child)

Do you have child care expenses? (Enter Daycare, Babysitter etc. under the file for each Dependent) They need to have receipts to be able to claim these expenses.

Did anyone in your family attend post-secondary education last year? (Tuition, Education fees are reported on the T2202A slip; also enter any interest paid on their student loan)

Are they transferring any unused tuition credits to a parent? (T2202A up to $5,000.00 for federal & provincial)

Do you have any medical expenses (e.g., prescriptions, medical bills they paid for & did not receive reimbursement for)? (Enter medical expenses for each person under their own file. The program will optimize the medical data by giving the deduction to the family member who will most benefit from it.)

Did you give money to a charity or church? (Enter Donations for each person under their own file. The program will assign the donations to the spouse who will get the best benefit).

Did you immigrate to Canada in 2018?

1. Under Interview Setup select 'Immigrant, emigrant, or non resident taxpayer' box.
2. Select 'Immigrated to Canada in 2018'
3. Enter 'Date of Entry'.
4. Enter any income they made in their country of origin – in Canadian Dollars (See Bank of Canada website for average exchange rates for each currency for 2018.)

Once You've Completed the Return

Go into the 'Tax Return' & Print off the following documents:

- ☑ **T1S60 form (couples: a T1S60 for EACH partner)** they must sign & keep it for their records.
- ☑ **Tax Return Summary (combined spouse summary for a couple)** for the client to keep for their records.
- ☑ **GST Credit**
- ☑ **Canada Child Benefit Summary (page 4)**

Review the Tax Return Summary with the individual(s) noting their income, GST credit and Canada Child Benefit amounts as applicable. Once you've reviewed the Tax Return Summary, ask them to sign the T1S60 form, explaining that the form states that you are a volunteer and you are completing their income tax on their behalf.

Once the T1S60 form has been signed you are ready to file the tax return.

E-Filing the Tax Return

Tax Returns prior to 2013 must be mailed and cannot be EFiled

Note: When you are completing tax returns for a couple – you must complete the following steps for EACH partner:

- Select the tax return you want to EFile. The EFile status should read: 'Ready to send' and Click 'EFile to the CRA'
- If the return meets the basic requirements, you will receive a confirmation number right away. The confirmation message means that the tax return has been accepted for processing.

IMPORTANT: Print off the page with the confirmation number

If there are any problems with the electronic tax return you tried to send, the CRA will send you an explanation of errors or corrections needed. This means that the tax return was not accepted for processing. You can change the electronic version of the tax return and then try to EFile it again.

Troubleshooting:

- *If* the status is "*EFILE was not requested*", double check that you selected EFile and entered your number and password.
- *If* the status is "*This tax return cannot currently be EFiled*", check for any errors (codes are on page 5)

Paper Filing the Tax Return

Note: When you are completing **tax returns for a couple** – you must complete the following steps for **EACH** partner:

1. After the tax return is complete, click the blue 'Tax Return' tab on the toolbar (beside the Results tab). Review the tax return(s) for accuracy before printing.

2. Click the "Print" icon. Print off the following documents:
    a. Click 'selected pages' and highlight **'Tax Return Summary'** (there is a combined spouse summary for couples) & Print.
    b. Click the "Print" icon again & Click **'Federal Tax Return'** & Print (print 2 copies).
        - When you print off the Federal Tax Return, a **T1S60** form is automatically printed off within these pages (this can be discarded as we already printed it earlier)
        - Place the Federal Tax Return portion in a labelled enveloped for the person, add postage as necessary.

Required Documents for Tax Preparation

- Piece of government issued identification
- Social Insurance Number for the client, spouse and children
- T4 slips – income statement
- T5007 slips – social assistance income statement
- T5 slips – investment/interest income statement
- T2 slips - tuition payment statement
- RRSP contribution slips
- Medical and dental expenses for you, your partner and children
- Child care receipts, name and address of licensed daycare
- Receipts for charitable donations

Common EFile Error Codes

2 This taxpayers SIN begins with a 09 and is therefore not eligible for EFILE. If the taxpayer is an immigrant to Canada in the year, a date of entry must be entered. If the entries are correct, a paper return should be submitted.

9 The SIN entered for your client is not valid. Review your client's documents or contact your client and enter the correct SIN.

11 The taxpayers SIN is missing on this record.

22 According to CRA records this taxpayer was bankrupt last year or is currently in bankruptcy status. This taxpayer's T1 for the period from January 1 to the date just before the assignment is the only return that is eligible for EFILE; however it must be filed by the taxpayer's trustee.

30 This may be duplicate filing or may have the wrong SIN on this record, as a return with this SIN has been, or is being, processed.

40 The date of birth entered for your client does not agree with the date of birth on the CRA's records. Confirm with your client the date of birth. Where the entry is correct, your client should contact the tax services office to resolve the discrepancy. Also, review the name and SIN entered to ensure that they belong to the taxpayer for whom you are preparing the return for.

41 Your client's date of birth was not present on this record.

42 Your client's name was not present on this record.

43 The surname entered for your client does not agree with CRA's records. Please confirm that you have entered the correct SIN and name for this taxpayer. If the surname entered was correct and a name change is required, code the record to indicate that this is a change of name.

44 The entry for your client's name contains invalid character(s), and/or the first and or/ last character of your client's name is not alphabetic.

47 Your client's street address or PO Box number is not present on this record.

48 Your client's address is outside of Canada and is not eligible for EFILE. If the address is correct, a paper return should be submitted.

68 The entry for spouse or common-law partner's SIN is not valid. Verify the number.

78 This return has already been transmitted.