



By **FOREST LI**

TAX AND ITS BENEFITS

Personal tax return is officially called **Income Tax and Benefit Return**, used by the government to collect income tax and to deliver social benefits. To many newcomers, income-tax filing can be confusing; yet, it can be rewarding – particularly to low-income families for whom the government provides social assistance.

To get the benefits, you must file a tax return each year after arriving in Canada. The benefits include:

- Sales tax (GST/HST) credit
- Property tax (rent) credit and energy credit (Ontario Trillium Benefit)
- Canada child tax, child disability, and universal child-care benefits
- Child activity tax credit

The amounts depend on factors such as total income, number of kids, rent paid, and so on.

TAX CREDITS

Income tax is calculated based on your annual income. But having some income does not always necessarily mean you need to pay income tax. That is because, apart from the tax credits, you may have many other tax-saving credits to reduce, or to eliminate, your income tax. There are more than 30 different kinds of tax-saving credits, including:

- Basic personal amount, and spousal and dependent amount
- Child fitness and art credit
- Education and donation credit
- Working, moving and medical tax credit
- First-time home buyer credit
- Investment and foreign tax credit

To maximize tax refund and social benefits, you should claim all the applicable tax credits on your tax return.

DEADLINE

The deadline to file income tax for fiscal 2011 is April 30, 2012.

If you need more information about your income tax return, you can check Canada Revenue Agency's website at www.cra-arc.gc.ca. You may also contact Wensten Accounting Inc. on (705) 749-9288. ■

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