



CONSULTING SERVICES

Clients are advised to utilize our Advisory and Consulting services:

- Strategic tax planning
- Financial planning (personal & corporate)
- Debt consolidation
- Mortgages/Real Estate consultation
- Loan applications
- Business plans
- Incorporations
- Computer support
- Charities Registration
- Charities consulting
- QuickBooks training
- Bookkeeping Courses
- SR&ED

We also network with other businesses to provide you with a more efficient all-encompassing business operation.

The first ½ hour of initial consultation is always FREE!

CALL NOW TO BOOK YOUR APPOINTMENT FOR PRE TAX PLANNING 2010.

REMEMBER AT RELIABLE "WE MAKE YOUR BUSINESS OUR BUSINESS"

WHAT'S NEW IN 2010:



1. Tax-free Savings Account (TFSA): Beginning in 2009, you can contribute up to \$5,000 per year. A TFSA allow you to earn tax-free investment income. You pay no tax on investment earnings, and you pay no tax on any withdrawals. The TFSA is a powerful tool that will benefit most Canadians. Be careful not to subject yourself to TFSA penalties

2. WHAT YOU NEED TO KNOW

a. Documentation

Law requires adequate documentation.

Inadequate documentation can be costly and embarrassing.

Unsupported tax returns have a negative effect on you.

For motor vehicle expenses, Keep a log for your mileage.

b. My Business Account provides secure, convenient access to your business accounts seven days a week. Go to www.cra.gc.ca/mybusinessaccount and see what other services may be useful to you.

3. Home Buyer's Plan: The maximum eligible withdrawal permitted from an RRSP has been increased from \$20,000 to \$25,000 after January 27, 2009 to buy or build a qualifying house (first time buyer - a four year test).

4. Donation Tax Shelters: "Caveat Emptor" - Let the buyer beware! Participating in tax shelter gifting arrangements is likely to result in a tax bill.

NOTES

Automobile Deduction Limits

Deductible Leasing costs - \$800/m; tax -exempt allowances- 52c PER km for first 5000Km and 46c each additional KM.

INSTALMENT PAYMENTS- 2010

Instalment payments are required by CRA for self-employed earnings, GST and Corporation taxes. Please contact our office if you're unsure of these payments.

HSTWHAT'S EXEMPT...

The Ontario government has moved to harmonize the federal and provincial sales tax into a single 13% HST by July 1, 2010 — Check our website for further details.

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SENIORS CORNER

1. **SENIORS -The Guaranteed Income Supplement (GIS)**: The GIS is an income-tested benefit reduced by 50% of other income received, except for employment earnings. Exemption for employment earnings is 20% of earned income up to \$2,500 providing a maximum exemption of \$500. The budget proposes to increase this exemption to exempt all employment earnings up to \$3,500 per year.
- 2) **GST/HST – Persons with Disabilities**. Some of the Goods & Services used by persons with disabilities, that are supplied exempt from or zero rated for GST/HST are:
 - ✓ Most health care services
 - ✓ Personal care and supervision programs
 - ✓ Meals on wheels
 - ✓ Recreational programs
 - ✓ Most medical devices and supplies. Specially equipped motor vehicles.

Refer to Guide RC4064 for more information.

NURSING HOME

The income tax act provides a medical expense for full-time care in a nursing home if the patient has been certified by a medical practitioner to lack normal mental or physical capacity and in the foreseeable future will continue to be dependent on others.

UPDATE

New CRA User ID and Password replaces Epass, effective Oct 4, 2010. Go to the CRA's new registration / login process.

OVERTIME MEAL ALLOWANCES

A taxable benefit will not be assessed where:

- ✓ The overtime cost of the meal is reasonable. CRA will consider an amount not exceeding \$17 as being reasonable.
- ✓ The employee works two or more hours of overtime right before or after his /her scheduled hours of work.
- ✓ The overtime is infrequent and occasional in nature. (CRA considers less than three times a week as being infrequent and occasional)

NEW FILING REQUIREMENTS FOR PARTNERSHIPS IN 2011

On January 1, 2011, new filing criteria for the partnership information return will come into effect. The filing criteria will apply to partnerships with fiscal periods on or after January 1, 2011. For partnerships with fiscal periods on or before December 31, 2010, the current criteria still apply.

Go to www.cra.gc.ca/partnerships for more details.