



2019 Tax Planning Highlights

Real Estate Transactions

As in the past, all real estate transactions that occurred in 2019 have to be declared on your personal tax return, including sales of the principal residence. **Now CRA is imposing severe penalties for failure to report** so please let us know if you have disposed of and real property.

This reporting is also required where there is a deemed disposition i.e. when a residence becomes a rental property or visa versa. If the property is your principal residence we only require the year of purchase and the proceeds of disposition. If it is a rental property, cottage etc. then we also need the cost of purchase and cost of any upgrades whilst owned. If the property was a principal residence for part of time owned and rented for part of time, please call us to get details of what we require.

School Supply Credit

If you are a teacher you can now get a 15 percent tax credit for an amount of up to \$1,000 school supplies you bought and were not reimbursed for. We need original receipts and approval from the school board or employer to process this claim.

Home Accessibility Tax Credit

Home Accessibility Tax Credit is now available for renovations to existing residence if either you get disability tax credit or are over 65 or relate to that person and have had to do renovations of a major amount in or outside home to give better access to home.

Canada Child Benefit

The Canada Child Benefit has replaced the Canada Child Tax Benefit (CCTB) and Universal Child Care Benefit (UCCB) as of July 2016. The Canada Child Benefit will provide a maximum benefit of \$6,400 per child under the age of 6 and \$5,400 per child aged 6 through 17. The benefit will be phased out depending on the number of children and the level of income.

Tax Rates

Tax rates in 2019 are as follows:

Up to \$47,630 – 25%; \$47,630 to \$95,259 – 30.5%; \$95,259 to 147,667 36% ; \$144,667 to \$210,371 39%; thereafter 43%. The Alberta governments tax on the wealthy raises these rates after \$125,000 so that top rate tax is 48% over \$314,928.

The Old Age Security repayment starts for income over \$75,910.

There is no longer any Children Arts and Fitness tax credits. Also the students Education Tax Credit is being phased out.