

Leonard Bruno CPA Inc.

Chartered Professional Accountant

Leonard Bruno

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Dear Client:

RE: 2017 PERSONAL INCOME TAX ORGANIZER

Our 2017 Personal Income Tax Organizer is designed to assist you in gathering important information and documents necessary for the preparation of your 2017 tax return.

- ✓ Please complete the attached checklist.
- ✓ Send all the necessary information and documentation to us AS SOON AS POSSIBLE as we need time to prepare, process, check and deliver your tax return by the filing deadline of April 30, 2018. *Note that if you or your spouse carried on a business in the year, you have until June 15, 2018 to file your personal income tax return. However, you and your spouse's tax liabilities are due on April 30, 2018.*
- ✓ Please ensure that all documentation provided is complete. This will allow for quicker processing and efficiency.
- ✓ It is mandatory for all tax returns prepared by Leonard Bruno CPA to be e-filed (certain exceptions are provided by CRA). Filing your tax return electronically is fast, safe, easy and environmentally friendly.
 - The benefits of using EFile Online are:
 1. Individuals who have their returns e-filed can generally expect to have their returns and refunds processed within two weeks. You can get your refund even faster if you use direct deposit.
 2. Leonard Bruno CPA receives an electronic acknowledgement that the return has been received by CRA.
 3. If you have to pay, you can e-file your return early and not pay the amount owing until April 30th. Your payment can be made by telephone, Internet banking, ATM or by using the remittance form. In many cases, taxpayers receive their notice of assessment before the payment is due.
- ✓ Clients will be provided with a Jacket Outline of your personal tax return unless otherwise specified in this *2017 Personal Income Tax Organizer*.



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ACCOUNTANTS OF BRITISH COLUMBIA



- ✓ Leonard Bruno CPA will store your returns electronically in a secure environment that can be easily accessed when, or if, required. Please note that unreported or inaccurate reporting on your Form T1135 can lead to significant financial penalties and may extend the assessment period for your entire personal tax return by three years.
- ✓ Please note that if you own foreign property or earn foreign income, and you want Leonard Bruno CPA to prepare the Form T1135 (which reports the details of your foreign investments and income), a separate engagement letter will be sent to you for the preparation of Form T1135. Please call your Leonard Bruno as soon as possible to discuss further.
- ✓ In 2018, Leonard Bruno CPA began using a client portal for the secure delivery of client documents. All completed returns will be delivered by way of our client portal, unless otherwise indicated in this organizer. We prefer you send and receive your files and messages using our secure, no-charge and encrypted process? Click [here](#) to send a secure email with the completed checklist and all necessary documentation.

If you have any questions regarding the organizer or wish to discuss any aspect of your personal tax situation, please contact us at your earliest convenience.

Leonard Bruno CPA
Chartered Professional Accountant
February 7, 2018

New personal tax measures for 2017 that may affect your tax return:

RRSP Limits	The maximum RRSP contribution for 2017 has increased to \$26,010. Your RRSP deduction for 2017 is generally calculated as 18 per cent of your 2016 earned income, less 2016 pension adjustments to a maximum of \$26,010 plus unused RRSP deduction room carried forward from prior years.
TFSA Limits	The TFSA annual contribution limit for the 2017 and 2018 tax years is maintained at \$5,500.
Interest Paid on Student Loans	Interest paid in 2017 or the preceding five years on qualifying student loans can normally be claimed as a non-refundable tax credit. Interest paid on a Canada Apprentice Loan amount for registered Red Seal apprentices can also be claimed.
Canada Care Giver Credit	For 2017 and subsequent taxation years, the Infirm Dependent tax credit, the Caregiver tax credit and the Family Caregiver tax credit are replaced by a new 15 per cent non-refundable Canada Caregiver Credit (CCC). The amount in respect of which the CCC is calculated is \$6,883 and may be claimed for the care of an infirm dependent relative. The credit amount is reduced when the net income of a dependent exceeds \$16,163.
Canada Child Benefit	The Canada Child Benefit (CCB) was boosted significantly in 2016. As announced in the Federal Fall Economic Update 2017, effective for the payment period that begins in July 2018, the CCB base amounts and thresholds will only be given an indexation increase. The CCB provides non-taxable benefits to families based solely on income. The program will provide benefits up to \$533.33 monthly for each child under the age of six and up to \$450 for each child between the ages of six and 17. The benefit is clawed back for families making over \$30,000 and eliminated for families making over \$200,000 annually.
Child Care Expense Deduction Limits	For the 2017 tax year, the maximum child care amounts that can be claimed are \$8,000 for each child under the age of seven at the end of the year; \$5,000 for each child between the ages of seven and 16 at the end of the year; and \$11,000 for each child eligible for the Disability Tax Credit.

<p>Adoption Expenses</p>	<p>You can claim an amount for eligible adoption expenses related to the adoption of a child who is under 18 years of age. For the 2017 taxation year, the maximum amount of eligible expenses for each child has increased to \$15,670. Parents can claim these adoption expenses in the tax year that includes the end of the adoption period for the child.</p> <p>The adoption period:</p> <ul style="list-style-type: none"> ▪ begins when an application is made for registration with a provincial or territorial ministry responsible for adoption (or with an adoption agency licensed by a provincial or territorial government) or when an application related to the adoption is made to a Canadian Court, whichever is earlier; and ▪ ends when an adoption order is issued by, or recognized by, a government in Canada for that child or when the child first begins to live permanently with you, whichever is later.
<p>Eliminated Tax Credits</p>	<p>Per the 2017 Federal budget, the following tax credits were eliminated:</p> <ol style="list-style-type: none"> 1. The Public Transit tax credit, effective July 1, 2017 2. The Children’s Fitness and Arts tax credits, effective January 1, 2017 3. First-time Donor’s Super credit, effective January 1, 2018 4. Education and Textbook tax credits, effective January 1, 2017 (Note: tax credits for tuition paid are still available)
<p>Lifetime Capital Gains Exemption</p>	<p>For dispositions of qualified small business corporation shares in 2017, the lifetime capital gains exemption has increased to \$835,716. For dispositions of qualified farm or fishing property, the lifetime capital gains exemption is maintained at \$813,600 for dispositions before April 21, 2015 and increases to \$1,000,000 for dispositions after April 20, 2015.</p>
<p>Sale of a Principal Residence</p>	<p>All 2016 and subsequent years’ dispositions of a principal residence must now be reported, whether or not the gain in respect thereof is fully sheltered by the principal residence exemption (“PRE”).</p> <p>The CRA will accept late principal residence designations (Form T2091) in specific circumstances, but late filing penalties may apply.</p>

	<p>If a taxpayer fails to report the disposition of a principal residence, the CRA may reassess his/her tax return beyond the normal three year assessment period.</p> <p>If an individual disposed of a principal residence in 2017, he/she must complete the principal residence designation section on the last page of the 2017 T1 Schedule 3. Form T2091 (Designation of a Property as a Principal Residence by an Individual) must be filed even if the individual designates the home as the principal residence for all years of ownership.</p> <p>However, where the property is designated as a principal residence for all years of ownership, the individual is only required to complete the first page of Form T2091 and no gain is reported on Schedule 3.</p>
Form T1135: Foreign Income Verification Statement	<p>The Form T1135 was revised for 2015 and subsequent years to introduce a simplified reporting method for individuals who own specified foreign property with a total cost of more than \$100,000 but less than \$250,000 throughout the year. The detailed reporting method will continue to apply to taxpayers who, at any time during a year, held specified foreign property with a total cost of \$250,000 or more.</p>
Mobile Application	<p>CRA has updated their mobile app for individual taxpayers. www.cra.gc.ca/mobileapps to download.</p>

Please complete the attached 2017 Personal Tax Organizer