

TAX GUIDE

SAVINGS FOR YOU AND YOUR FAMILY



CLAIM ALL YOUR SAVINGS THIS TAX SEASON!

See pages 14 and 15 for updates on Stephanie's work on behalf of Calgary Midnapore, and please consider filling out the enclosed survey.



Stephanie Kusie, M.P.
Calgary Midnapore



A MESSAGE FROM YOUR MEMBER OF PARLIAMENT

Canada's Conservatives have always been a strong voice for taxpayers. As a government, we built an impressive record of keeping taxes low. We reduced taxes over 180 times from 2006-2015, balanced the budget (despite the 2008-2009 recession) and increased trade, saving the average Canadian family over \$6,600 per year.

But lately, my colleagues and I have noticed a growing trend. Canadians keep telling us that while they're getting by each month, it's almost impossible to get ahead.

The surplus our previous Government left Justin Trudeau is gone, and his promises to run "small \$10 billion deficits" and balance the budget by 2019 were broken almost as soon as he made them. In fact, in his last economic statement he revealed that 2018's deficit of \$18.1 billion is more than *triple* what he said it would be. According to Finance, the budget will not return to balance until 2045, by then racking up an additional \$450 billion of debt.

The fact is, 92% of Canadian families are facing higher taxes and the average income tax increase for middle income families is \$840 – *so far*.

That's why as income tax season approaches, it's imperative that you receive all the benefits you qualify for. Take a look through this Tax Guide and find the tax savings still available to you.

Canada's Conservatives will always fight to lower taxes for Canadians

Please feel free to contact my office with any comments or questions you may have.

Sincerely ,

Stephanie Kusie, MP
Calgary Midnapore



Contact the Canada Revenue Agency at 1-800-267-6999 or visit online for more information at www.cra-arc.gc.ca. All models depicted in this publication were chosen for illustrative purposes only.

CORRECTION: A previous mailing indicated the damage to the Indefinite Arts building was caused by fire. The damage was due to the collapse of the building's roof. Our apologies for the error.

Keep your receipts for tax purposes when you see this symbol!



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SAVINGS FOR ALL CANADIANS

From 2006-2015 the priority of the previous Conservative Government was to reduce taxes—which we did over 180 times. As a result the tax burden on Canadians was reduced to the lowest point in half a century. We did this by removing one million Canadians from tax rolls, increasing the amount of dollars Canadians could earn tax free, and cutting the personal income tax rate to 15%. Unfortunately, the Liberal government has made life more expensive for hard-working Canadians by hiking taxes.

Here is a list of some tax benefits still available to you :

Goods and Services Tax (GST) Credit

Four times a year, this tax-free payment helps individuals and families with modest incomes offset all or part of the GST that they pay.

If you have a spouse or common-law partner, just one of you can receive this credit. When you file your 2018 tax return, CRA will determine your eligibility and will advise those who are eligible to receive the credit.

Medical Expense Deductions

This credit applies to a number of eligible expenses – from home care services, to laser eye surgery, to orthopedics. The previous Conservative government expanded the deduction itself, as well as the list of expenses, to include costs associated with certain types of service animals (e.g. diabetes alert dogs). The amount you can claim is the total of your expenses, minus approximately \$2,300 (the amount will be announced by CRA very soon) or 3% of the claimant's income (whichever is less). There is no limit on the amount of eligible expenses a taxpayer can claim for himself or herself, a spouse or common-law partner, or a child under 18.

Cross-Border Savings

It is imperative to Canadian families and our economy that the border between Canada and our largest trading partner, the United States of America, remain as efficient as possible. That's why the previous Conservative government increased the personal tax exemption limits for Canadian travellers.

Residents returning to Canada after being out of the country for at least 24 hours are exempt from paying duties and taxes on up to \$200 of goods purchased abroad. The exemption limit for those returning after at least 48 hours is \$800. Plus, Canadians can also rent a vehicle in the United States and bring it over the border to Canada. Taxes will be eliminated on these vehicles for Canadians who have been outside Canada for at least 48 hours.

SAVINGS FOR FAMILIES

Stephanie and her Conservative colleagues were disappointed when Prime Minister Trudeau cancelled tax credits for children's sports and arts activities, as well as tax credits for education expenses including textbooks. However there are still some tax benefits that you can still claim, such as:

Child Care Expense Deductions

You can claim payments that you have made to someone who has looked after your child while you either earned an income from employment, operated a business alone or as an active partner, attended school or conducted research.

The previous Conservative government increased the dollar limits that parents can claim up to \$8,000 per child who is under the age of seven, and up to \$5,000 for each child aged between 7 to 16 (and for infirm children over the age of 16), and \$10,000 to \$11,000 for any children who are eligible for the Disability Tax Credit.

Caregiver Amount & Family Caregiver Tax Credit

You can claim a maximum amount of \$6,986 under the Caregiver Amount if at any time in 2018 you (either alone or with another person) maintained a residence where you and the eligible dependant you supported lived (a spouse or common-law partner is not considered your dependant for this purpose).

The previous Conservative government created the Family Caregiver Tax Credit to allow individuals supporting infirm dependants to claim an enhanced amount under other dependency related credits. The Family Caregiver Tax Credit is a 15% credit on an amount of \$2,182.

Child Disability Benefit

To recognize the additional costs that can add up when it comes to caring for a child with a severe disability, families can continue to claim the Child Disability Benefit. It is an amount of up to \$2,771 per eligible child.

Registered Disability Savings Plan

The previous Conservative government introduced the Registered Disability Savings Plan (RDSP) to ensure long-term financial security for Canadians and families who are dealing with severe disability. Over the years, we have also made a number of enhancements. In particular, the Plan now ensures that long-term financial security is provided to children whose parents are no longer able to provide support.

Adoption Expense Tax Credit

This credit is a 15% non-refundable tax credit that allows adoptive parents to claim eligible adoption expenses relating to the completed adoption of a child under the age of 18. The previous Conservative government created this initiative and increased the maximum amount of eligible expenses up to \$15,000 per child, indexed to inflation.

SAVINGS FOR SENIORS

Conservatives have always worked hard to provide tax relief to seniors. We delivered a number of tax-saving initiatives to help seniors keep more of their hard-earned money in their pockets. Unfortunately, tax increases since 2015 have made life more expensive for seniors. Here is a list of some tax benefits that you can still claim:

Home Accessibility Tax Credit

Seniors and persons with disabilities who are eligible for the Disability Tax Credit are considered qualified for this tax relief of 15 per cent on up to \$10,000 in eligible expenses, delivered by the previous Conservative government. To be eligible, expenses must be incurred in relation to a renovation allowing for better mobility and functionality, or reducing the risk of harm.

Doubling the Pension Income Amount

Years ago, a non-refundable pension income credit was introduced to apply to the first \$1,000 of eligible pension income. A lot has changed since then, which is why the previous Conservative government increased the maximum amount of eligible pension income that can be claimed to \$2,000. This results in even more savings that will make a real difference for pensioners.

Increasing the Age Amount

While in government, Conservatives increased the Age Amount by \$2,000 to help low and middle-income seniors keep more money to meet their needs. Based on these increases and adjustments for inflation, the Age Amount allows seniors to claim up to approximately \$7,250 on their 2018 tax return, depending on the individual's net income. (The exact amount will be published by CRA soon.)

Pension Income Splitting

The previous Conservative government introduced pension income splitting to help ease the tax burden and deliver fairness for Canadian pensioners.

Generally, each individual Canadian pays taxes on their full income earned. Pension income splitting allows any Canadian resident who receives qualifying pension income to allocate to their spouse (or common-law partner), with whom they reside, up to one-half of that income. By doing so, a pensioner and their family can dramatically reduce their tax load.

Increasing the Age Limit for Converting RRSPs to RRIFs

Registered Retirement Savings Plans (RRSPs) provide one of the best opportunities for Canadians to save for the future. Since contributions are not taxable below your RRSP deduction limit, they are an ideal way to plan for retirement. However, some Canadians had been restricted by the way RRSPs are structured. Even though they chose to work past 69 years of age, they had to convert their RRSP into a Registered Retirement Income Fund (RRIF) and begin making withdrawals. The previous Conservative government increased the age limit for converting RRSPs to RRIFs from 69 to 71, giving more Canadians the freedom to choose when they convert their RRSPs.

SAVINGS FOR WORKING CANADIANS

Hard-working Canadians pay enough tax. It should be up to the Government to make sure that they keep as much of their paycheque as possible. Unfortunately the Liberal Government has reversed initiatives such as the Public Transit Tax Credit and the Hiring Credit for Small Businesses. They have also raised EI premiums and CPP contributions and indicated their interest in taxing both employee health and dental benefits, and employee discounts.

However, here is a list of some tax benefits still available to you:

The Working Income Tax Benefit (WITB) has been renamed the Canada Workers Benefit

This benefit is a refundable tax credit delivered by the previous Conservative government that supplements the earnings of low-income workers to ensure they aren't penalized for getting a job. For those low-income working Canadians with a disability who face even larger barriers to workforce participation, the WITB provides an additional disability supplement. For 2019, the WITB was renamed the Canada Workers Benefit, but the benefits are similar.

Canada Employment Amount

The Canada Employment Amount provides most employees of the public and private sector (excluding the self-employed) with help to offset the cost of work-related expenses such as home computers, uniforms and supplies. If you qualify for this amount, you can claim up to approximately \$1,180 on your 2018 tax return. (The exact amount will be published by CRA soon.)

Apprenticeship Job Creation Tax Credit

Employers who employ an eligible apprentice in a skilled trade in the first two years of an apprenticeship contract (registered with the federal, provincial, or territorial government) can be eligible to receive a non-refundable tax credit equivalent to 10% of the salaries and wages paid to the apprentice. Introduced by the previous Conservative government, this can translate into tax savings for an employer of up to \$2,000 per eligible apprentice. Visit online for more information at www.red-seal.ca.

Lower Taxes for Local Business Owners, Farmers and Fishers

When ownership of a family farm, local business, or fishing enterprise passes from one generation to the next, the properties – or shares – are subject to a Capital Gains Tax. Previously, the first \$500,000 of the value was tax-free.

The previous Conservative government increased this exemption to \$800,000. And for the 2018 tax year, as it is indexed for inflation, the exemption has increased again to approximately \$850,000. We went on to increase the limit to \$1 million for owners of farm and fishing businesses. (The exact amount will be published by CRA shortly)

Eligible Educator School Supply Tax Credit

Eligible educators can claim a 15% refundable tax credit on up to \$1,000 of supply purchases per year. Some examples include flashcards, arts supplies, writing materials, books for the classroom and more.



Volunteer Firefighters' Tax Credit

This is a 15% non-refundable tax credit based on an amount of \$3,000 for volunteer firefighters who perform at least 200 hours of service per year. Delivered by the previous Conservative government, the option to claim the exempt amount of up to \$1,000 for honoraria will remain in lieu of the credit, if desired.

Search and Rescue Volunteer Tax Credit

This is a 15% non-refundable tax credit based on an amount of \$3,000 to acknowledge the valuable contributions of ground, air and marine search and rescue volunteers, who perform at least 200 hours of service per year. Delivered by the previous Conservative government, the option to claim the exempt amount of up to \$1,000 for honoraria will remain in lieu of the credit, if desired.

Tradespersons' Tools Deduction

This tax deduction on tools, delivered by the previous Conservative government, helps those tradespeople who often must pay for their work expenses up front out of their own pockets.

Meal Expenses of Long-Haul Truck Drivers

The Canadian tax system generally limits business-related meal, entertainment, and other expenses to be deductible only up to 50%. The previous Conservative government raised the deductible portion of meal expenses for long-haul truck drivers to 80%.

Lowering of the Small Business Tax Rate

In 2015, the previous Conservative government introduced a tax measure to lower the small business tax rate from 10.5% to 9% by 2019. Despite campaigning to also lower the rate during the last election, the Liberals ultimately went back on their promise and tried to cancel the reduction after forming government.

Thanks to pressure from the Official Opposition and outrage from Canada's small business community, they eventually backed down. A reduced small business tax rate of 9% is now in effect for 2019.

SAVINGS FOR HOME BUYERS

Conservatives have always worked hard to keep taxes low for home buyers. From 2006-2015 we delivered tax credits that allowed families to save on home renovations, and initiatives that allowed Canadians to save for a down payment – providing help with one of the costliest aspects of buying a home. Unfortunately, the Liberal government has introduced new tax hikes and changed mortgage rules, which have made buying a home for the first time so challenging that some Canadians may never be able to make their dream of home ownership a reality.

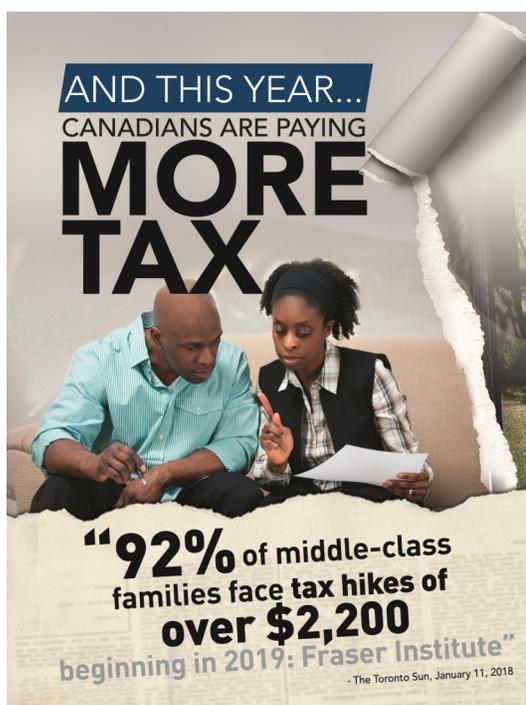
You may still be eligible for these tax credits:

First-Time Home Buyers' Tax Credit

The credit, delivered by the previous Conservative government, allows first-time home buyers to claim an amount of \$5,000 on qualifying homes purchased. It's also available to those who are not first-time home buyers but who are eligible for the Disability Tax Credit (DTC) when they purchase a more accessible or functional home.

Home Buyers' Plan

Under the Home Buyers' Plan, the previous Conservative government raised the amount Canadians can withdraw from their Registered Retirement Savings Plans (RRSP) for a down payment on their first home. We increased the maximum withdrawal amount to \$25,000.



CANADIAN FAMILIES

Children's Fitness Tax Credit and Children's Arts Tax Credit

SCRAPPED

The Liberal government took away the tax credit you used to be able to claim for your children's sports and arts programs.

Family Tax Cut (Income Splitting)

SCRAPPED

The Liberal government scrapped this initiative which would have provided \$2,000 in tax relief for couples with children under the age of 18.

Health and Dental Benefits Tax

The Liberal government proposed to tax your employee paid health and dental benefits. However, they backed down thanks to pressure from Canada's Conservatives. But there is nothing stopping them from trying again.



Tax-Free Savings Accounts **ROLLED BACK**

The Liberal government clawed the maximum contribution amount back down to \$5,500.

Beer, Wine and Spirits Excise Tax

The Liberal government implemented an escalator tax of 1.5% on beer, wine and spirits. That tax is expected to rise to 2.2% on April 1, 2019.

CPP Tax Hike

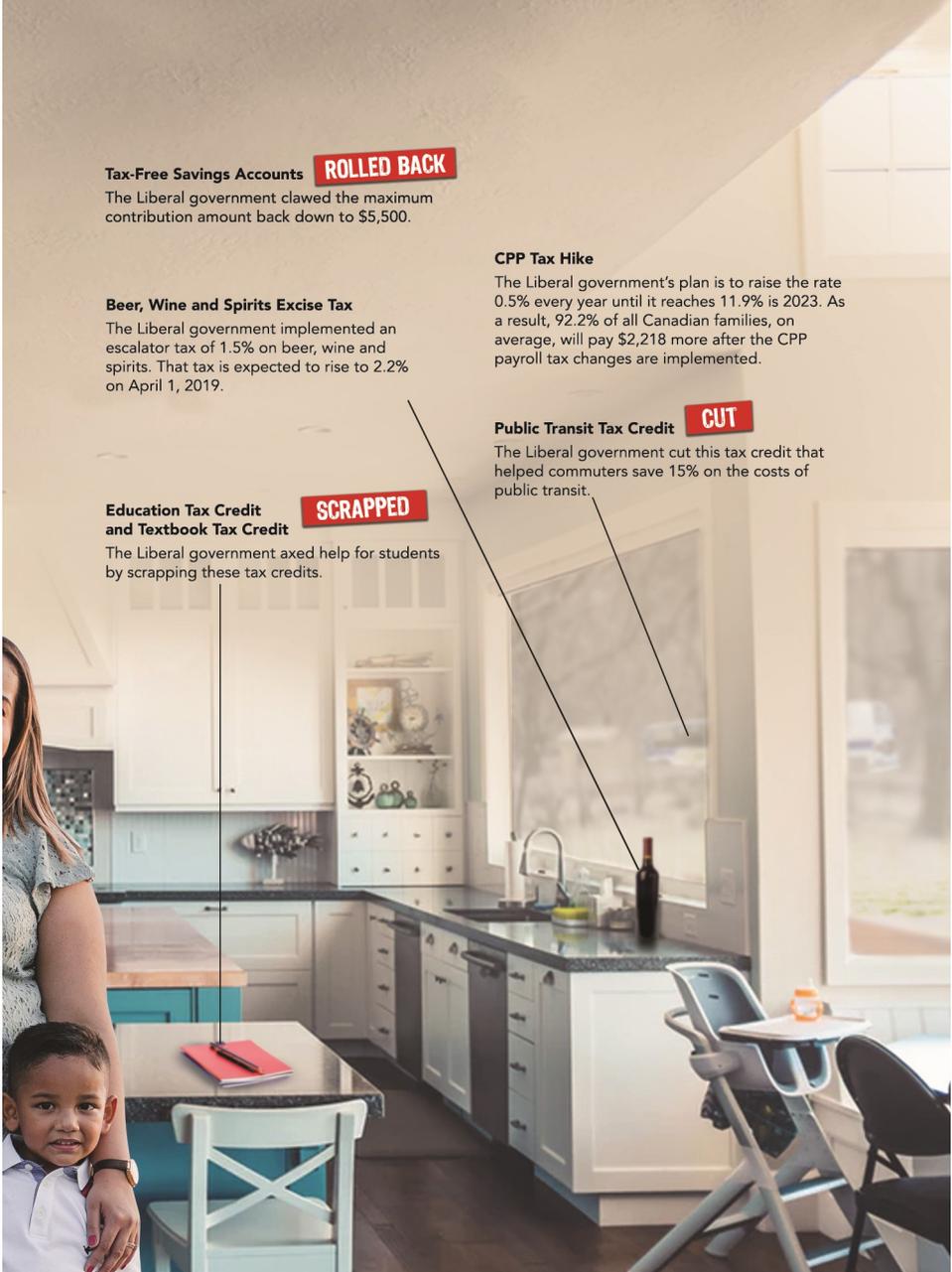
The Liberal government's plan is to raise the rate 0.5% every year until it reaches 11.9% in 2023. As a result, 92.2% of all Canadian families, on average, will pay \$2,218 more after the CPP payroll tax changes are implemented.

Education Tax Credit and Textbook Tax Credit **SCRAPPED**

The Liberal government axed help for students by scrapping these tax credits.

Public Transit Tax Credit **CUT**

The Liberal government cut this tax credit that helped commuters save 15% on the costs of public transit.



WORKING CANADIANS

Public Transit Tax Credit **CUT**

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CPP Tax Hike

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Hiring Credit for Small Business **SCRAPPED**

The Liberal government scrapped this tax-saving initiative which delivered up to \$1,000 in reimbursement on EI premiums.

EI Premium Rate Hike

The Liberal government announced the new increase to \$1.66, meaning workers and businesses will pay more.

Income Splitting for Business

The Liberal government has made the rules more complicated for business owners that employ family members.

Health and Dental Benefits Tax

The Liberal government proposed to tax your employee paid health and dental benefits. However, they backed down thanks to pressure from Canada's Conservatives. But there is nothing stopping them from trying again.

Employee Discounts

The Liberal government proposed to tax your employee discounts. However, they backed down thanks to pressure from Canada's Conservatives. But there is nothing stopping them from trying again.

Passive Income Tax

The Liberal government has promised a tax on passive "investment" income of up to 73%.

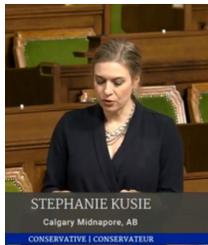




AROUND CALGARY MIDNAPORE AND PARLIAMENT HILL

While we can't include *everything* Stephanie has done over the past few months, she would like keep you updated on *some* of the work she has been doing on your behalf. Regular Parliamentary Committee meetings, stakeholder meetings both in Ottawa and Calgary Midnapore, and Stephanie's regular obligations in the House of Commons on behalf of the Official Opposition make for busy days, but the concerns of Albertans are always her top priority. She rose in Parliament **(BELOW LEFT)** to point out the negative impact on the economies of both Alberta and Canada each day that passes without action on the TransMountain pipeline, and was pleased to offer her support to the United We Roll convoy when it rallied on Parliament Hill. As well, Stephanie and her Conservative colleagues continue to hold the Prime Minister to account regarding his

involvement in the criminal prosecution of SNC-Lavalin. **(BELOW CENTRE)** Stephanie and her husband James attended the recent B'nai Brith Annual Dinner in Calgary, where ATCO CEO Nancy Southern was honoured for her contributions. Proceeds from the successful event went to the Kids Cancer Care Foundation. **(BELOW RIGHT)** Hundreds of Albertans attended recent open house events in Edmonton, Red Deer, and Calgary. It was an excellent opportunity for constituents to engage directly with Members of Parliament about the issues that matter most to them. Thank you to all attendees for bringing your concerns front and centre. **(BOTTOM LEFT)** Stephanie appreciated the opportunity to meet with three Calgary Midnapore Yazidi families. She heard about the daily challenges they face as refugees: language barriers; employment; and being separated from





their family members who still remain in camps. Stephanie took the opportunity to share information on Canada's system of government, helping these new Canadians understand how they are represented and some of the resources available to them. **(OPPOSITE PAGE, BOTTOM RIGHT)** "Gong hei fat choy!" Stephanie celebrated Lunar New Year celebrations at the Calgary Chinese Cultural Centre, where she enjoyed performances such as the lion and dragon dancing. **(ABOVE)** In January, Stephanie joined her colleague MP Erin O'Toole, the Official Opposition Shadow Minister for Foreign Affairs, at a press conference in early January where they pressured the Liberals to take action against the retaliatory detainment of Canadian citizens in China. As a former diplomat Stephanie is well-versed in the policies and procedures which would be followed in

critical situations such as these. **(BOTTOM LEFT)** Due to renovations on Parliament Hill, the Chamber of the House of Commons officially moved to its temporary home in West Block on January 28th. It is expected to remain there for at least the next decade. *(photo courtesy of @HoCSpeaker)* You can watch Stephanie in Question Period and other House of Commons proceedings on CPAC. (www.cpac.ca). **(BOTTOM RIGHT)** As the Official Opposition Shadow Minister for Democratic Institutions, Stephanie continues to monitor the Liberals' changes to our election process. During a CPAC panel in February, Stephanie stressed the importance of protecting the integrity of Canada's electoral system and her concerns regarding gaps in the Liberals' *Security Intelligence Threats to Elections Task Force*.





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QUESTIONS?

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