

TAPE

Questions?

Contact the Canada Revenue Agency at
1-800-267-6999
www.cra-arc.gc.ca

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Calgary Midnapore

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TAX GUIDE



MAKE SURE TO MAKE ALL OF YOUR CLAIMS THIS TAX SEASON.

WATCH OUT: Justin Trudeau's Liberals have snuck in a ton of new tax hikes and taken away tax credits that helped your family. Follow along with this guide to make sure you benefit from those that remain.

A MESSAGE FROM YOUR MEMBER OF PARLIAMENT

As we look forward to the arrival of spring, I wanted to update you on some of the work I have been doing in Parliament on your behalf. It has been a busy start to 2018, as I was asked to sit on the Standing Committee for Status of Women. Additionally, as Deputy Shadow Minister for Health, I feel it's important for me to participate in meetings of the Health Committee whenever possible.

I've been using every opportunity to remind the Liberal Government of the importance of Canada's natural resources, and getting pipelines built to help both create jobs and boost our economy.

The Budget will have been tabled by the time you receive this Tax Guide, and my Conservative colleagues and I will continue to represent the interests of fiscally responsible Canadians against Justin Trudeau's high tax, high spending agenda. Canada's Conservatives have *always* been a strong voice for the taxpayer. As a government, we built an impressive record of keeping taxes low for Canadian families. In fact, our low-tax measures helped the average Canadian family save over \$6,600 per year.

And it's that time again – tax returns are due by April 30, 2018. Please look through this Tax Guide to ensure that you have received all of the tax benefits for which you and your family qualify. This Guide will help you find all the tax savings you can claim.

Unfortunately, life has become more expensive thanks to Justin Trudeau's Liberal government. In the last two years, income taxes have risen for 81% of regular families – with the average income tax hike amounting to \$840 per year. These tax increases, combined with the loss of many important tax credits, have left many Canadian families paying more to the government while receiving less. Despite promising to help families, the Trudeau Liberal government has most households paying higher taxes.

Please feel free to contact my office with any comments or questions that you may have. You can also contact the Canada Revenue Agency at 1-800-267-6999 or at www.cra-arc.gc.ca.

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*Sincerely,
Stephanie Kusie, MP
Calgary Midnapore*

All models depicted in this publication were chosen for illustrative purposes only.

When you see this symbol, keep your receipts for tax purposes !



HAVE YOUR SAY

Should the Liberal government work on keeping taxes low for families, seniors, small businesses and all Canadians?

Yes No Unsure

Am I on the right track for the hard-working residents of Calgary Midnapore?

Yes No Unsure

Would you describe yourself as a (check all that apply):

- Stay-at-home-parent Senior Veteran
 Parent of a child under 18 Working Canadian

What are your thoughts on the tax initiatives outlined in this guide:

Name _____

Address _____

City _____ Postal Code _____

Phone _____ Email _____

CANADIAN SENIORS

Carbon Tax

- This will cost the average family \$2,569 per year by the year of 2022.
- It will add almost 10% to hydro bills.
- It will add at least 15% to natural gas bills.

Source: <http://www.macleans.ca/economy/economicanalysis/heres-how-much-carbon-pricing-will-likely-cost-households/>

Source: <http://www.taxpayer.com/blog/tax-costs-required-by-the-federal-carbon-tax-plan>

Disability Tax Credit

- The Liberal government has made it more difficult for Canadians to prove their eligibility for this tax credit.

Tax-Free Savings Accounts Rolled Back

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

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DISABILITY TAX CREDIT

Last fall, Canadians with type-1 diabetes spoke out about suddenly being denied the disability tax credit (DTC). While the Liberal Government insisted that there had been no change to the policy, it soon became clear that a CRA memo *had* in fact changed the way applications were reviewed and approved. Thanks to continued pressure by the Conservative Official Opposition, the CRA eventually returned to the previous clarification memo.

However, as Stephanie pointed out in February, this clampdown on eligibility for the DTC is also affecting those with mental disabilities. Many Canadians who suffer from mental health issues, and who were previously eligible for the credit, have been cut off in the last two years. Additionally, a recent report by the University of Calgary's School of Public Policy reports that only 40% of the 1.8 million Canadians who live with qualifying disabilities actually use the DTC. The report goes on to discuss the unclear eligibility rules and the burdensome application process are likely to blame. Troubled to hear that CRA is making it more difficult for these Canadians to get the support they need, Stephanie asked the Minister to simplify the application and approval process.

ALL CANADIANS

OPPORTUNITIES TO SAVE

Conservatives have always been a voice for the taxpayer. In fact, our previous Conservative government succeeded in reducing the tax burden on Canadians 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 increasing their taxes over the last two years.

Here is a list of some tax benefits that you can still claim:

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 the credit. When you file your 2017 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 \$2,268 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.

First Time Donor's Super Credit

This credit encourages new donors to give to charity. It will increase the value of the federal Charitable Donations Tax Credit by 25 percentage points if neither the taxpayer nor their spouse has claimed the credit since 2007. Donors will receive a 40% credit for donations of \$200 or less, and a 54% credit for the portion of donations over \$200 but not exceeding \$1,000. (Note: the new credit can only be claimed once from the 2013-2017 taxation years.)

Health and Dental Benefits Tax

- The Liberal government proposed to tax your employer paid health and dental benefits. However, they backed down thanks to pressure from Canada's Conservatives.

Passive Income Tax

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

Income Splitting for Business

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

EI Premium Rate Hike

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



RIGHT: *Stephanie urges the Minister to simplify the application process for the Disability Tax Credit.*

WORKING CANADIANS

CPP Tax Hike

- Under the Liberal government's plan, the premium rate will rise 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.

Source: <https://www.fraserinstitute.org/sites/default/files/effect-on-canadian-families-of-changes-to-federal-income-tax-and-cpp-payroll-tax.pdf>

Employee Discounts

- The Liberal government proposed to tax your employee discounts. However, they backed down thanks to pressure from Canada's Conservatives.

Hiring Credit for Small Business **SCRAPPED**

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



FAMILIES

OPPORTUNITIES TO SAVE

Canada's Conservatives have always worked hard to keep taxes low for hardworking families. We introduced tax credits for children's sports and art's activities, as well as tax credits for education expenses including textbooks: the very same tax credits that the Liberal government cancelled.

Under the previous Conservative government, the average Canadian family saved more than \$6,600 per year.

Here is a list of some tax benefits that you can still claim:

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 \$6,700 under the Caregiver Amount if at any time in 2017 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 \$2,121.

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 \$2,730 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 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.

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, the Liberal government's tax increases have made life more expensive for seniors.

OPPORTUNITIES TO SAVE

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.

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 RRSP contributions are not taxable below your RRSP deduction limit, they are an ideal way to plan for retirement. However, some Canadians have been restricted by the way RRSPs are structured. Even though they chose to work past 69 years of age, it was a requirement 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. Now, more Canadians have the freedom to choose when they convert their RRSPs.

Public Transit Tax Credit Cut

- This tax credit that helped you save 15% on the costs of public transit has been eliminated by Justin Trudeau's Liberals.
- A report by the Parliamentary Budget Office estimated that 1.2 million Canadians will pay higher taxes as a result of the end of this credit, and that the average tax increase to each of these Canadians would be \$137.

Tax-Free Savings Accounts Rolled Back

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

CPP Tax Hike

- Under the Liberal government's plan, the premium rate will rise 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.

Source: <https://www.fraserinstitute.org/sites/default/files/effect-on-canadian-families-of-changes-to-federal-income-tax-and-cpp-payroll-tax.pdf>

Beer and Wine Spirit Excise Tax

- The Liberal government is even making beer and wine more expensive with a tax hike.

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.

A CONSERVATIVE TAX PLAN FOR FAMILIES



Having a new child is an exciting time, but can also be an expensive time for parents. And as a *mother*, I know how important it is for parents with new babies to have the time with their child without having to worry about finances.

That is why our on behalf of our Party, the Leader of the Official Opposition Andrew Scheer has introduced the *Supporting New Parents Act*.

This legislation will give parents a break by eliminating the federal tax on parental leave benefits. For someone earning \$50,000 per year, this will mean an extra \$4,000 in their pockets.

Studies have shown that middle-class families are paying more tax every year thanks to Justin Trudeau. And as a Conservative, that frustrates Stephanie. Certainly she strongly disagrees with the Liberal government taxing the time parents take to bond with their new child.

While the Liberals continue to tax the next generation, Stephanie and her colleagues will continue to work towards easing the financial burden Canadians and their families are facing.

CANADIAN FAMILIES

Carbon Tax

- This will cost the average family \$2,569 per year by the year of 2022.
- It will add almost 10% to hydro bills.
- It will add at least 15% to natural gas bills.

Source:

<http://www.macleans.ca/economy/economicanalysis/heres-how-much-carbon-pricing-will-likely-cost-households/>

Source: <http://www.taxpayer.com/blog/tax-costs-required-by-the-federal-carbon-tax-plan>

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.

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

- Help for students gone under the Liberal government.

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.

WORKING CANADIANS

Canada's Conservatives have always worked hard to keep taxes low for hardworking Canadians. We know that local business owners are the backbone of Canada's economy. That's why we are proud of measures that allowed Canadian families to keep more of their hard-earned money in their pockets. We successfully reduced red tape and made it more affordable for businesses to hire more workers.

OPPORTUNITIES TO SAVE

Here is a list of some tax benefits that you can still claim:

Working Income Tax Benefit (WITB)

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.

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 \$1,195 on your 2017 tax return.

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 Small Business Owners, Farmers and Fishermen

When an owner 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 2017 tax year, as it is indexed for inflation, the exemption has increased again to \$848,242. We went on to increase the limit to \$1 million for owners of farm and fishing businesses.

CONTACTING STEPHANIE? You can email Stephanie at stephanie.kusie@parl.gc.ca; by mail (free of charge) at 818 Justice Bldg, House of Commons, Ottawa, ON, K1A 0A6; by phone at 403-225-3480; or through her webpage at stephaniekusiemp.ca. Please remember to include your mailing address with *all* correspondence.

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 have to 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

The previous Conservative government introduced a tax measure that would gradually lower the small business tax rate from 10.5% to 9% by 2019. However, the Liberal government broke their election promise to local business owners to do so.

Now, due to pressure from Canada's Conservatives, the Liberal government has returned their promise to lower the small business tax rate.

RIGHT: Stephanie hosts a roundtable with key representatives from the oil and gas industry, and the Official Opposition Shadow Resources Minister Shannon Stubbs.



SUPPORTING CANADA'S ENERGY SECTOR

Constituents continue to express very real concerns about the economy. Since 2014, low oil prices have created tough times in Alberta. At the same time, thanks to Premier Notley and Prime Minister Trudeau there is a great deal of uncertainty about pipeline approvals and burdensome regulations that increase the cost of doing business. As a result, foreign investors are taking their business elsewhere, companies are downsizing leaving Calgary office buildings empty and most importantly too many Albertans are without jobs.

After several difficult years of high unemployment rates and recession, we are seeing few signs of economic recovery. There is still much to be done and we have a high-spending Prime Minister who loves increasing your taxes.

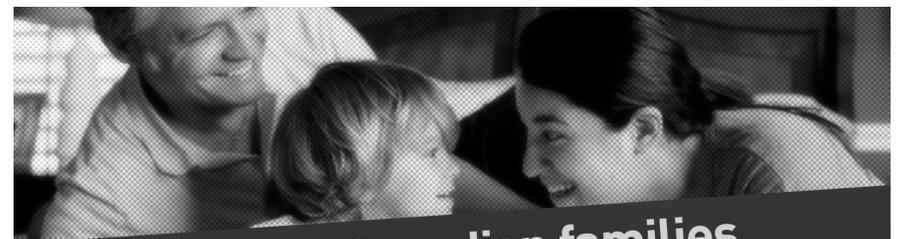
Since being elected, Stephanie has consistently been fighting for Alberta. She has stood in the House on numerous occasions pointing out Liberal policies that hurt Alberta's economy and the hardworking Canadians trying to earn a living in the oil and gas sector. Having hosted a roundtable

focused on the energy and resource sectors (*above*), Stephanie is very concerned about companies such as Shell, Conoco Phillips, Statoil, Apache and Marathon Oil all taking their business elsewhere after realizing the prevailing attitude both provincially and federally is anti-energy.

Sadly, until companies see an indication of support from the provincial and federal governments, this is unlikely to change substantially. Quite simply the Energy East pipeline was abandoned last year by TransCanada thanks to Justin Trudeau and his contradictory regulatory requirements, costing us thousands of jobs. The provincial carbon tax is another area of concern for businesses looking for a place to invest.

Add the Prime Minister's lack of action on TransMountain to the parade of companies leaving Canada for foreign markets, and it's clear why Calgary's vacancy rate is almost 30% and Alberta's unemployment rate is so high (7.3% in November 2017).

Stephanie will continue to look for ways to bring, and keep, businesses in Calgary.



“On average Canadian families with kids will pay \$2,218 in higher taxes each year thanks to Justin Trudeau's Tax hikes.”

Source: Fraser Institute report, January 11, 2018