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IN THIS ISSUE

2007 PERSONAL INCOME TAX RETURN CHECKLIST

81(1)

Appendix A provides a checklist of information that will be needed to complete your 2007 Personal Income Tax Return.

PERSONAL TAX

81(2)

STUDENTS

Some ***claims*** that may be made by ***students*** include:

(i) ***tuition*** and ancillary fee tax credit,

(ii) a ***textbook credit*** of $65 per month in school,

(iii) an ***education amount*** of $400 per month.

If the student ***cannot use*** the tuition, education and textbook amounts, these can be ***transferred*** to a parent or grandparent up to ***$5,000***. Amounts not used by the student and not transferred may be ***carried forward*** and used by the student in a subsequent year.

Also, the ***student*** may claim a ***public transit pass credit***. If the student is under age nineteen, the unclaimed amount may be ***claimed by the parent.***

Scholarships, fellowships or bursaries are ***tax-free***.

A student may deduct ***moving expenses*** against employment income or research grants. These may be ***carried forward*** to the next year if not deductible in the current year.

Also, a tax credit is available on ***interest on loans*** made under the Canada Student Loans Act and the Canada Student Financial Assistance Act, or similar provincial law. This ***cannot be transferred*** to a parent but can be ***carried forward*** for up to ***five years***.

MEDICAL EXPENSE - ATTENDING A PRIVATE SCHOOL

In a June 26, 2007 ***Tax Court*** of Canada case, the taxpayer paid ***tuition fees*** of $12,900 on behalf of ***her son*** to attend a ***private school*** (Rothesay Collegiate School in Saint John, New Brunswick). The son had been diagnosed with ***severe learning disabilities*** and behavioral problems.

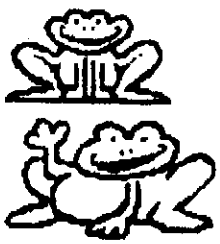
The Court permitted the ***tuition fees*** as a ***medical expense*** and noted that:

1. The Income Tax Act permits a ***medical expense*** for the ***care***, or the care and training, at a ***school, institution*** or ***other place*** that the patient, who has been ***certified*** by an appropriately qualified person to be a person who, by reason of a ***physical or mental handicap*** requires the ***equipment, facilities or personnel*** specifically provided by that school, institution or other place for the care, or the care and training, of individuals suffering the handicap suffered by the patient.

2. Even though ***Rothesay*** was ***not*** a school ***exclusively*** for the ***learning disabled***, the school's programs were able to adapt to and accommodate such individuals. The ***programs*** were ***progressive*** enough that they could accommodate those with Attention Deficit Disorder and learning and or-

ganizational disabilities.

COMMON-LAW PARTNER



In a September 27, 2007 ***External Technical Interpretation***, CRA noted that a ***common-law partner*** is a person who, at that time, ***co-habits*** in a ***conjugal relationship*** with the taxpayer and has done so throughout the ***twelve-month period*** that ends at that particular time. ***Common-law partners*** are considered to be ***spouses*** for income tax purposes.

The ***duration test*** is not satisfied where the person simply "***stays***" with the taxpayer. Rather, the test requires a ***conjugal relationship***. Where a person who lives with the taxpayer is ***routinely absent*** from the home for part of a week, that fact, in and of itself, would ***not preclude*** a finding that throughout each such week the person was living in a ***conjugal relationship*** with the taxpayer.

CHARITABLE DONATIONS

Administratively, CRA usually permits ***either spouse*** to claim a ***charitable donation tax credit*** even though the ***donation receipt*** may be in the other spouse's name. However, if there is a ***large donation*** it would be advisable to ensure that the ***receipt*** is in the name of the person who ***wishes to claim*** the tax credit.

CHILD CARE EXPENSE (CCE)

In a November 21, 2007 ***External Technical Interpretation***, CRA note that only the portion of the fees paid to an ***educational institution*** relating to ***child care*** (i.e., supervision before and after classes or during the lunch period) may ***qualify*** as a ***CCE***. However, when the payment is for a child who is ***under the compulsory school age***, the services are generally considered to be for ***child care*** (rather than education), unless the facts indicate otherwise.

EMPLOYMENT INCOME

81(3)

TELEPHONE AND LODGING EXPENSES

In a July 24, 2007 ***Tax Court*** of Canada case, the taxpayer was a ***commissioned sales employee*** who agreed to work on a ***temporary basis*** in a location which was ***three hours*** from his home base. He ***rented a motel*** from Monday to Friday at that location and deducted the expenses.

The Court ***permitted*** the ***$4,800 for the motel expenses*** on the basis that this was ***not personal*** because it was a ***temporary employment location***.

Also, the employee incurred ***cellular telephone charges*** which were ***partly reimbursed***. He successfully deducted the business portion of the amounts that were not reimbursed.

TRAVEL FROM HOME TO A POINT OF CALL

In an October 29, 2007 ***External Technical Interpretation***, CRA note that the use of an employer-provided motor vehicle by an employee to ***travel*** between his/her ***home*** and regular place of ***employment*** is generally considered ***personal*** and ***not deductible***.

However, where the employee proceeds ***directly from home to a point of call***, other than the employer's place of business to which the employee regularly reports, or returns home from such a point, use of the vehicle is ***not considered personal*** and is ***deductible***.

Some Good News for a Taxpayer!

In an October 30, 2007 ***Tax Court*** of Canada case, Mr. H was required to travel for employment purposes and received ***31.5 cents*** per kilometre and a ***fixed allowance*** for travel which he included in ***income*** and then ***deducted expenses***.

Included in the expenses ***deducted*** by Mr. H was the ***daily 30-kilometre drive between his residence and his office*** for which he did ***not*** receive an ***allowance***. His justification was that the ***only reason*** he took the ***motor vehicle to work*** was his ***employer's requirement*** that he do so. He had alternate and less expensive means of transport of which, but for the employment requirement, he would have availed himself.

The Court concluded that these ***commute kilometres*** are ***allowable motor vehicle expenses*** and noted that:

1. The employee was ***required*** to have his ***motor vehicle*** available at the ***office***.
2. The ***only way*** that requirement could be satisfied was to ***drive it there each day***.
3. The Court accepted the taxpayer's argument that, except for the ***requirement*** that he have his ***vehicle at work***, he would have relied on the ***cheaper alternate transportation*** that was available to him - catching a ***ride with his son*** who lived at home, ***carpooling*** or ***taking the bus***. Instead, he had to take his car back and forth and was responsible for the expenses incurred in doing so.

Editor's Comment

CRA do ***not*** always ***follow*** these Tax Court ***Informal*** decisions in their assessing practices.

THE AUTO LOG

In a September 26, 2007 ***Tax Court*** of Canada case, the ***employer*** supplied a ***mi-***

nivan (a 1998 Chevrolet Astro) which was used for both ***business and personal*** trips by the employee. CRA assessed a ***standby charge*** and an ***operating benefit*** to the employee.

Employee Loses

The Court confirmed CRA's reassessment and noted that to ***successfully rebut*** the taxable benefit assessment, the ***employee*** must provide clear, explicit ***evidence*** of the ***actual employment use of the automobile*** in terms of kilometres. The Appellant did ***not*** provide ***such evidence.***

BUSINESS/PROPERTY INCOME

81(4)

INTEREST DEDUCTIBILITY - MUTUAL FUND UNITS

In an August 21, 2007 ***Technical Interpretation***, CRA notes that where ***funds are borrowed*** to acquire a ***mutual fund unit*** and, there is a ***Return Of Capital*** to the unit holder without any disposition of the property, if the ***funds received*** are ***not used*** for an income-earning purpose, the interest on ***that portion*** of the borrowed money that relates to the Return Of Capital would ***not be deductible*** since its current use is personal.

PERSONAL SERVICE BUSINESS CORPORATION

In a January 19, 2006 ***Tax Court*** of Canada case, a ***computer technician*** formed a ***corporation*** that received subcontracts from only one person. CRA successfully determined that the corporation was a ***personal services business*** and ***denied*** the ***small business deduction.***

The Court agreed with CRA that there was an ***employment relationship*** resulting in a ***personal service business*** status.

Editor's Comment

The corporation would have had a ***better chance of success*** had there been a signed ***bona fide*** independent contractor ***contract,*** and related performance, in accordance with the ***independent contractor criteria*** in CRA ***Guide RC4110.***

MUTUAL FUNDS FOR INDIVIDUALS

CRA's ***Guide RC4169*** explains the ***tax treatment*** of ***mutual funds*** for individuals including:

1. A ***mutual fund trust*** will issue a ***T3 Slip*** and a ***mutual fund corporation*** a ***T5 Slip*** to report capital gains, dividends, foreign income, interest, other amounts, returns of capital, or a combination of these amounts.
2. When an investor ***redeems or cashes*** in the units or shares, you are taxed on the ***capital gain.*** The individual will receive a ***T5008 Slip*** from the mutual fund.

   The ***Guide*** also includes ***example calculations.***

OWNER-MANAGER REMUNERATION

81(5)

APPROPRIATION OF PROPERTY

In an August 8, 2007 ***Tax Court*** of Canada case, ***Mr. and Mrs. D*** each owned ***50%*** of the shares of ***CANCO.*** Mr. and Mrs. D transferred $96,000 of CANCO funds into an ***investment account held jointly by them*** to produce better returns on the combined funds. Approximately three years later, all ***the funds were returned*** to ***CANCO*** to restore the ***status quo.***

CRA successfully ***assessed*** Mr. and Mrs. D for ***appropriating corporate property*** even though the funds were returned to the company.

THE BONUS DOWN DECISION

In the past, Canadian-controlled private corporations (***CCPCs***) ordinarily ***bonused down*** their ***active business income*** to the ***small business deduction*** amount. This approach has been ***complicated*** through the ***reduction of tax*** on ***eligible dividends*** paid out of the General Rate Income Pool (***GRIP***). In ***all provinces***, there is a significant deferral in leaving income in the corporation at the top corporate rate versus the top personal rate. However, there is an ***overall cost*** when the amounts are taken out even though they are ***eligible dividends.***

An additional complication is that by ***not bonusing down*** the corporation must make its ***final corporate tax installment*** payment ***two months*** after the year-end (not three months) and have much higher monthly ***corporate tax installments.*** Also, ***quarterly***, rather than monthly, ***tax*** installments would not apply.

Other considerations include the shareholders' current or future cash needs, the effect on any scientific research and experimental development claim, the effect on the small business corporation status through the buildup of surplus inactive assets, the loss of the small business deduction as taxable capital in the corporation exceeds $10 million, and the accelerated payment of corporate tax installments.

There are also ***provincial tax*** implications to consider.

REFUNDABLE DIVIDEND TAX ON HAND (RDTOH)

A corporation may pay an "***eligible divi-***

dend" and still receive the ***33 1/3% refund*** of ***RDTOH***. As the tax rate on "***eligible dividends***" is significantly ***less*** than this 33 1/3%, having General Rate Income Pool income and investment income in the same corporation permits the ***RDTOH*** to be refunded through the payment of "***eligible dividends***".

Making a Dividend Eligible

A dividend is made "***eligible***" by ***advising all recipients*** that it is an ***eligible dividend when it is paid*** including:

- CRA has indicated that ***Directors Minutes*** could designate the dividend, if ***all shareholders*** are directors.
- Otherwise companies may want to have ***letters dated*** on the date of dividend payment specifying the dividend is "***eligible***".

FARMING

81(6)

INTERVIVOS ROLLOVER OF FARM PROPERTY TO CHILDREN

The Income Tax Act generally permits a taxpayer to transfer, on a ***tax deferred basis***, ***farm property*** to a ***child***. This "***rollover***" is important, even if the taxable capital gain exemption would otherwise be available, because this ***taxable capital gain*** is included in ***net income***, even though it is deducted in computing taxable income. This affects income sensitive items such as Old Age Security clawbacks, age credit clawbacks, Guaranteed Income Supplements, etc.

CONVERSION OF FARMLAND - CAPITAL GAIN EXEMPTION

In a September 17, 2007 ***External Technical Interpretation***, CRA reviewed a situation where ***farmland*** is to be ***subdivided*** to provide for the ***future*** creation of a ***real estate development***.

CRA noted that the taxpayer will have a ***notional capital gain*** (1/2 taxed) on the ***date of conversion*** however, this capital gain will ***not*** be taxed until the ***taxation year*** during which the ***ultimate sale*** occurs. Where the property is a ***qualified farm property***, the taxpayer is entitled to claim the ***capital gains exemption***.

The increase in value of the property between the date of conversion and the date of sale will be reported as a full ***inventory gain***.

Editor's Comment

The ***main disputes*** with CRA arise on the ***date*** of conversion and the ***value*** attributed thereto.

MARRIAGE BREAKDOWN

81(7)

ARREARS

In a September 24, 2007 ***Tax Court*** of Canada case, the Appellant was required to pay ***monthly support*** payments of $2,000 and ***fell behind*** after ***losing his job***. A February, 2003 ***Final Court Order*** noted that the spousal support payments in arrears were ***$25,000*** however, the total arrears were ***reset*** at ***$7,500*** which was ***paid*** by the taxpayer. ***CRA*** argued that the payment was a settlement of arrears and, therefore, was a ***non-deductible*** capital payment.

Taxpayer Wins!

The Court noted that the intention of the ***Court Order*** was that the ***$7,500*** was to be paid as deductible ***arrears***.

Editor's Comment

If this was a ***settlement*** between the spouses ***without a Court Order***, the payment would likely be ***non-deductible/non-taxable***. See the following case.

ARREARS - SETTLEMENT

In an English translation of a French March 29, 2006 ***Tax Court*** of Canada case, the taxpayer paid ***$11,680*** as a ***final settlement*** for ***unpaid support arrears*** under the 1993 Divorce Judgment. It was the Tax Court's view that the payments were made to ***release the Appellant*** from the obligations in the 1993 Divorce Judgment and, therefore, were ***capital in nature*** and ***not deductible***.

THIRD PARTY PAYMENTS

In a September 27, 2007 ***Tax Court*** of Canada case, the ***former spouse***, Mrs. T, was ***concerned*** with respect to ***collecting*** the annual alimony payments of $30,800. Therefore, to allay Mrs. T's concerns, it was agreed that the support payments would be paid by way of an ***annuity*** which was to be bought by ***Mr. T*** from Manulife Financial for $136,679.

The Court ***reluctantly*** dismissed the Appeal because the agreement to provide the annuity to the former spouse constituted a ***fundamental modification*** of the Separation Agreement.

Editor's Comment

It appears ***significant*** that this annuity purchase was ***not*** part of a ***Court Ordered*** Separation ***Agreement***.

HOUSE/COTTAGE

In a September 4, 2007 ***External Technical Interpretation***, CRA reviewed a scenario where, as part of a ***divorce settlement***, Husband (***H***) transfers his 50% interest in the house to Wife (***W***) and ***W*** transfers her 50% interest in the cottage to ***H***. CRA noted that these transfers will be on a tax-deferred basis assuming they do not *elect-out* of the automatic rollover.

Also, provided that the spouses ***jointly elect, future gains or losses*** on the ***properties*** will accrue to the ***recipients*** as opposed to the ***transferors***.

Editor's Comment

These ***Principal Residence Exemption*** issues should be considered in the ***separation proceedings***.

ALIMONY

It was noted in the November 7, 2007 issue of the ***National Post*** that ***CRA*** has ***requested*** the payer of spousal support for a ***receipt*** from the recipient spouse before allowing the deduction.

Editor's Comment

Consider having the ***provision of a receipt*** as a requirement in the Agreement.

PENSION SPLITTING

In a November 7, 2007 ***Tax Court*** of Canada case, Mr. L entered into a Separation Agreement with his spouse in 2005 including an ***equal division*** of the pension from his employer. Therefore, Mr. L did not include in income the ***$13,802*** paid ***by him*** to his ***wife*** on the ***pension division***. The wife argued that this should not be taxable to her, or deductible to him.

Mr. L Wins!

The Court noted that it was the ***intention*** of the ***parties*** at the time the ***Separation Agreement*** was executed that ***each*** would ***receive 50%*** of the pension.

Therefore, the $13,802 paid by Mr. L to his spouse should not have been included in Mr. L's income.

Editor's Comment

There may be ***fewer arguments*** if the ***pension*** is ***divided*** at ***source***.

ESTATE PLANNING

81(8)

RDSP

A new Registered Disability Savings Plan (***RDSP***) with a Canada Disability Savings Grant (***CDSG***) Program and Canada Disability Savings Bond (***CDSB***) Program is applicable in ***2008***. There will be a ***lifetime limit*** of ***$70,000*** on ***CDSGs*** and ***$20,000*** on ***CDSBs***.

Eligibility

Generally, any person eligible for the Disability Tax Credit (***DTC***) and resident in Canada, or their parent or other legal representative, will be ***eligible*** to establish an ***RDSP***.

CLEARANCE CERTIFICATE

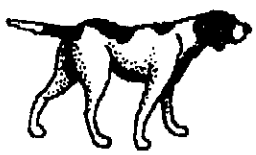
In a July 10, 2007 ***External Technical Interpretation***, CRA notes that the ***distribution*** of property to a ***non-resident beneficiary*** in satisfaction of their rights under the ***Trust or the Estate*** is subject to a ***withholding tax*** unless a Clearance Certificate is obtained.

Taxpayers should also be aware that ***every non-resident person*** who in a taxation year ***disposes*** of any Taxable Canadian Property ***shall*** send to CRA a ***Notice***.

Failure to comply may result in a penalty of ***$25 per day*** to a maximum of ***100 days*** for a total of ***$2,500***.

If this has been missed, a "***Voluntary Disclosure***" to CRA should be considered.

WARNING



In a November 29, 2007 Release, ***CRA warned investors*** about ***questionable RRSP and RRIF*** tax-free withdrawal schemes. To date, CRA has ***reassessed*** over 3,100 taxpayers, commenced ***audits*** on another 1,800 taxpayers and, audits on other arrangements are about to begin.

CRA advises that taxpayers should ***avoid schemes*** that promise ***withdrawal*** of funds from an RRSP or RRIF ***without paying tax***, ***immediate access*** to assets in "locked in" RRSPs or RRIFs, or ***income tax deductions*** of three or more times the amount invested.

The Problem

CRA notes that the full amount of ***any withdrawal or ineligible investment*** is included in ***income***.

Also, in many cases taxpayers have ***lost all, or part***, of their ***retirement savings***. These schemes are usually promoted either over the Internet, newspaper ads, or promotional meetings.

WEB TIPS

81(9)

GOOGLE CHEAT SHEET

Organized by user skill level, this ***2-page cheat sheet*** is a great tool to print off and post near your computer.

Contained on the sheet are:

- a ***list of services*** and ***tools*** that Google offers
- a list of ***search tips***
- basic ***management*** and Google company information.

To view the Cheat Sheet, go to:

http://www2.adelaider.com/google-cheat-sheet/

INTEREST AND MORTGAGE CALCULATIONS

www.moneychimp.com is a website that breaks ***down some of the more complicated aspects of accounting and finance*** into a layman's understanding. Of particular use are some ***quick calculators*** that can be found by clicking the calculator tab on the top of the home page. Some of the calculators included are: ***Compound Interest, Present Value, Annuity, Bond Yield and Mortgage***. As a caution, the calculators include only the most basic inputs. Therefore, you must be aware of the limitations and applicability that each tool has.

FINDING A POSTAL CODE

One of the quickest and simplest ways to ***find a postal code*** is to use the Canada Post website:

www.canadapost.ca

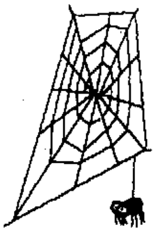
On the left side of the homepage there is a menu that includes "***find a postal code***". Upon selecting this option, you will be able to ***enter the other pertinent address details*** and then be presented with the related postal code.

Additional note! Whenever ***looking for directions or distances*** on websites such as Mapquest, ***use the postal codes of the starting and ending*** locations instead of the full address. It will save you a ton of time! Generally, one postal code is used per block, therefore, directions should be fairly accurate.

DID YOU KNOW...

81(10)

eBAY



It was reported in the ***Globe and Mail*** that CRA have won a ***Federal Court Order*** requiring ***eBay Canada Ltd.*** to turn over the names, addresses, phone numbers and e-mail addresses of all ***high volume sellers*** on its ***website***.

CRA is checking to see if the sales were reported on the 2004 and 2005 tax returns. CRA noted that it is targeting people who qualified for eBay's Power Seller Program in 2004 and 2005.

REBATE/GREEN LEVY - VEHICLES

The 2007 Federal Budget introduces a vehicle efficiency incentive ***rebate*** of up to ***$2,000*** for highly ***fuel-efficient vehicles*** (6.5 litres or less/100 kms - see www.tc.gc.ca) and a new ***Green Levy on fuel-inefficient vehicles*** (13 litres or more/100 kms) of up to ***$4,000***.
The ***rebate*** applies to eligible new vehicle ***purchases or leases*** after ***March 19, 2007. See www.ecoaction.gc.ca*** for ***information*** and ***forms***.
The ***Green Levy*** will apply to new vehicles delivered or imported after ***March 19, 2007***.

CRA PENALTIES

CRA notes that starting ***January 1, 2006 penalties*** are being applied to all ***late-filed foreign reporting forms*** such as Forms T106, T1134, T1135, T1141 and T1142. To avoid being assessed a penalty, consider going through the ***Voluntary Disclosure Program*** at the local Taxation Service Office.

Editor's Comment

We have heard of a ***number of $2,500 penalty assessments*** for late/unfiled ***T1135*** Forms (***foreign property costing $100,000 or more***) - even if the income is reported.

Some of the assessments have been related to ***foreign investments*** held in ***brokerage accounts***.

NIGERIA SCAMS

In a November 2, 2007 ***Tax Court*** of Canada case, the taxpayer ***lost approximately $300,000*** from a ***fraud*** emanating from ***Nigeria*** (Nigerian Advance Fee Fraud).

CRA successfully ***disallowed*** a deduction for tax purposes on the basis that the losses had ***no connection*** with an actual business.

See ***www.phonebusters.com*** for information on ***scams***.

APPENDIX A

2007 PERSONAL INCOME TAX RETURN CHECKLIST

INFORMATION REQUIRED INCLUDES:

1. All ***information slips*** such as T3, T4, T4A, T4A(OAS), T4A(P), T4E, T4PS, T4RIF, T4RSP, T5, T10, T2200, T2202, T101, T1163, T1164, TL11A, B, C and D; T5003, T5007, T5008, T5013, T5018 (Subcontractors), RC62 and corresponding provincial slips.

2. Details of ***other income*** for which no T slips have been received such as:
   - other employment income (including stock option plans and Election Form T1212),
   - business income,
   - partnership income,
   - rental income,
   - alimony, separation allowances, child maintenance,
   - pensions (certain pension income may now be ***split*** between spouses - see #35)
   - interest income earned but not yet received - example Canada Savings Bonds, Deferred Annuities, Term Deposits, Treasury Bills, Mutual Funds, Strip Bonds, Compound Interest Bonds
   - professional fees,
   - director fees,
   - scholarships, fellowships, bursaries,
   - replacement properties acquired.

3. Details of ***other expenses*** such as:
   - employment related expenses - Provide Form T2200 - Declaration of Conditions of Employment,
   - tools acquired by apprentice vehicle mechanics,
   - business and employment purchases like vehicles, supplies, etc.,
   - interest on money borrowed to purchase investments,
   - investment counsel fees,
   - moving expenses - including costs of maintaining a vacant former residence,
   - child care expenses,
   - alimony, separation allowances, child maintenance,
   - safety deposit box fees,
   - accounting fees,
   - pension plan contributions,
   - film and video production eligible for tax credit,

- mining tax credit expenses,
- business research and development,
- adoption related expenses,
- clergy residence deduction information, including Form T1223,
- disability supports expenses (speech, sight, hearing, learning aids for impaired individuals and attendant care expenses),
- tradeperson's tools acquired by an employee,
- public transit passes acquired,
- amounts paid for ***programs of physical activity*** for children ***under age 16*** at any time during the year (***under 18*** for children with ***disabilities***).

4. Details of ***other investments*** such as:
   - real estate or oil and gas investments - including financial statements,
   - labour-sponsored funds.

5. Details and ***receipts*** for:
   - Registered Retirement Savings Plan (RRSP) contributions,
   - professional dues,
   - tuition fees - including mandatory ancillary fees, and Forms T2202, TL11A, B, C and D,
   - charitable donations (including publicly traded securities),
   - medical expenses (including certain medical related modifications to new or existing home and travel expenses),
   - political contributions.

6. Details of ***capital gains and losses*** realized in 2007.
   Also, new rules now permit ***rollovers*** for ***foreign share spin-offs*** and various ***foreign share reorganizations***.

7. Details of previous ***capital gain exemptions*** claimed, ***business investment losses*** and ***cumulative net investment loss accounts***.

8. Name, address, date of birth, S.I.N., and province of ***residence*** on December 31, 2007.

9. ***Marital/common-law status*** and spouse/partner's income, S.I.N. and birth date.

10. List of ***dependants/children*** - including their incomes and birth dates.

11. If you or one of your dependants was in full time attendance at a ***college or university***, details concerning name of institution, number of months in attendance, tuition fees, income of dependant, Form T2202.

12. Are you ***disabled or are any of your dependants*** disabled? Provide Form T2201 - disability tax credit certificate. This also includes extensive therapy such as kidney dialysis and certain cystic fibrosis therapy. Also, the ***transfer rules*** include relatives such as parents, grandparents, child, grandchild, brothers, sisters, aunts, uncles, nephews or nieces.

    Persons with ***disabilities*** also may receive tax relief for the cost of ***disability supports*** (eg. sign language services, talking textbooks, etc.) incurred for the purpose of ***employment*** or ***education***.

13. Details regarding residence in a prescribed area which qualifies for the ***Isolated Area Deduction.***

14. Information regarding ***child tax benefit*** receipts.

15. Details regarding contributions to ***Registered Education Savings Plans***.

16. Details regarding ***RRSP - Home Buyers' Plan*** withdrawals and repayments; ***RRSP - Lifelong Learning Plan*** repayment.

17. Receipts for 2007 income tax ***installments*** or, payments of tax.

18. Copy of 2006 personal tax ***returns***, 2006 Assessment ***Notices*** and any correspondence from Canada Revenue Agency (CRA).

19. 2007 ***Personalized Tax information*** which CRA may have sent you.

20. Do you want your ***tax refund or credit*** deposited directly to your account in a financial institution? Yes/No.

    To start direct deposit, or to change banking information, attach a void personalized cheque or your branch, institution and account number.

21. Details of ***carry forwards*** from previous years including losses, donations, forward averaging amounts, registered retirement savings plans.

22. Details of ***foreign property*** owned at any time in 2007 including cash, stocks, trusts, partnerships, real estate, tangible and intangible property, contingent interests, convertible property, etc..

23. Details of ***income*** from, or ***distributions*** to, ***foreign entities*** such as foreign affiliates and trusts.

24. Details of your ***Pension Adjustment Reversal*** if you ceased employment and were in a Registered Pension Plan or a Deferred Profit Sharing Plan. (T10 Slip)

25. If you provided ***in-home care*** for a ***parent or grandparent*** (including in-laws) 65 years of age or over, or an infirm ***dependent relative***, a federal tax credit may be available.

    Also, the caregiver may claim related ***training costs*** as a medical expense credit.

26. Interest paid on qualifying ***student loans*** is eligible for a tax credit.

27. ***Retroactive lump-sum payments***

Individuals receiving qualifying retroactive ***lump-sum payments*** over $3,000 may be allowed to use a special mechanism to compute the tax.

28. Changes in ***family circumstance*** that could affect the ***Goods and Services Tax Credit***, such as births, deaths, marriages, reaching the age of 19 years, and becoming or ceasing to be a resident in Canada.

29. ***Children*** of low or middle income parents may be entitled to a ***Canada Learning Bond*** of ***$500*** in the initial year and ***$100*** per year until age 15. Please ask us for details.

30. Do you have any ***personal interest expense*** - such as on a house mortgage or vehicle?

If so, it may be possible to take steps to convert this into deductible interest.

31. An ***investment tax credit*** is available in respect of each ***eligible apprentice*** employed in one of the 45 Red Seal Trades. Also, ***a $1,000 grant*** is available for first and second year apprentices effective ***January 1, 2007***.

32. Have you received the ***Universal Child Care Benefit*** of ***$100 per month*** for each child under ***6 years*** of age? This commenced in ***July, 2006***.

33. Commencing in 2008, any person eligible for the ***disability tax credit***, or their parent or legal representative, may establish a ***special savings plan*** which receives ***government grants***. Please ask us for details.

34. The age limit for ***maturing*** Registered Pension Plans, Registered Retirement Savings Plans, and Deferred Profit Sharing Plans is increased to ***71 years*** of age from 69 years of age commencing in 2007.

35. Spouses may ***jointly elect*** to have up to 50% of ***certain pension income*** reported by the ***other spouse***. Please ask us for details.