

## STRESS LESS DURING TAX SEASON

FILING YOUR PERSONAL INCOME TAX RETURNS CAN BE PARTICULARLY OVERWHELMING IF YOU'RE FILING FOR THE FIRST TIME. HERE ARE A FEW TIPS ON HOW TO MAKE THE PROCESS A BIT LESS STRESSFUL. DON'T WORRY. WE'LL START WITH THE BASICS.

### WHEN EXACTLY IS THE DEADLINE TO FILE INCOME TAX RETURNS?

For the majority of taxpayers, the deadline is April 30<sup>th</sup>. As this year April 30<sup>th</sup> falls on a Sunday, the filing deadline is extended to May 1<sup>st</sup>. However, if you're self-employed, you have until June 15<sup>th</sup> to file, although the tax owing has to be paid by April 30<sup>th</sup>.

### HOW CAN I MAKE SURE I HAVE EVERYTHING I NEED TO FILE?

The first thing you should do is get organized: Organize your pay slips, bank statements, any information you receive from investments held (if any), donation receipts, medical expenses, etc., and keep all the information in a safe location. If you are self-employed, or if you own rental property, you need to keep track of all your expenses, deposits, and any capital disbursements made throughout the year. In order to make filing less stressful, it is a good idea to gather and organize the required information throughout the year and not at the beginning of tax season. And if you suspect that you may owe the government income taxes, begin saving money in advance.

### I KNOW THERE IS SOFTWARE TO HELP PEOPLE FILE TAXES. SHOULD I USE ONE?

For first time income tax filers, you have several options available to you. If you are up to the challenge, you may decide to do it yourself – either by using the forms supplied by the Canada Revenue Agency and Revenue Quebec, or by using a tax software. However, tax software is often geared towards individuals with simple tax situations. Those with more complex situations should make sure that they are using software that is suitable for their specific circumstance. And you can always seek help from a tax professional.

### I OFTEN HEAR ABOUT PEOPLE WHO WILL GUARANTEE I'LL RECEIVE A SUBSTANTIAL REFUND OR THAT I'LL GET MY TAX REFUND QUICKLY IF I LET THEM HELP ME. IS THIS SOMETHING TO CONSIDER?

I believe it is important for taxpayers to use common sense and good judgment when it comes to offers that are too good to be true. For example, if you receive an email asking for your credit card or bank information in order to receive a tax refund that you are entitled to, you should suspect that it is a fraudulent email. The government does not communicate with taxpayers in that manner via email. And always be very careful with whom you share your social insurance number.

On the other hand, if you come across a tax preparation firm that offers discounting services, you may be able to receive your refund instantly. But remember, the firm will charge a fee for this service, although it cannot exceed the set rate established under the Tax Rebate Discounting Act.

## **IF I’VE ONLY DONE ODD JOBS LIKE DRIVEN FOR UBER OR RENTED OUT MY APARTMENT FOR A COUPLE OF DAYS, DO I NEED TO FILE A TAX RETURN?**

If you were self-employed, or earned rental income during the year, and your taxable income is in excess of the basic exemption, you should file a tax return in order to comply with your obligations. Even if your income is below the basic exemption, consider filing to take advantage of some of the benefits offered by the governments.

## **HOW WILL I KNOW WHEN IT’S TIME TO SEEK HELP FROM A PROFESSIONAL? AND WILL THAT COST ME MORE THAN MY POTENTIAL REFUND?**

If you are not familiar with the tax laws concerning your sources of income, you should seek help from a professional. Ignorance is not a valid excuse when the government issues assessments and the penalties and interest could be material. Yes, seeking professional advice costs money but he or she can save you time by handling the filing for you – and he or she can save you a whole lot of stress.

As to the second part of the question, there is no correlation between the professional’s cost and your refund. For example, if you are self-employed and did not make any installments with the federal or provincial government throughout the year, and you decide to hire a professional to file your tax returns, he or she cannot get you a refund from the government. Using our services does not guarantee you a refund. What the professional will do in a case like this is try to maximize your tax deductions and your tax credits in order to minimize your tax liability.



**ALAIN MOUSSALIE, CPA,CA  
PARTNER**

T. 514-341-5511 x. 255 / amoussalie@psbboisjoli.ca

A talented and respected professional, Alain Moussallie began his career as an intern in 1996, before joining the PSB Boisjoli taxation team 3 years later. He made partner in 2014.

Although his clients represent a broad range of economic sectors, Alain has particular knowledge of the real estate industry. His areas of expertise include Canadian corporate taxation, corporate reorganisation, business acquisitions and sales, transfer of family businesses, implementation of trust structures, estate freezes, as well as providing representations during the audit and objection stages. Alain frequently gives conferences within the firm on diverse topics such as the new testamentary trust rules, leasehold improvements, and lease inducements.

Alain makes a point of keeping abreast of the latest professional developments, and is always working to expand the depth and breadth of his knowledge. He has completed the following conferences and courses offered by the CICA: “In-Depth Tax Courses”, “Corporate Reorganisations”, and “Advanced Tax Issues for the Owner-Managed Business”.

Alain is an accomplished tax advisor whose strategic thinking abilities are valued by clients and colleagues alike, and he is one of our firm’s most cherished assets.