



PERSONAL TAX RETURNS – FILE ON TIME!

Personal tax returns are due on April 30 of each year for most taxpayers (there may be exceptions for self-employed or deceased taxpayers).

There are many reasons to ensure your personal tax returns are filed on time:

1. Penalties: There is an immediate penalty for late filing equal to 5% of the tax owing plus an additional 1% per month that the return is late. Penalties can be doubled for repeat late filing and can reach 34% of the tax owing. Certain tax forms are subject to a flat rate per day penalty for each day the form is late.
2. Interest: Interest is charged on the late payment of taxes and installments. The current rate is 5% and the interest is not tax deductible.
3. You may be missing receiving certain government credits which are based on filing a personal tax return (for example, GST/HST credits, child tax benefits, guaranteed income supplement).
4. RRSP room: Children earning employment and self-employment income but do not owe tax should consider filing a tax return to build up RRSP room which can be used in future years.
5. Students who have tuition credits (which cannot be transferred this year) should file a return so that these amounts will be on record to use in future years when they are taxable.
6. Need CRA on your side? Past compliance history is one of the considerations CRA reviews when a taxpayer is dealing with CRA on certain tax matters.

Please plan to have your tax return filed on time. In the event you are unable to pay your taxes owing immediately, filing on time is still recommended to eliminate penalties which can be significant.

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Please contact Gary Aslett at 905-465-3313 or gary@aslettca.ca if you require further information on the above.

The material provided is believed to be accurate and reliable as of the date it is written. Tax laws are complex and are subject to frequent change. Professional advice should always be sought before implementing any tax planning arrangements.

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