

STRENGTH IN NUMBERS

KEMP HARVEY GROUP

WINTER 2013  NEWSLETTER

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NEW CREDITS BENEFIT FAMILIES

As millions of British Columbians prepare to complete their 2012 tax returns in the next few months, they will not see any changes to their provincial tax rates, but a percentage of the population will find a few more credits available to them.

Many seniors will be able to take advantage of the most significant tax change in 2012. Seniors who have made accessibility improvements to their homes will be able to claim those expenses through the BC Seniors' Home Renovation Tax Credit.

As discussed in our Autumn 2012 newsletter, this credit is available for anyone who turned 65 by the end of 2012, and it applies to eligible purchases made after March 31, 2012. Eligible purchases are retrofits which create greater home mobility for seniors in their primary place of residence.

Seniors can recover 10% of these expenditures on their personal tax returns, up to \$10,000 of eligible expenditures.

Please include any invoices related to this credit when you provide your 2012 tax information to your local



Families with seniors, children or infirm dependants will have various options available to them with some of the new tax credit programs available for the 2012 tax year.

Kemp Harvey Group CGA office this spring.

BC families with children will also benefit from some additional provincial credits including the BC Children's Fitness Tax Credit and the BC Children's Art Tax Credit. Previously, you could only claim eligible fitness and arts tax program credits towards your federal income taxes payable. However, this credit has now been expanded and it can be used to apply credits towards your provincial income tax payable.

Canadian primary caregivers, as well, will be able to re-

ceive credits for dependants with the newly announced Family Caregiver Amount.

This federal tax credit allows you to claim an additional \$2,000 credit for an infirm dependant. The definition of an infirm dependant is someone – including a spouse – who relies on you because they have a physical or mental infirmity, but who may or may not be entitled to the Disability Tax Credit.

Please notify your Kemp Harvey Group office if you have an infirm dependant who may qualify for this amount.

INFO SLIPS NEEDED FOR 2012 T1

Yes, it's that time of year again – time to file your personal income tax returns. Before you bring your personal income tax information to your local Kemp Harvey Group office, we encourage you to work through the following checklist. This list will help to ensure you have all of the slips needed in order to complete your 2012 T1.

2012 T1 Checklist

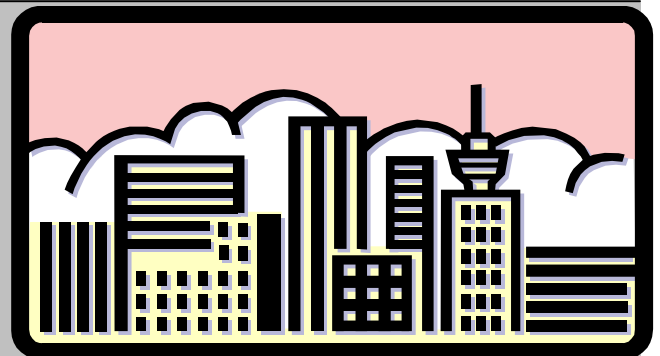
NAME: _____

INFORMATION SLIPS	CHECK
T3 – Estate or trust income including mutual funds	
T4 – Salaries, wages or retiring allowances	
T4A – Pensions, director fees, miscellaneous income or RESP	
T4E – Employment Insurance benefits	
T4A(P) – Canada Pension Plan income	
T4 (OAS) – Old Age Security benefits	
T4 (RRIF) – Registered Retirement Income Fund income	
T4 (RSP) – Registered Retirement Savings Plan withdrawal	
T5 – Interest, dividends and other investment income	
T5007 – WCB or social assistance income	
T5008 – Treasury bills	
RC 62 – Universal Child Care Benefit	
RC 210 – Working Income Tax Benefit payments	
2011 Notice of Assessment and any correspondence from Canada Revenue Agency received during the year	

OTHER INCOME SOURCES	CHECK
Rental income and expenses	
Self-employment income and expenses	
Stocks, investments, and mutual fund transactions – summary of all purchases and sales (ensure date of sale is on documents)	
Child care income	
Foreign pension income	
Other – any other income sources, such as tips or alimony	

DID YOU KNOW...

When medical services are not available locally, you may claim vehicle expenses used to attend a medical appointment in a community located more than 40 kilometres from your home. You can claim the actual gas receipts to attend the appointment, or a per-kilometre rate for distance driven. In 2012, you can claim 49.5 cents per kilometre as a medical expense. If you travel more than 80 kilometres from your home for treatment, you also may be entitled to claim meal and accommodation costs.



CERTAIN EXPENSES CAN REDUCE TAXES

Various deductions and credits can help to reduce the amount of taxes payable to the Canada Revenue Agency (CRA) each year. Please take a few moments to review the following items, in order to ensure you do not miss out on any eligible expenses for you and your household. Please remember that all of the applicable receipts and documents associated with these credits and deductions should be provided to your accountant, in order to allow for comprehensive tax return preparation.

DEDUCTIONS AND CREDITS	CHECK
RRSP contribution slips	
RRSP Home Buyers Plan / Lifelong Learning Plan details	
Moving expenses if you moved at least 40 kilometres closer to your place of work	
Union or professional dues	
Child care expenses	
Child support payments (if pursuant to a pre-May 1997 agreement) or alimony	
Attendant care expenses (paid to allow a person with disabilities to earn income)	
Residential and nursing care facility fees	
Business investment losses (losses suffered through the failure of an active Canadian business)	
Safety deposit box, investment counsel or accounting fees	
Interest paid on loans for investment purposes	
Adoption expenses	
Charitable donations	
Political party donations	
Receipts for expenses related to the B.C. Seniors' Home Renovation Tax Credit	
T2202 tuition fees: education amounts and textbook credit or Canada student loan interest payment	
Tools acquired by apprentice vehicle mechanic or other trade-worker	
Employment related expenses - T2200 and Declaration of Conditions of Employment	
Public transit passes purchased on or after January 1, 2012	
Fitness Tax Credit (amounts paid for physical activity programs for children under age 16)	
Children's Art Tax Credit (amounts paid for eligible activities for children under age 16)	
Medical travel insurance for 2012	
Accommodation, meal and travel details for out-of-town medical appointments during 2012	
Medical (vision, dental, prescription, etc.) expenses net of any third-party coverage received during 2012	
Insurance premiums paid for private medical or dental plans during 2012	



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Q&A: A YEAR IN REVIEW

Each year, taxpayers pass certain personal milestones. This list of questions will help you and your accountant organize the events of the past year.

QUESTIONNAIRE	Y/N
Are you or any of your dependants disabled?	
Are you supporting an infirm relative inside or outside of your home?	
Have you paid instalments for your 2012 Income Tax?	
Are you a Canadian Citizen?	
Are you a US citizen or currently holding a green card?	
Did you own any foreign property, including cash, stocks, or real estate at any time during 2012? Was the cost of the property greater than \$100,000?	
Do you authorize Canada Revenue Agency to release your name, address and date of birth to Elections Canada?	
Did you sell any land or other property in the past year? If so, please provide details.	
Did you live in a care home in the past year? If so, please provide receipts for payments.	
Were there any changes in family circumstances such as births, marriages, separations, divorces or deaths?	
Did you purchase a home in 2012? If so, please advise if this is the first home you or your spouse have owned and lived in since 2007.	
Did you become or cease to be a resident in Canada?	
Did you have to leave your metropolitan area in order to obtain medical care which was not available within the town of your residence? If so, please provide details.	

KH GROUP LEADS DONOR PROGRAM

Kemp Harvey Group has become a pioneer in the living organ donor sphere by becoming the first organization to participate in the “Be the Kidney Initiative”.

If any Kemp Harvey Group employee donates an organ, they can qualify for this wage top-up program. The program complements Employment Insurance benefits which are offered to organ donors while they recover from surgery, so as to provide the donor with up to six weeks of paid leave at 95% of their pre-donation wages. The group is also encouraging other BC employers to consider offering this same program to their own employees, in addition to asking the provincial government to consider grants to those business who are willing to participate in the program.

The project is close to the heart of all members of the Kemp Harvey Group, as one of their fellow partners, Terry Craig, donated his kidney to his spouse, Laura, in 2005. Her procedure was successful and for close to five years, she had an excellent quality of life.

In 2010, she was exposed to an aggressive virus, at which time her donated kidney was attacked and she suffered kidney failure. She receives daily dialysis and has been put on the kidney transplant waiting list. The “Be the Kidney Initiative” promotes education, awareness and advocacy, and its mission is to help remove barriers which would prevent people from considering the living organ donor experience. Please see bethekidney.com for more info.