REV A · ISSUED

SECTION A–A

TAX YEAR 2026 · FILE IN SPRING 2027

Taxes in Canada.

A practical guide for newcomers in British Columbia, with notes for Ukrainians: the first year, salary, freelance and USD income, child benefits, registered accounts, filing and CRA letters. Every number has an official source.

15	91	181	6
CHAPTERS	PAGES	OFFICIAL SOURCES	WORKED CASES

FIRST YEAR · CUAET · EMPLOYEES · T4 · FREELANCE · UPWORK · USD · FAMILIES · CCB · RRSP · FHSA · TFSA · RESP · BC + ONTARIO · ALBERTA · 6 CASES WITH FULL MATH

A systematization of official CRA and BC government rules as of October 2026. The author is not an accountant; this is not individual tax advice. Amounts are for 2026 and benefits for July 2026 – June 2027 unless stated otherwise.

TITLE	SHEET	REV	DRWN	DATE
TAXES IN CANADA · EN	04-01	A	D.KRAVCHUK	2026-10

01

CHAPTER 01 / 15

How to read this guide

This guide covers tax year 2026. You file the return for it in spring 2027. Every amount, threshold and rate here is for 2026 unless a different year is written next to it. Benefits (CCB, CGEB, BC Family Benefit) are described for the July 2026 – June 2027 period, because that is how the CRA calculates them.

The default province is British Columbia (BC). For Ontario, Alberta and Quebec there are short inserts in section 13 and wherever the difference matters.

Every number carries a source tag in square brackets, for example [C1]. The full list of official pages is in section 15. I took figures only from canada.ca, gov.bc.ca and other government sites. Where the official 2026 figure is not published yet, I say so and give the latest published one with its year.

How to use it:

1. Find your situation in the decision map (section 2). It points to the sections you need.
2. Read section 3 even if you think you already know all this. It explains why a “higher bracket” does not eat your whole salary, and why a credit in 2026 is worth 14%, not 15%.
3. Section 11 (the calendar) is worth printing.
4. The cases in section 14 walk through the full math on real 2026 numbers. If your situation is similar, plug in your own figures.

Amounts are written the way CRA forms write them: $1,234.56 (comma for thousands, period for cents). Percentages are given the way the source publishes them (19.6%, 5.60%, 1.63%). Dates in the text are written out in full (“April 30, 2027”); in the calendar they are shortened (“Apr 30”).

Ukrainian-specific sections (the Ukraine-Canada tax treaty, property in Ukraine, a Ukrainian FOP, CUAET) are kept as they are; if that is not you, skip them. CRA forms are named the way the system names them (T4, T2125, RC151), because that is how you will search for them.

What this guide does not cover

The guide is written for the first 1–3 years in Canada. It does not replace an accountant in complex cases. Out of scope:

- **Corporations.** There is a short block “Sole proprietor or corporation” in section 8, but corporate bookkeeping, paying yourself a salary, dividends and the T2 are not covered.
- **Quebec.** Two returns there (federal and provincial TP-1) and different rates. Only a few mentions.
- **US citizens and US tax residents.** They have a parallel obligation to the IRS; that is a separate topic.
- **Non-residents of Canada** who receive Canadian income from abroad.

- **Inheritance, death, trusts, divorce** with division of property.
- **Rental real estate as a business**, property in Canada held for rent, mortgage math.
- **A business with employees** (payroll, T4s for your people).
- **Immigration law.** Where status affects taxes or benefits, it is said. But this is not a CUAET or PR guide.
- **Ukrainian taxes.** For a Ukrainian FOP only the Canadian side is covered; for Ukrainian obligations ask a Ukrainian accountant.

Three things I deliberately do not do: I do not recommend “schemes”, I do not promise a refund amount, and I do not say “everyone does it this way”. Where the CRA gives no clear answer, I write “unclear, ask”.

Disclaimer

I am not an accountant or a tax advisor. This is a systematization of the official CRA and BC government rules as of October 2026, made by someone who went through this path himself. Rules change; the CRA may read your situation differently. Before decisions involving big money (selling property, incorporating, crypto, income from Ukraine) check the official page or a professional. You are responsible for your own return.

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02

CHAPTER 02 / 15

Decision map: find your situation

The tax system looks like one big wall of text. In reality you need three or four sections. Find your row.

YOUR SITUATION	WHAT TO DO FIRST	SECTION · PAGE
Just arrived (this year or last)	Determine your tax residency date, file RC151 for the CGEB, understand what happens with income earned before arrival. File every year from the first one: citizenship depends on it too	4 · p. 14 5 · p. 22 10 · p. 53
Employee with a T4	Check your TD1 (especially with two jobs), gather slips, file by April 30	3 · p. 7 6 · p. 29 10 · p. 53 11 · p. 56
Freelancer / Upwork / self-employed	Set money aside for tax and CPP, keep records in CAD, watch the $30,000 GST threshold	8 · p. 40 3 · p. 7 11 · p. 56
Family with kids	CCB (and the 18-month rule for temporary residents), BC Family Benefit, daycare, RESP	5 · p. 22 6 · p. 29 7 · p. 35
Income or property in Ukraine (FOP, apartment, deposit, parents' pension)	World income after your residency date, the Ukraine-Canada treaty, T1135 from the second year	4 · p. 14 9 · p. 50
Buying a home	FHSA and HBP, first-time buyer credit, BC Home Flipping Tax if you sell early	7 · p. 35 9 · p. 50
Investing / holding crypto	TFSA, RRSP, ACB tracking, crypto reporting	7 · p. 35 9 · p. 50
Low income or no income	File anyway: benefits depend on it. In BC the NOA unlocks Fair PharmaCare, RAP (rent help for families with kids), MSP Supplementary Benefits. Free CVITP clinics	5 · p. 22 10 · p. 53
Paid in cash or by e-transfer with no slip (renovation, cleaning, nanny, kitchen, tips)	It is income. Decide: employment or self-employment; keep your own table of amounts and dates	8 · p. 40 12 · p. 58
Made a mistake, got a CRA letter, cannot pay	Do not panic, check it is not a scam, fix it through Change my return	12 · p. 58
Living outside BC	Same federal rules, different provincial rates and benefits	13 · p. 62

YOUR SITUATION	WHAT TO DO FIRST	SECTION · PAGE
Working remotely for a foreign company (not Upwork, as an employee)	Report the salary in CAD, set money aside for tax like a freelancer, instalments from the second year	8 · p. 40 4 · p. 14
Taxi / app delivery (Uber, Lyft, DoorDash, Skip)	Taxi and rideshare: GST from the first dollar; delivery: the regular $30,000 threshold; a vehicle logbook	8 · p. 40
A child born in Canada	Consent to the CRA when registering the birth, CCB and BCFB, parental leave through EI	5 · p. 22
Retired parents living with us	Ukrainian pension on line 25600, age amount, OAS no earlier than 10 years in	4 · p. 14 6 · p. 29
Selling an apartment in Ukraine	Gain is measured from the value on your arrival date, Schedule 3, credit for Ukrainian tax paid	4 · p. 14 9 · p. 50
Did not file for some year (often 2022–2023)	File the missed years online, oldest first; with no balance owing there is no penalty, benefits get paid retroactively	10 · p. 53 12 · p. 58
Partner stayed in Ukraine	Decide: are you supporting them (spouse amount) or not (eligible dependant for a child); CTB9 and their income for the CCB	5 · p. 22 6 · p. 29 14 · p. 64
Got PR / permit is expiring	Update your SIN, apply for CCB if it is not paid yet, and for ACCB; what changes with housing	4 · p. 14 5 · p. 22
Lost my job / receiving EI	EI is taxable; check the withholding on the T4E, the EI clawback threshold, the effect on benefits	5 · p. 22 3 · p. 7 10 · p. 53
Construction worker, mechanic, long-haul trucker (employee)	Tools, labour mobility, meals on the road (TL2)	6 · p. 29
Leaving Canada (back to Ukraine or elsewhere)	Departure date, tell the CRA, stop CCB and CGEB, departure tax	4 · p. 14

If you are in several rows at once (say, just arrived, with kids, and freelancing), read all the matching sections. The cases in section 14 show such combinations.

Before December 31, 2026: what you can still do

The guide comes out in October, so part of 2026 can still be changed. After December 31 most of the items below can no longer be done for 2026.

ACTION BEFORE DECEMBER 31, 2026	WHY	DETAILS
Open an FHSA (even with zero in it) or contribute	the $8,000 room only counts from the year you open it; a 2026 contribution only until December 31, there is no 60-day rule [A10]	7 · p. 35

ACTION BEFORE DECEMBER 31, 2026	WHY	DETAILS
Put up to $2,500 per child into an RESP	CESG 20% = $500 for 2026; unused room carries forward, but the grant is capped at $1,000 per year A12	7 · p. 35
Make donations	a 2026 credit needs a donation made in 2026 (the date on the official receipt); unused amounts carry forward up to 5 years K9	6 · p. 29
Sell an investment at a loss	the loss reduces 2026 gains; the trade must settle in 2026, see the note below	9 · p. 50
Withdraw from a TFSA if you plan to	the withdrawn amount comes back as room on January 1 of the next year: withdraw December 31 and the room is back January 1, 2027 A11	7 · p. 35
Buy equipment for the business and start using it	CCA for 2026; the proposed 100% write-off for computers applies to equipment available for use before January 1, 2027 E5 K19	8 · p. 40
Gather receipts for medical expenses and daycare	claimed for the calendar year of payment; without receipts the credit gets removed on review K10 P5	6 · p. 29
Invoice December work	freelance income counts when it is earned, not when it is withdrawn from the platform: December 2026 work and invoices are 2026 income even if the money arrives in January E31; they also count toward the GST threshold	8 · p. 40
Check your revenue for GST	over $30,000 in one quarter or four consecutive quarters means registering within 29 days E10	8 · p. 40
Ask your employer for a T2200	without it an employee cannot claim home office expenses K12	6 · p. 29
Pay the December 15 instalment	if the CRA sent reminders; interest on underpayment accrues daily C14	8 · p. 40

The RRSP is not on this list: a 2026 contribution can be made until March 1, 2027 A5.

GOOD TO KNOW

Note on stock-market losses. Since May 2024 the Canadian market settles on T+1 (the next business day after the trade). There is no official CRA clarification on which date rules, trade or settlement; common practice is the settlement date. December 31, 2026 is a Thursday, so it is safe to sell no later than **December 30, 2026** (Wednesday). Your broker will confirm the cut-off. And do not buy the same security 30 days before or after the sale: a superficial loss wipes out the loss I9.

03

CHAPTER 03 / 15

How the system works

Two layers on one return

In Canada personal income tax has two parts: federal and provincial. Outside Quebec both are calculated on one tax return (form T1), which you file with the Canada Revenue Agency (CRA). Your province is the one where you lived on **December 31** of the tax year [C2]. Moved from Ontario to BC in November 2026 – all of 2026 is taxed at BC rates.

The tax is progressive. Each rate applies only to the slice of income inside its bracket. Your income is cut into layers, and each layer is taxed at its own rate. Moving into a higher bracket never makes your whole income more expensive, only the part that climbed above the threshold.

Payroll withholding and what the return is for

For employees, the employer withholds three things from every paycheque: income tax, CPP contributions (Canada Pension Plan) and EI premiums (Employment Insurance). These are called source deductions. Withholding is an estimate, made on the assumption that you earn the same pay all year.

The return is a reconciliation: how much was withheld versus how much you actually owe for the year after all credits and deductions. The difference comes back to you (refund) or is paid up (balance owing).

Nobody withholds anything for freelancers and the self-employed. All tax and CPP are paid at filing time, and from the second profitable year usually in advance (instalments). Section 8 covers this.

The return is also your application for benefits. CCB, CGEB, BC Family Benefit and the rest are calculated from your return automatically. The CRA says it plainly: file every year, even with zero income [C3]. For a family this means: both partners, every year, on time.

Federal rates 2026

Federal indexation for 2026: 2.0% [C1].

TAXABLE INCOME 2026	FEDERAL RATE
up to $58,523	14%
$58,523.01 – $117,045	20.5%
$117,045.01 – $181,440	26%
$181,440.01 – $258,482	29%
over $258,482	33%

Source: CRA, 2026 rates and brackets [C1].

The lowest federal rate dropped from 15% to 14% on July 1, 2025, so for 2025 it was a blended 14.5%. From 2026 it is a flat 14% [C1]. If you compare your 2025 return with 2026, you will see a small extra reduction for exactly this reason.

BC rates 2026

BC indexation for 2026: 2.2% [C4].

TAXABLE INCOME 2026	BC RATE
up to $50,363	5.60%
$50,363.01 – $100,728	7.70%
$100,728.01 – $115,648	10.50%
$115,648.01 – $140,430	12.29%
$140,430.01 – $190,405	14.70%
$190,405.01 – $265,545	16.80%
over $265,545	20.50%

Source: BC government, 2026 rates, and CRA [C4] [C1].

> **WATCH OUT**
>
> BC Budget 2026 raised the lowest rate from 5.06% to 5.60% retroactively to January 1, 2026, but payroll only changed in July. So from July to December 2026 BC employers withhold at a temporary 6.14% rate to catch up on the first half of the year [C6]. A smaller net pay from July is not a mistake. If you worked only January to June 2026 or changed jobs, you may have a small BC tax shortfall in spring 2027. Old articles, and even the CRA payroll page from February 2026, still show 5.06%. For 2026 the correct rate is 5.60% [C4] [C5].

The same budget froze indexation of BC brackets and non-refundable credits for 2027–2030 at the 2026 level: the rates page confirms the brackets [C4], the budget changes page confirms the credits [C5]. So the BC figures in this guide stay valid for several more years unless the law changes again. Federal figures keep being indexed.

Tax-free amounts and credits: why 14%, not your rate

Basic personal amount (BPA) for 2026: federal **$16,452** at net income up to $181,440, gradually reduced to $14,829 at income from $258,482 [C1] [C8]. In BC the basic amount is **$13,216** [C4].

“The first $16,452 tax-free” is a simplification. The mechanics: the BPA and other non-refundable tax credits are multiplied by the **lowest rate** and subtracted from the tax. Federally the lowest rate is 14%, so the BPA reduces tax by 14% × $16,452 = $2,303.28 [C6]. In BC credits are calculated at 5.60%: $13,216 ×

5.60% = $740.10 [C4].

Consequence: a credit is worth the same to everyone, whether you earn $30,000 or $150,000. It reduces tax to zero, but not below. If there is no tax, the credit is lost (except those that carry forward: tuition, donations, student loan interest).

Deductions work differently: they reduce the income itself, so a deduction is worth your **marginal rate**. RRSP, daycare, business expenses are deductions. That is why for someone in the 28.2% band a $1,000 RRSP contribution saves $282, and for someone in the 19.6% band it saves $196.

Other federal credits for 2026 that come up in our families [C8]:

CREDIT (FEDERAL)	2026 AMOUNT	WHEN
Canada employment amount	up to $1,501	automatic with employment income; not for the self-employed
Spouse / common-law partner amount	$16,452 minus the partner's net income	partner with almost no income
Eligible dependant amount	$16,452 minus the dependant's income	single parent with a child
Canada caregiver, child under 18 with an impairment	$2,740	needs a doctor's confirmation or the DTC
Canada caregiver, dependant 18+	up to $8,773, reduced from income of $20,601	a relative with an impairment who lived in Canada
Disability amount	$10,341	approved form T2201
Age amount (65+)	$9,208, reduced from income of $46,432	retired parents in Canada
Pension income amount	up to $2,000	eligible pension income

The matching BC amounts for 2026: spouse $11,317, dependant $11,317, caregiver $5,784, age $5,927, disability $9,913, pension $1,000 [C4].

Top-up tax credit (2025–2030). So that the cut in the lowest rate from 15% to 14% would not raise anyone's tax, the government added a credit that preserves 15% on the portion of credits above the first threshold ($58,523 in 2026). It affects fewer than 0.3% of filers, mostly people with huge medical expenses or accumulated tuition credits. The software calculates it on its own [C7].

BC tax reduction: a hidden discount for low incomes

BC has a separate reduction of provincial tax: a maximum of **$690** in 2026 (Budget 2026 raised it from $575). It shrinks by 3.56% of net income over $25,570 and disappears at income of $44,952 [C4] [C5] [C6]. The software calculates it automatically.

Side effect: in the $25,570–$44,952 income range every extra dollar is not only taxed at 5.60% but also cuts this reduction by 3.56 cents. The real provincial marginal rate there is about 9.16%, and together with the 14% federal rate about 23%. For a family with kids the CCB reduction gets added on top. So deductions (RRSP, daycare) are worth more to such a family than the rate table suggests.

CPP and EI in 2026

CONTRIBUTION	2026 PARAMETER	VALUE
CPP (base + first additional)	maximum pensionable earnings (YMPE)	$74,600
	basic exemption	$3,500
	employee / employer rate	5.95% each
	employee maximum	$4,230.45
	self-employed: rate / maximum	11.9% / $8,460.90
CPP2 (second additional)	earnings range	$74,600 – $85,000
	employee / employer rate	4% each
	employee / self-employed maximum	$416 / $832
EI (outside Quebec)	maximum insurable earnings	$68,900
	employee rate	1.63%
	employee maximum	$1,123.07
	employer	1.4 × the employee premium

Sources: CRA, CPP and CPP2 2026 C9 C10; EI 2026 C11.

Maximum CPP + CPP2 for an employee in 2026: $4,646.45. For a self-employed person: $9,292.90 (both halves) C9 C10. The self-employed do not pay EI unless they opt in to special benefits themselves (section 8).

If you had two employers in 2026, each withheld CPP and EI from zero: an employer does not know how much the previous one withheld. The total withheld may have exceeded the annual maximum. The overpayment comes back through the return: CPP on line 44800, EI on line 45000, the software calculates it on its own if you entered **all** your T4s. Newcomers often change jobs 2–3 times in the first year, so a forgotten T4 from the first job is both unreported income and a lost refund of the overpayment.

From January 1, 2027 the base CPP rate drops from 4.95% to 4.75% C6. This does not affect 2026.

Marginal and effective rate: a BC example

Combined marginal rates on regular income in BC 2026 (federal + provincial, ignoring the phase-out of credits and benefits), calculated from the tables above C1 C4:

TAXABLE INCOME	MARGINAL RATE
up to $50,363	19.6%
$50,363 – $58,523	21.7%
$58,523 – $100,728	28.2%
$100,728 – $115,648	31.0%
$115,648 – $117,045	32.8%
$117,045 – $140,430	38.3%
$140,430 – $181,440	40.7%
$181,440 – $190,405	43.7%
$190,405 – $258,482	45.8%
$258,482 – $265,545	49.8%
over $265,545	53.5%

The marginal rate is what you pay on the **next** dollar. It sets the value of an RRSP contribution and the price of a side job. The effective (average) rate is total tax divided by total income. It is always lower.

Example (illustrative calculation at 2026 rates). A single person in BC, employment income $60,000, no other income, standard credits only. Rounded to the cent, amounts from the tables C1 C4 C8 C9 C11.

STEP	CALCULATION	AMOUNT
CPP	5.95% × ($60,000 − $3,500)	$3,361.75
EI	1.63% × $60,000	$978.00
Federal tax before credits	14% × $58,523 + 20.5% × $1,477	$8,496.01
Federal credits	14% × ($16,452 + $1,501 + $3,361.75 + $978.00)	−$3,120.99
Federal tax		**$5,375.02**
BC tax before credits	5.60% × $50,363 + 7.70% × $9,637	$3,562.38
BC credits	5.60% × ($13,216 + $3,361.75 + $978.00)	−$983.12
BC tax reduction	income over $44,952	$0
BC tax		**$2,579.26**
Total income tax		**$7,954.28**

STEP	CALCULATION	AMOUNT
CPP + EI		$4,339.75
Net pay for the year (approx.)		$47,706

Effective income tax rate: $7,954 / $60,000 = 13.3%. Together with CPP and EI, 20.5% leaves the paycheque. The marginal rate at the same time is 28.2%.

If this person gets a raise to $65,000, the extra $5,000 is taxed at 28.2% ($1,410), plus CPP and EI at another 7.58% ($379). About $3,211 of the raise stays in hand, that is 64%: not 71.8%, because CPP and EI also come off, and definitely not zero because of a “new bracket”.

For simplicity the example takes the whole CPP contribution as a credit. More precisely: the base portion (4.95%) gives a credit, and the “enhanced” portion (1% of the 5.95%) is a deduction on line 22215. In the 28.2% band a deduction is worth more than a credit, so the real tax here is $40–$50 lower; the software calculates it exactly [C9].

> COMMON MISTAKE
>
> “I got a raise, moved into a higher bracket and now take home less.” That does not happen. The higher rate applies only to the portion of income above the threshold. Less in hand after a raise is possible only because of other things: lost benefits, a changed TD1, or a payroll miscalculation that the return will fix.

TD1: the form that sets your withholding

When you start a job, the employer gives you form **TD1** (federal) and, if your credits exceed the basic amount, **TD1BC** [C8]. If you do not fill in the TD1, the employer withholds tax counting only the basic amount. That is enough in most cases.

Three things worth knowing:

1. **Two jobs at the same time.** The personal amount can be claimed only once. On the TD1 for the second employer tick the box and write “0” on line 13. Otherwise both employers give you $16,452 tax-free, and in April you owe. This is mistake number one for newcomers with two part-time jobs [C8].
2. **Extra withholding.** On the TD1 you can ask for more tax to be withheld from each paycheque. Useful if you also freelance with nothing withheld: the April bill will be smaller [C8].
3. **Less withholding.** If you make regular RRSP contributions, pay for daycare or carry forward tuition credits, you can file form **T1213** and get a letter for your employer so that less is withheld. Not needed if the RRSP comes straight off your paycheque [C8].

Arrived mid-year and started work in September? Payroll assumes you earn that salary all year and withholds more than the actual months call for. That usually means a refund in spring. This is withholding logic, not a CRA rule, so the result may differ.

Deadlines for tax year 2026

WHAT	WHEN	WHO
File the return and pay the balance	**April 30, 2027** (Friday)	everyone
File the return	**June 15, 2027** (Tuesday)	the self-employed and their partners. The balance is still due April 30
RRSP contribution counted for 2026	**March 1, 2027** (60 days after year-end; the CRA has not published the date yet, check)	anyone with RRSP room
FHSA contribution for 2026	December 31, 2026 (there is no 60-day rule)	FHSA holders
Instalments	March 15, June 15, September 15, December 15	net tax owing over $3,000 in the current year and in one of the two previous ones
Objection	the later of: one year after the filing deadline, or 90 days after the notice of assessment	anyone who disagrees with an assessment

Sources: CRA, important dates; deadlines for those who arrived in 2026 C12 C3 C14 A5 A10.

If a deadline falls on a weekend or holiday, on time means the next business day C14.

The late-filing penalty exists only if you owe money: 5% of the balance plus 1% for each full month, up to 12 months. The repeat penalty (10% + 2% per month up to 20 months) applies only if you were already penalized for one of the three previous years and the CRA sent a formal demand to file C15. Interest on the balance accrues daily from May 1; for Q4 2026 the rate on overdue amounts is 7%, and on overpayments the CRA pays you 5% C16. The rate is reviewed every quarter.

If there is no balance owing, there is no late penalty. But there is another price: benefits (CCB, CGEB, BCFB) are recalculated in July from last year's return. Did not file – the benefits stop until you do B2.

04

CHAPTER 04 / 15

Your first year in Canada

The first year has its own rules, and this is where newcomers make the most mistakes.

Residency is decided by your ties to Canada

The CRA says it directly: the tax system is based on residency status, not immigration status [N1]. CUAET, work permit, study permit, PR – for tax purposes none of it matters. What matters is whether you have "significant residential ties" to Canada: a home in Canada, a partner in Canada, dependants in Canada. Secondary ties: a car, furniture, social ties, Canadian bank accounts and cards, a Canadian driver's licence, provincial health coverage [N1].

For most newcomers the residency date is the day these ties appeared, usually **the first day of living in Canada** [N1]. The date of the work permit or PR does not matter here. A family that arrived on CUAET in 2022, rented an apartment and got a BC Services Card became resident in 2022, even if PR came in 2025. An intention to "go back to Ukraine some day" does not by itself make you a non-resident. This is my reading of the ties test; you can get a formal determination with form **NR74** [N5].

If you have no ties but spent 183 days or more in Canada in the year, you are a "deemed resident": world income for the whole year, a federal surtax instead of provincial tax, no provincial credits, NETFILE unavailable [N4]. For a family living in BC this is not your case.

Partners can have different residency dates if they arrived at different times. The partner's income abroad is still counted for benefits (form CTB9, below) [B2].

If both Canada and Ukraine consider you resident, the treaty between the countries has a tie-breaker, applied in order: permanent home, centre of vital interests, habitual abode, citizenship, agreement between the tax authorities [N6].

Your first return: what goes in, what does not

You are a "newcomer" to the CRA in your first year of residency. You file the return for the year of arrival the next spring: arrived in 2026 – file by **April 30, 2027** [N2] [C3].

Before the residency date only Canadian-source income goes on the Canadian return: income from a job or business in Canada and gains from selling Canadian property [N2]. A Ukrainian salary, Upwork earnings while you lived in Poland, FOP income before the move – not taxed in Canada.

After the residency date you report world income in Canadian dollars: salary, freelance, interest on deposits in Ukraine, rent from an apartment in Ukraine, pension, crypto [N2].

But world income from **before** arrival must be stated too, not for tax but for benefits. The return asks for "net world income" for the non-resident part of the year, and the CCB and CGEB applications ask for income from the two previous years [N1] [B2]. This affects the benefit amount, not the tax.

The return has a date-of-entry field in MMDD format (for example 0608 for June 8) [N2]. The province is the one where you lived on December 31.

No SIN yet and the deadline is close? The CRA says to file without a SIN so you do not get a late-filing penalty [N2].

First-year credits are prorated

Most federal non-refundable credits in the year of arrival are multiplied by (days of residency ÷ 365). Example: arrival March 1, 2026 is 306 days (the day of arrival counts), federal BPA = 306/365 × $16,452 = $13,792.64 [N2] [N3]. Prorated the same way: the spouse amount, the age amount and the other "remaining" credits.

In full, with no proration, for the resident period: CPP and EI contributions, Canada employment amount, tuition, medical expenses, donations, student loan interest, the first-time home buyer credit, the pension income amount [N3].

Exception: if Canadian income during the non-resident part of the year was 90% or more of your world income for that part, the credits can be claimed in full [N3].

BC provincial credits are also limited for newcomers [N2]. The software does it on its own if you enter the date of entry correctly.

> COMMON MISTAKE
>
> Not entering the date of entry and claiming the full BPA. The CRA recalculates and issues a balance owing.

What else does not work in the first year

RULE	WHY	SOURCE
No RRSP deduction in the first filing year	room is created from the previous year's Canadian earnings	N2 A2
No Canada Workers Benefit	you must be resident all year	B4
SimpleFile unavailable	also requires a full year of residency	C21
Canada training credit does not accumulate and cannot be claimed	residency all year	K7
No refundable medical expense supplement	residency all year	K5

RULE	WHY	SOURCE
BC renter's tax credit only if you rented for at least 6 months in the year	arrived in August – no	B8
The move to Canada is not deductible	moving expenses are only for moves within Canada (except students with a scholarship)	N14

What works from day one: **TFSA** ($7,000 room for 2026 with no proration, if you are 18+) A11, **FHSA** (you can open it and start building room) A10, CGEB through RC151, CCB on the conditions below.

First-year benefits: RC151 and RC66

CGEB (Canada Groceries and Essentials Benefit, formerly the GST/HST credit). For the year of arrival you file form **RC151**, before the first return, one per household. Without kids – online, it takes minutes B1 B13. With kids under 19 – a paper RC151 plus RC66 with proof of birth by mail, or a CCB application through the CRA account, which registers the kids B1. After the first year the CGEB is calculated from the return on its own.

CCB (Canada Child Benefit). Here is the main catch for anyone on CUAET or a work permit. You or your partner must be: a citizen, a PR, a protected person, or **a temporary resident who has lived in Canada for the previous 18 months and holds a valid permit in the 19th month** B2. It is enough for one partner to meet the condition. Got PR – apply right away.

Newcomers (resident within the last 2 years) attach schedule **RC66SCH** to the RC66 (status and income from all sources for 2 years, not reported in Canada), and **CTB9** for each year the partner was a non-resident B2. Documents: proof of status, at least 3 proofs of residence (lease, bills, driver's licence), a birth certificate with translation B2. An online application takes up to 8 weeks, a paper one up to 11 B2.

BC Family Benefit needs no separate application: a child registered for the CCB is automatically registered for the BCFB B7.

The CRA account (My Account) usually requires a filed return. BC has an advantage: signing in through the **BC Services Card** works even without any return, with just a SIN C17. So: the BC Services Card app, then the CRA account, then benefit applications online, not by mail.

SIN, TTN and what to do with them

A SIN is free; online, by mail or at a Service Canada office (they usually issue it on the spot) N12. A SIN that starts with **9** means temporary resident: it has an expiry date equal to the date of your permit. A new permit or PR – you need to update the SIN record at Service Canada. If you applied for an extension before expiry (maintained status), you can work with an expired SIN while IRCC decides N12.

If Service Canada cannot issue a SIN, the CRA issues a temporary tax number (TTN), which lets you file a return, receive benefits and register a CRA account N1.

Taxes and citizenship

The path for most readers: CUAET or a work permit, then PR, then citizenship. At the last step your taxes get checked. IRCC requires that you filed tax returns for at least **3 of the 5** years before the application date, if under the Income Tax Act you were required to file them [N21]. The same application counts physical presence: at least 1,095 days in 5 years, with days before PR (as a temporary resident) counting as half, up to a maximum of 365 credited days [N21].

What follows in practice:

- File **from the first year**, even if you arrived in December and earned nothing. A return for a year with no income costs nothing, and gaps in the history have to be explained later.
- A year when you had income and did not file is not only a CRA problem but a possible delay of citizenship. It can be fixed retroactively: file the missed return or go through the Voluntary Disclosures Program (section 12).
- Income you did not report (cash, section 8) does not exist in your tax history. For citizenship, a mortgage or a rental, the NOA is the main document about your income.

The Ukraine-Canada treaty: what it really gives you

The convention for the avoidance of double taxation was signed in Kyiv on March 4, 1996, in force since August 22, 1996 [N6]. What matters in it for an ordinary family:

- **Salary** is taxed where the work is performed (art. 15). Remote work for a Ukrainian employer, done physically in Canada, is taxed in Canada.
- **Freelance and business** (art. 7, 14) are taxed only in the country of residence unless there is a permanent base in the other one. A freelancer living in BC and working for Ukrainian or American clients, even through a Ukrainian FOP, is taxed in Canada under the treaty. What happens to the single tax in Ukraine at the same time is a question for a Ukrainian accountant; the treaty does not cancel Ukrainian bookkeeping by itself.
- **Real estate and income from it** (art. 6, 13) may be taxed in Ukraine. Canada also taxes it as the country of residence and gives a credit for the Ukrainian tax paid (art. 23).
- **Dividends** up to 5% or 15%, **interest** up to 10%, **royalties** up to 10% withholding in the source country (art. 10–12). If a Ukrainian bank withheld more than 10% on interest, the difference has to be recovered in Ukraine; Canada will not credit it.
- **Pensions** (art. 18), including social security payments, are taxed only in the country where they arise. The Ukrainian pension of parents living in Canada is taxed only in Ukraine. On the Canadian return it is shown as income and deducted on line **25600** (income exempt under a treaty) [N6] [N7]. It still affects net income, and therefore benefits and the age amount.
- **A Canadian pension for parents (OAS).** This is outside the tax topic, but the question comes up in every family. Old Age Security requires at least 10 years of residence in Canada after age 18 [N18]. Social security agreements let years in another country count, but there is no agreement between Canada and Ukraine yet: in a joint statement of September 10, 2026 the countries only agreed to begin pre-

liminary discussions [N19]. Parents who arrived at 60+ should not count on full OAS; plan around the Ukrainian pension and your own savings.

How the foreign tax credit works: federal form **T2209**, line 40500; provincial **T2036**. The credit per country is the lesser of two: foreign tax paid, or Canadian tax on that income [N8]. If the income is already deducted on line 25600 as treaty-exempt, no credit is claimed on it.

Whether the **Ukrainian military levy and the FOP single tax** count as foreign tax in Canada – there is no official CRA position. If this is your case, it is an item for a cross-border tax specialist.

> COMMON MISTAKE
>
> "I paid tax in Ukraine, so I do not report it in Canada." After the residency date all world income goes on the return. Relief comes through the credit or line 25600. Keeping quiet about the income is not an option.

Property in Ukraine: T1135 and the "entry valuation"

Deemed acquisition on entry. Everything you owned on your residency date the CRA treats as sold and bought back at fair market value on that date [N2]. Growth in value before arrival is not taxed by Canada. But that value becomes your "cost" for a future sale. Keep evidence: listings of similar apartments, an appraisal, exchange screenshots for crypto, the exchange rate on the arrival date. Five years later these papers will be worth their weight in gold.

T1135 (Foreign Income Verification Statement) is filed if the total **cost** of your "specified foreign property" exceeded **$100,000 CAD** at any time in the year [N9]. It includes foreign bank accounts (yes, a deposit at PrivatBank), shares of foreign companies (even at a Canadian broker), foreign rental real estate. It does not include personal-use property (the apartment where your mother lives), active business property, registered accounts. For newcomers "cost" = fair market value on the arrival date [N9].

In the year of arrival the T1135 is not filed [N9]. From the second year – yes, if the threshold is exceeded. Simplified part A up to $250,000, detailed part B from $250,000.

The penalties are real: $25 a day up to 100 days (minimum $100, maximum $2,500) for simple lateness; for knowing non-compliance $500 a month up to $12,000 and more beyond that [N9].

An apartment in Ukraine that you rent out after the residency date: net rental income goes on the Canadian return in CAD, Ukraine may tax it too, credit through T2209. **Deposits:** interest after the residency date is income, line 12100.

Exchange rate. Foreign amounts are converted to CAD at the Bank of Canada rate on the day received; for regular payments through the year the CRA accepts an average rate "in certain circumstances" [N10]. The Bank of Canada does not publish a hryvnia rate; convert through USD or take the rate from one independent public source and use it consistently [E8] [E9].

Selling an apartment in Ukraine

This is one of the most common big events in the first years, and it is easy to either overpay or forget to report.

1. **Your "purchase price" is the fair market value on the residency date** N2. What you once paid in Ukraine does not matter here. So the evidence of value on the arrival date (listings, an appraisal) is the key document.
2. **Convert the proceeds to CAD at the rate on the sale date, and the entry value at the rate on the residency date** I4 N10. The Bank of Canada does not quote the hryvnia; take one independent public source and stick to it E8 E9.
3. **Gain = proceeds − entry value − selling costs** (realtor, notary, appraisal). Half is taxable I4. Reported on Schedule 3; if the apartment was your principal residence for even one year after arrival, also form T2091 I10.
4. **The principal residence exemption mostly does not work here.** The formula counts only the years when you were a Canadian resident and the home was your principal residence, meaning you ordinarily lived in it I10. The years you lived in Vancouver while the Kyiv apartment stood empty or was rented out usually do not qualify. On top of that the exemption is one per family per year: designating the Kyiv apartment means losing the exemption on a Canadian home for the same years. This is my reading of the rules; the designation decision is worth making with an accountant.
5. **Ukraine may also tax the sale**, because the property is there (art. 13 of the treaty) N6. Tax paid in Ukraine is credited in Canada through T2209 and T2036, but not beyond the Canadian tax on that gain N8. The Ukrainian side is for a Ukrainian notary or accountant.
6. **Money left in a Ukrainian bank** counts toward the $100,000 T1135 threshold N9.

Example (rates are hypothetical, only to illustrate the mechanics). A family became resident on September 1, 2023. Fair market value of the apartment on that date: 2,400,000 UAH; at a hypothetical rate of $0.0366 per hryvnia that is $87,840. In 2026 they sold for 3,000,000 UAH, selling costs 60,000 UAH; hypothetical rate on the sale date $0.0330.

STEP	CALCULATION	AMOUNT
Proceeds	3,000,000 UAH × $0.0330	$99,000.00
Selling costs	60,000 UAH × $0.0330	−$1,980.00
Entry value	2,400,000 UAH × $0.0366	−$87,840.00
Capital gain in CAD		**$9,180.00**
Taxable half	50%	$4,590.00

In hryvnia the profit is 540,000 UAH, but in CAD the gain is half as big, because the hryvnia weakened over that time. With a different rate movement the CAD gain could be larger than in hryvnia, or even turn into a loss. That is why the entry valuation and the exchange rates decide everything.

What is not income

- **The one-time CUAET assistance** ($3,000 per adult, $1,500 per child) was non-taxable; the program closed on June 30, 2024 [N13]. Not reported.
- **CCB, CGEB, BCFB** are not income and are not reported [B1] [B2] [N15].
- **Gifts and inheritances.** Most gifts and inheritances in Canada are not reported [N15]. Money from parents in Ukraine, an inheritance from a relative, a wedding gift – not income.
- **Your own savings brought or transferred from Ukraine** are not income: it is money you already had. The transfer itself is not taxed.
- **But income earned on that money is taxed** [N15]: interest on a Canadian deposit, dividends, investment gains after the residency date.
- **Money gifted or lent to a partner or children.** Income from such money has special rules (attribution): the person who gave the money may have to report the income, even if the account is in someone else's name [I2]. Exception: interest on CCB deposited into a separate account for the child is the child's income [I2].
- **BC social assistance (income assistance) and WorkSafeBC compensation: no tax, but must be reported.** Both come on slip **T5007**. Social assistance (box 11) goes on line 14500, WorkSafeBC compensation (box 10) on line 14400, and the same amount is deducted on line 25000 [N22] [N23] [N24]. Tax on them is zero, but they are part of net income (line 23600), so they reduce CCB, BCFB and CGEB for the next benefit period [N22]. If partners lived together, the whole social assistance amount is reported by the one with the higher net income (not counting the assistance itself) [N22]. Many families received BC income assistance in the first months after arrival; cannot find the T5007 – check Auto-fill in the CRA account.
- **Help from charities** (groceries, goods, settlement programs) is usually a gift. If the organization issued you a T4A slip, enter it on the return.
- **Money that stays abroad** is not income, but its value counts toward the T1135 threshold [N9].

Got PR (or extended your permit): what to do

Moving from a work permit to PR is the main event for most readers, and it has more tax and social consequences than it seems. Checklist:

- ☐ **Update the SIN at Service Canada.** A 9-series SIN is tied to the permit's term; with PR (or a new permit) the record must be updated, otherwise the employer and the bank will see an expired number [N12].
- ☐ **CCB, if it is not paid yet.** PR for either partner removes the 18-month rule. Apply right away, with proof of PR, without waiting for the 19th month [B2]. BC Family Benefit and the child portion of CGEB follow automatically [B7].
- ☐ **Affordable Child Care Benefit (daycare).** A work permit does not qualify, PR does [B11].
- ☐ **MSP Supplementary Benefits.** Only for citizens and PRs who have lived in Canada for at least 12 months, with adjusted family net income under $42,000 [B17]. Anyone on CUAET since 2022–2023 has already passed the 12-month condition.

- **Housing.** The first-time buyer exemption from the property transfer tax and the Home Owner Grant are available only to citizens and PRs H2 H3. The Underused Housing Tax mainly affects owners without citizenship or PR; if you bought a home on a permit, check whether the filing obligation still applies after PR H5. Details in section 9.
- **Citizenship later.** IRCC checks tax returns for 3 of 5 years N21. File the missed years now (section 10).

If the permit expired and there is no decision yet (maintained status). You can work if you applied for the extension on time N12. How the CRA treats maintained status for the CCB is not stated directly on CRA pages. If the payments stopped, call the CRA benefits line with the IRCC acknowledgment of receipt and a copy of the submitted application at hand. The 18-month rule needs a valid permit in the 19th month B2, so at this moment status matters most.

If you go back to Ukraine

The date you become a non-resident is usually the day you leave, if you are returning to the country where you lived before Canada N11. You must tell the CRA. A non-resident is not entitled to CCB and CGEB: money that arrived after departure will have to be repaid N11. A TFSA can stay, but contributions are prohibited and room does not grow A11.

On departure there is a “departure tax” (deemed disposition): most property is treated as sold at fair market value. For those who were in Canada for 60 months or less in the previous 10 years, property owned at the time of arrival is exempt N11. Forms T1243, T1244, T1161 are a conversation with an accountant before leaving.

05

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Benefits and programs

Everything in this section depends on one action: a filed return. The July 2026 – June 2027 benefit period is calculated from the **2025** return. The 2026 return (filed in spring 2027) sets the benefits from July 2027 to June 2028 [B1] [B2]. A jump in income in 2026 hits the benefits only a year later.

None of the benefits below are income and none are taxed.

Summary table

BENEFIT	WHO	HOW MUCH (JULY 2026 – JUNE 2027)	HOW TO GET IT	WHEN THE MONEY COMES
CGEB (Canada Groceries and Essentials Benefit; before July 2026 the GST/HST credit)	residents 19+ (or with a partner / child), income roughly up to $60,012 single and $64,232 for a couple without kids	up to $679 single, $890 couple, +$234 per child under 19	a return every year; newcomers: RC151	quarterly around the 5th of July, October, January, April
CCB (Canada Child Benefit)	parents of kids under 18, residents, status test (PR, citizenship or 18 months for temporary residents)	up to $8,157 per child under 6 ($679.75/month), up to $6,883 per child 6–17 ($573.58/month); reduced from AFNI of $38,237	CRA account or RC66 (+RC66SCH, CTB9 for newcomers)	monthly around the 20th
Child Disability Benefit	a child with an approved DTC	up to $3,480 a year ($290/month)	automatically added to CCB after T2201 approval	with the CCB
BC Family Benefit	BC families registered for the CCB	up to $1,750 first child, $1,100 second, $900 each additional; minimum $775/$750/$725 up to AFNI $96,562; +up to $500 for single parents	automatically with the CCB	monthly with the CCB, in one transfer
Canada Workers Benefit	low-income workers, resident all year, 19+	up to $1,665 single / $2,869 family (2026), gone at AFNI around $38,492 / $50,378; DTC supplement up to $860	Schedule 6 on the return; advance automatic if the return is filed by November 1	with the refund; advance in July, October, January
Canada Disability Benefit (18–64)	approved DTC, filed return, status test	up to $204.20/month	application at Service Canada	third Thursday of the month
Canadian Dental Care Plan	no private dental insurance, AFNI up to $90,000, returns filed	dental coverage; co-payment 0% up to $70,000, 40% up to $80,000, 60% up to $90,000	application online or 1-833-537-4342	after approval

BENEFIT	WHO	HOW MUCH (JULY 2026 – JUNE 2027)	HOW TO GET IT	WHEN THE MONEY COMES
BC renter's tax credit	BC renters for at least 6 months in the year, 19+	up to $400, reduced from income of $66,189, zero at $86,189 (2026)	BC479 on the return	with the refund after filing
BC sales tax credit	low-income BC residents	up to $75 per person, reduced from $15,000 (single) / $18,000 (family)	BC479 on the return	with the refund
Canada Learning Bond (into an RESP)	kids from families receiving the CCB with AFNI up to $58,523 (1–3 kids)	$500 + $100 a year until age 15, maximum $2,000; no contributions needed	open an RESP at a bank, ask for the CLB	into the RESP
BC Training and Education Savings Grant	a BC child aged 6–8	$1,200 one-time; no contributions needed	through the RESP provider between the 6th and 9th birthday	into the RESP
Affordable Child Care Benefit (BC, not CRA)	families with income up to $111,000; status: citizen, PR, protected person	daycare subsidy, maximum at income up to $45,000	My Family Services or CF2900	directly to the provider
Fair PharmaCare (BC, not CRA)	everyone on MSP, with consent to income verification at the CRA	medications after the deductible: 70%, after the family maximum 100%; at family net income up to $30,000 the deductible is $0 (table from May 1, 2026)	registration online or 1-800-663-7100	discount at the pharmacy
Rental Assistance Program (BC Housing)	renters with a child, household income up to $60,000, 12 months in BC, filed return; CUAET is on the status list	part of the gap between rent and 30% of income, up to a rent ceiling of $1,950 (up to 3 people) / $2,200 (4+) (April 2025)	application at BC Housing	monthly

Sources by row: CGEB [B1]; CCB and CDB [B2] [B3]; BCFB [B7]; CWB [B4]; adult CDB [B5]; CDCP [B6]; renter's and sales credit [B8] [B9]; CLB [B12]; BCTESG [B12]; ACCB [B11]; Fair PharmaCare [B16]; RAP [B18].

CGEB: what changed in 2026

The GST/HST credit was renamed the **Canada Groceries and Essentials Benefit** from July 2026. Eligibility and structure are the same, the amount is **increased by 25%** for five years, 2026–2031 [B1]. A one-time top-up (roughly +50% of the 2025–26 annual amount) was paid on June 5, 2026 to those who received the GST credit in January 2026. If you had not filed a return by then, you do not have this top-up, and it cannot be caught up.

Components for July 2026 – June 2027 (2025 base): $445 per adult, $445 per partner, $234 per child under 19, $445 for a single parent's first child, a single supplement up to $234. The reduction starts at family net income of $46,432, by my calculation from the CRA table at 5 cents per dollar [B1]. If the quarterly amount is under $50, the whole year is paid in July.

2026 dates: July 3, October 5; then approximately January 5 and April 5, 2027 [B1] [B3].

CCB: amounts, thresholds and the 18-month rule

The full amount at adjusted family net income (AFNI) up to **$38,237**. Between $38,237 and $82,847 the reduction is 7% (1 child), 13.5% (2), 19% (3), 23% (4+). Over $82,847: a fixed amount plus 3.2% / 5.7% / 8% / 9.5% of the excess [B2].

An example from the Department of Finance site, recalculated by me: kids aged 5 and 9, AFNI $65,000: $8,157 + $6,883 = $15,040 minus 13.5% × ($65,000 − $38,237) = $15,040 − $3,613 = **$11,427 a year** [B2].

For those on CUAET or another temporary permit: the 18 months count from the day of arrival; in the 19th month a valid permit is needed [B2]. Arrived in March 2026 – apply in September 2027. PR for either partner removes this condition. Applications for a period more than 11 months back require additional proof [B2].

If the parents live together, the CRA considers the mother the child's primary caregiver, and she receives the CCB. With 40–60% shared custody each parent gets half [B2].

Report a change in marital status by the end of the following month; the CRA recognizes a separation for CCB purposes only after 90 days of living apart because of a breakdown of the relationship [B2]. A partner who stayed in Ukraine is still a "partner" for the CCB, and their world income counts (CTB9). The test for the dependant tax credit (section 6) is different.

2026 dates: January 20, February 20, March 20, April 20, May 20, June 19, July 20, August 20, September 18, October 20, November 20, December 11 [B3]. Did not arrive – wait 5 business days before calling.

A child born in BC. When you register the birth at the hospital or birthing centre, give consent to share the data with the CRA. This is the Automated Benefits Application: it applies for the CCB at the same time, and through it for the BC Family Benefit and the child portion of CGEB [B2]. After 8 weeks check in the CRA account that the child appears. Temporary residents still have to pass the status test (18 months or PR for one parent); if it is not yet passed, the application will not produce money, and after the 19th month check the application status. Whether BC has a separate online birth registration option with this consent, the CRA does not say; ask at the birthing centre.

Parental leave: EI maternity and parental. For employees with enough insurable hours EI pays 55% of earnings, up to $729 a week in 2026; the extended parental option is 33%, up to $437 [B15]. These payments are income: they come on a T4E slip and go on the return on line 11900 [B14]. So they count toward net income, from which CCB, BCFB and CGEB will be recalculated next July. Check on the T4E how much tax was withheld: if little, and the other partner earns well, there may be a balance owing in April. For the self-employed these benefits are available only with prior voluntary registration (section 8).

Lost your job: EI and taxes

Layoffs in the first years are common. The order: the employer files a Record of Employment (ROE) with Service Canada, you apply for EI regular benefits [B21]. In 2026 EI pays 55% of average insurable earnings, up to $729 a week [B21].

What to do about it on the tax side:

- **EI is taxable income.** All EI benefits are taxable, and federal and provincial tax is withheld from every payment B21. Early next year a **T4E** slip arrives; the amount in box 14 minus box 18 goes on line 11900 B14.
- **The withholding may not be enough.** EI withholds tax only on its own payments and does not know what you earned at work before the layoff and after re-employment. If the year had both salary and EI, April often ends with a balance owing. This is withholding logic, not a CRA rule; check the T4E and set the difference aside once you find a new job.
- **EI repayment (clawback).** If the T4E has an amount in box 15, the rate in box 7 is 30%, and your net income (with small adjustments) exceeds the threshold, part of the benefits must be repaid through the return: a deduction on line 23500 and the amount payable on line 42200 B22. The threshold for **2025** is **$82,125** B22. For 2026 the CRA has not published it yet. $82,125 is exactly 1.25 × the 2025 maximum insurable earnings ($65,700); at the same proportion 2026 would come to $86,125 (1.25 × $68,900) C11, but that is our calculation, not an official figure. The software calculates the amount on its own.
- **EI reduces next year's benefits.** EI is part of net income (line 23600), so from July 2027 CCB, BCFB and CGEB will be calculated with EI included. This is not a CRA error.
- **Repaid an EI overpayment yourself.** If Service Canada paid more than you were entitled to and you already returned the excess, it is deducted on line 23200 B14. If the EI debt is still open, the CRA may apply your tax refund against it C23.

BC Family Benefit

The full amount up to AFNI $30,176; a 4% reduction on the excess down to the guaranteed minimum ($775 / $750 / $725 for the first / second / each additional child); over $96,562 the minimum is also reduced by 4% down to zero B7. Example (my calculation): 2 kids, AFNI $65,000: $2,850 − 4% × $34,824 = $1,457, which is below the $1,525 minimum, so they pay **$1,525 a year**. Paid together with the CCB in one payment.

From July 2027 the BC budget adds a supplement for children with disabilities B7.

What is gone

The BC climate action tax credit ended: April 2025 was the last payment B10. The federal Canada Carbon Rebate also ended after April 2025 B10. Old guides promise this money; in 2026 it does not exist.

Canada Workers Benefit: the details

The CWB is calculated on the return, not by separate application. 2026: minimum working income $3,000; grows at 27% of income over $3,000; maximum $1,665 single / $2,869 family; reduced by 15% of AFNI over $27,392 / $31,251 B4. Self-employment income counts as working income. There is no CWB in the year of arrival.

The advance (ACWB) comes automatically if the CRA received the return **by November 1**. The July 2026 – January 2027 advance is based on 2025 income. If income rose in 2026, part of it may be clawed back at filing [B4].

Canadian Dental Care Plan: who falls out

Four conditions at once: no access to private dental insurance (work, partner's plan, pension plan, purchased insurance, health spending account), returns filed by you and your partner, AFNI up to $90,000, residency [B6]. A freelancer without insurance and income up to $70,000 is the ideal candidate, 0% co-payment. A partner with an employer plan that covers you – you do not qualify. Renew every year by June 1, otherwise there is a gap in coverage [B6].

BC renter's tax credit: do not miss it

$400 a year regardless of the rent amount, if you rented in BC for at least 6 monthly periods in the year, were a BC resident on December 31, and are 19+ (or a parent, or with a partner). In 2026 it is reduced from income of $66,189, zero at $86,189 [B8]. One per couple, but roommates who are not partners can each claim their own. You need the address, rent amount, months, landlord's name. Claimed on form BC479 on the return; the software shows it when you tick that you rent.

> **TIP**
>
> If adjusted family income is close to the ceiling ($86,189 in 2026), an RRSP contribution can bring back part of this credit. The credit shrinks by 2% of income over $66,189, so $3,000 in an RRSP brings back up to $60 of renter's credit (2% of the contribution in the reduction zone) on top of the tax saving.

What else in BC depends on your return

The return and the NOA unlock more than CRA benefits. Several BC programs check your income at the CRA themselves (with your consent) or ask for the NOA. No filed return – the program either refuses or treats you as high-income. For a newcomer family that rents, RAP and Fair PharmaCare can give more than the $400 renter's credit.

PROGRAM	WHAT IT GIVES	CONDITIONS	WHICH YEAR'S INCOME
Fair PharmaCare	after the family deductible pays 70% of prescription drugs (75% if someone in the family was born before 1940), after the family maximum 100%	registered in MSP; consent to income verification at the CRA within 30 days, otherwise a $10,000 deductible [B16]	family net income (line 23600) for the year **2 years** earlier: 2026 coverage is based on 2024 income [B16]
MSP Supplementary Benefits	$23 per visit to a physiotherapist, massage therapist, chiropractor, acupuncturist, naturopath, podiatrist; up to 10 visits a year combined	adjusted family net income under $42,000; **citizens and PRs only**, resident in Canada for at least 12 months [B17]	last year's, with CRA verification [B17]

PROGRAM	WHAT IT GIVES	CONDITIONS	WHICH YEAR'S INCOME
Rental Assistance Program (RAP)	part of the gap between rent and 30% of income, up to a rent ceiling: $1,950 for a family of up to 3, $2,200 for 4+ (ceilings from April 2025)	at least one dependent child; household income before tax up to $60,000; rent over 30% of income; 12 months in BC; annual return; status: citizen, PR, refugee, **Ukrainians on CUAET** B18	annual household income B18
SAFER (for parents 60+)	a rent supplement	60+; income under $40,000 a year; rent over 30% of income; 12 months in BC; annual return; CUAET is on the status list; rent ceiling $1,150 (April 2025) B19	annual income B19
Affordable Child Care Benefit	daycare subsidy	status: citizen, PR, protected person (a work permit does not qualify) B11	from the NOA or an income declaration B11

Details:

- **Fair PharmaCare for newcomers.** If two years ago you did not live in Canada yet and there is no Canadian return for that year, the program accepts a Proof of Income Affidavit, your own income declaration B16. Table from May 1, 2026: family net income up to $30,000 – deductible $0, family maximum no more than $800; $45,000 – deductible $1,300, maximum $1,700; $60,000 – deductible $1,800, maximum $2,400 B16. Register right after MSP: without registration the pharmacy charges full price.
- **RAP requires 12 months in BC and an annual return.** A family that arrived in March 2026 can apply from March 2027 and only with a filed 2026 return. Whether RAP requires a minimum employment income is not stated on the BC Housing page; ask when applying B18.
- **MSP Supplementary Benefits are unavailable on CUAET or a work permit:** the condition is citizenship or PR and 12 months in Canada B17.
- These programs are not calculated by the CRA and do not appear in the CRA account. Each must be set up separately.

Payment calendar July 2026 – June 2027

BENEFIT	DATES
CCB + BCFB	July 20, August 20, September 18, October 20, November 20, December 11, 2026; 2027 not published yet
CGEB	July 3, October 5, 2026; around January 5 and April 5, 2027
ACWB	July 10, October 9, 2026; January 2027

BENEFIT	DATES
Canada Disability Benefit	July 16, August 20, September 17, October 15, November 19, December 17, 2026
BC renter's / sales credit	with the refund after filing the 2026 return

Source: CRA benefit payment dates, Service Canada calendar [B3] [B5].

Common mistakes with benefits

1. **"I earned nothing, I am not filing."** Every benefit requires a filed return, by both partners, every year.
2. **Not filing RC151 in the year of arrival.** CGEB quarters are lost.
3. **Expecting the CCB on a temporary permit from the first month.** The 18-month count runs from the day of arrival. But apply on the day the condition is met.
4. **A partner abroad not accounted for.** CTB9 for every year, their income counts. Otherwise a recalculation and a repayment.
5. **Waiting for the climate credit or carbon rebate.** Gone since 2025.
6. **Paying for private dental and hoping for the CDCP.** A private plan excludes you.
7. **Not claiming the renter's credit** because "I did not buy anything".
8. **Not setting up Fair PharmaCare and RAP** because they are not from the CRA. Both programs take the income from your return (see "What else in BC depends on your return").
9. **A child 18+ not filing a return.** A teenager with a part-time job or without one should file every year: CGEB for them starts after their 19th birthday only with a filed return, RRSP room accumulates from the first earnings, and withheld tax comes back [B1] [A2].

06

CHAPTER 06 / 15

Credits and deductions

A reminder from section 3: a **credit** reduces tax by 14% federally and 5.60% in BC of the credit amount; a **deduction** reduces income, so the saving equals the deduction × your marginal rate. Below is what actually comes up in families in the first years.

Spouse and dependants

Spouse or common-law partner amount (line 30300): $16,452 minus the partner's 2026 net income [K1]. Common-law means 12 months of living together, or a child in common. A partner abroad counts too: you state their world income in CAD, the CRA may ask for proof, and you must actually support them (money for housing, food, daily life) [K1]. If you send nothing to a husband in Ukraine, there is no credit.

Eligible dependant amount (line 30400): for the single, divorced, separated and widowed who support a child under 18 in their home [K2]. One per household. This matters for families split by the war: if you are married but do not live with your partner and neither of you supports the other, the CRA treats you as separated for this credit. The CRA wording: if there was a partner but you did not live together, did not support them and they did not support you, "CRA considers that you were separated for the purpose of this amount" [K2]. A mother with kids whose husband stayed in Ukraine and does not receive living money from her (and does not send her any) can claim this credit for one child: $16,452 federally and $11,317 in BC for 2026 [C1] [C4]. If she supports the husband, this credit is gone, and then the spouse amount is the one to look at. Case 4 in section 14 shows that this credit can bring tax to zero. For the CCB and the BCFB single-parent supplement the test is different; there such a marriage still counts (section 5).

Canada caregiver credit: for a relative with a physical or mental impairment who regularly depends on you for basic needs [K3]. Parents, siblings, aunts must be Canadian residents for at least part of the year; parents who live only in Ukraine do not qualify. Age alone is not an impairment. The CRA may ask for a doctor's note on when the condition started and how long it will last.

Disability tax credit: the gate to many programs

DTC 2026: $10,341 (federal value up to $1,448), plus a supplement for a child under 18 of $6,032 [K4]. In BC $9,913 and $5,783 [C4]. Form **T2201**: part A is you, part B the practitioner (family doctor, nurse practitioner; for specific categories an optometrist, audiologist, psychologist, occupational therapist, physiotherapist, speech-language pathologist) [K4]. The condition: a marked restriction at least 90% of the time for at least 12 months in one of the categories (vision, hearing, speaking, walking, eliminating, feeding, dressing, mental functions) or life-sustaining therapy.

Why it matters even with little tax: an approved DTC unlocks the Child Disability Benefit (up to $3,480 a year), the Canada Disability Benefit for adults, the $11,000 child care limit, the RDSP, the CWB disability supplement. The unused credit transfers to a partner (line 32600) or a supporting relative (31800). Approval can apply retroactively up to 10 years [K4]. Apply before the return so as not to hold up the assessment. The doctor's fee for completing the form can be a medical expense.

Medical expenses

Expenses for any 12-month period ending in 2026 count, above a threshold: the lesser of 3% of net income or $2,890 (2026) [K5]. At $40,000 income the threshold is $1,200; at $96,333 and above it is $2,890. In BC the threshold is the lesser of 3% or $2,748 [C4].

Line 33099 – you, your partner, kids under 18. Line 33199 – other dependants, each with their own threshold. The CRA itself suggests: the credit is often better claimed by the partner with the **lower** net income, because their 3% is smaller, as long as they have tax the credit can reduce [K5].

What counts: prescription drugs, dental, prescription glasses and contacts, hearing aids, fertility treatment, premiums for a private health plan (if 90%+ of the premiums go to medical expenses, including the part your employer deducts from you) [K5]. What does not: cosmetics, over-the-counter drugs and vitamins, anything reimbursed. Travel for treatment from 40 km one way, if that treatment is not available locally: transport costs can be claimed; from 80 km also lodging and meals.

A dentist in Ukraine during a vacation after the residency date can in theory qualify, if the service and the provider qualify; keep the receipts with a translation.

Refundable medical expense supplement (line 45200): up to $1,534 in 2026 for low-income workers (working income from $4,478, phase-out from AFNI $33,960), only for those resident all year [K5].

From 2026 the same expense cannot be claimed both as medical and as the Home accessibility tax credit [K15].

Education

Tuition credit (line 32300): you need a T2202 slip from a Canadian institution (TL11A for a foreign one) and an amount over $100 per institution [K6]. Courses must be post-secondary or, from age 16, for occupational skills at a certified institution. Professional licensing exams in Canada may qualify. LINC is free and gives no credit; paid language courses only if the institution qualifies.

The order: first you reduce your own tax; then you can transfer up to $5,000 of the current year to a partner or parent (federally that is $700); the rest carries forward with no time limit [K6]. Carried-forward amounts can no longer be transferred. The federal education and textbook amounts have been gone since 2017. BC has its own tuition credit at 5.60%.

> TIP
>
> Keep the T2202 even in a year with no income. The credit for an $8,000 course at BCIT or a college is $1,120 federally plus $448 BC, waiting for a year with tax.

Canada training credit (line 45350, a refundable credit): the limit grows by $250 for every year when you are 26–65, resident all year, filed a return, had working income from $12,058 (2026) and net income no higher than $177,882 (CRA, 2026 indexation table) [K7] [C1]. Claimed as the lesser of the limit and 50% of tuition paid. The year of arrival does not count. Arrived in 2025 – the first $250 accrues for 2026, usable from the 2027 return.

Student loan interest (line 31900): only government Canadian student loans, carry-forward 5 years [K8]. Federal loans have been interest-free since April 2023, BC since 2019 [K8], so the line is almost always empty.

Donations

Federally: 14% on the first $200 (the lowest rate), the higher rate on the rest, 29%, and 33% on the portion matching income over $258,482; check the rates on the rest on the 2026 Schedule 9, the CRA has not updated the page yet [K9]. BC: 5.60% on the first $200, then 16.8% (20.5% for the highest incomes) [C4]. Limit 75% of net income, carry-forward up to 5 years [K9].

Only **qualified donees** earn the credit, meaning Canadian registered charities and a short list of foreign ones. A transfer to a volunteer's card, a drone fundraiser, GoFundMe without an official receipt – no credit [K9]. Donate to the Ukrainian army through Canadian registered funds and keep their receipts.

Since the first $200 get the low rate, it makes sense to pool both partners' receipts on one return or accumulate over several years (check the pooling rules and dates on the line 34900 page).

Child care expenses (daycare)

A deduction (not a credit) on form **T778**, line 21400. Annual limits per child: $8,000 under 7, $5,000 from 7 to 15, $11,000 for a child with the DTC; in total no more than 2/3 of the claimant's earned income [K10].

The partner with the **lower** net income claims it [K10]. If they have zero earned income, the deduction is effectively zero, even if the other partner earns $100,000. Exceptions: the lower-income partner is in full-time studies (or part-time from 12 hours a month in a program of 3+ weeks), ill, in prison, or you are separated 90+ days. A student partner is a real route for many families.

Qualifies: daycare, a nanny, after-school care programs, day camps, boarding schools (with weekly limits). You can pay a grandmother 18+ if you do not claim her as a dependant; she reports that income [K10]. Does not qualify: the child's parent, your partner, a relative under 18, medical expenses, lessons for educational purposes, transport.

BC $10-a-day and the ACCB subsidy: claim only what you actually paid yourself [K10].

Moving

The moving deduction (line 21900) works for moves **within Canada** for a job, business or full-time studies, if the new home is at least 40 km closer to the new place [K14] [N14]. A move from Ukraine to Canada is not deductible (except students with a taxable Canadian scholarship). A Calgary – Vancouver move for a

new job in 2026 – yes. Deducted against income at the new location, the rest carries forward. Included: movers, storage, travel, temporary lodging up to 15 days, breaking a lease, utility hook-ups. Not included: house-hunting trips, renovations.

Home office for employees

The simplified method ($2 a day) has been gone since 2023 [K12]. Only the detailed method, form T777, and a **T2200** signed by the employer. Conditions: the employer required work from home (a verbal arrangement counts), you pay the expenses yourself, you worked from home more than 50% of the time for at least 4 consecutive weeks. Allowed: a share of electricity, heat, water, internet (not the hook-up), rent for renters, minor repairs. Not allowed: mortgage, insurance, property tax, furniture [K12]. Share = office area / living area; for a shared room also × hours per week / 168.

Remote workers of foreign companies without a T2200 are at risk: without the form the claim is unprotected. The self-employed do not use this section; they have their own (section 8).

Union and professional dues

Line 21200: union membership dues, professional dues required by law, professional liability insurance [K11]. Usually in T4 box 44. Not included: initiation fees, licences, credential assessment fees. Check a licensing exam fee against the tuition credit.

Construction workers, mechanics, long-haul truckers

Many Ukrainians in the first years work as employees in construction, renovation, auto repair or behind the wheel of a truck. These jobs have three deductions office workers do not. Tools and labour mobility are claimed on form **T777** (line 22900); a trucker's meals are calculated on form **TL2**, signed by the employer [K21]. The amounts below are from the CRA guide T4044 for **2025**; the CRA publishes the 2026 guide in early 2027.

Tradesperson's tools. New tools bought for work that the employer certified as required [K21]. Deduction = the lesser of $1,000 and (cost of tools minus $1,471) for 2025; no more than your employment income in that trade [K21]. The $1,471 threshold for 2025 matches that year's Canada employment amount; for 2026 the Canada employment amount is $1,501 [C1], and the tools threshold will most likely be the same, but check the 2026 T4044. Phones, radios and computers do not qualify, except devices that only measure, locate or calculate [K21]. Example under the 2025 rules: tools for $2,500 give a $1,000 deduction (because $2,500 − $1,471 = $1,029, and the maximum is $1,000). Keep the receipts.

Labour mobility deduction. For employees and apprentices in construction who temporarily relocate to a job site: the temporary lodging must be at least **150 km** closer to the site than your usual home [K21]. Deductible: temporary lodging, one round trip, meals on that trip; up to **$4,000** a year and no more than 50% of earnings at that site (2025) [K21]. The 2026 spring economic update proposed raising the maximum to **$10,000** and lowering the distance to **120 km** from 2026; as of October 2026 this is a proposal, not enacted law [K20].

Truckers: meals on the road. A regular transport employee deducts 50% of meal costs, a long-haul trucker **80%**, if the trip kept them away from home for at least **24 hours** and at least **160 km** from the municipality where the terminal is [K21]. You can count by receipts or the simplified way: **$23 per meal**, up to three a day (2025 rate) [K21]. You need form **TL2**, signed by the employer, and a trip log (dates, departure and return times).

Housing

First-time home buyers' amount (line 31270): a $10,000 credit ($1,400 federally in 2026) on buying a first home in Canada, if neither you nor your partner lived in a home you owned in the year of purchase and the 4 previous years [K14]. The wording "another home" is not limited to Canada; an apartment in Ukraine where you lived in 2023 may remove the eligibility. Check before claiming.

When do I become a "first-time buyer". Three federal rules (the 31270 credit, the HBP, the FHSA) have a similar test: neither you nor your partner lived in a home you owned in the current year (for the HBP and FHSA – up to the withdrawal or opening date) and in the 4 previous calendar years [K14] [A8] [A10]. A home in Ukraine counts the same as a Canadian one. A guide:

LAST YEAR YOU LIVED IN A HOME YOU (OR YOUR PARTNER) OWNED	FIRST YEAR THE TEST IS PASSED
2021	2026
2022 (for example, left your own apartment in Kyiv)	2027 (from January 1)
2023	2028
2024	2029
2025	2030

The test asks whether you **lived** in a home you owned. Owning a home alone does not fail it. An apartment in Ukraine that belongs to you but that you did not live in these years (rented out, parents live there) does not by itself take the eligibility away. A partner's home where you lived together counts. This is my reading of the CRA wording; check your dates on the CRA pages (links in the sources) before opening an FHSA or making an HBP withdrawal. The BC provincial property transfer tax exemption has a **different, stricter** test (section 9).

Home accessibility tax credit: up to $20,000 of expenses a year (up to $2,800) for adapting a home for a person 65+ or with the DTC [K15]. **Multigenerational home renovation tax credit** (refundable): up to $50,000 of expenses for a separate unit for parents 65+ or a relative with the DTC; for 2025 it was $7,250, for 2026 expected 14% (up to $7,000), the CRA has not updated the page yet [K16]. BC has its own refundable credit for seniors and people with disabilities: 10% of up to $10,000 of expenses [K15].

Pension income splitting

Partners can jointly split up to 50% of eligible pension income (form T1032) [K13]. CPP and OAS are not split this way (CPP is shared separately through Service Canada). A Ukrainian pension exempt under the treaty (line 25600) is not split.

Credits that are gone or not for BC

- **Digital news subscription credit**: 2020–2024 only, none for 2025 and later [K18].
- **Personal support workers credit** (2026–2030, up to $1,100): earnings in BC, NL and NWT **do not qualify**. In Ontario and Alberta they do [K17].
- **Climate action / carbon rebate**: gone.

Quick-check table

IF YOU HAVE	LOOK FOR
a partner with almost no income	spouse amount; medical on the lower income
kids in daycare	T778 on the lower income; ACCB
a child or relative with an impairment	T2201 (DTC) first
a course, college, exam	T2202, tuition carry-forward
rent in BC	renter's credit $400
two jobs	check the TD1 and CPP/EI overpayment
work from home for an employer	T2200 + T777
donations to Ukraine	only through Canadian registered funds
medical, dental, glasses	12-month window, 3% threshold
a recent move within Canada for a job	moving expenses
a trade job, bought tools	tradesperson's tools, T777
construction, a temporary site 150+ km away	labour mobility deduction
long-haul trucking, trips 24+ hours	80% meals, TL2

07

CHAPTER 07 / 15

Accounts: RRSP, FHSA, TFSA, RESP, RDSP

Registered accounts are the only legal way to pay less tax on savings. Each has its own logic. Below are the 2026 amounts and the rules newcomers trip over.

Comparison

	RRSP	FHSA	TFSA	RESP	RDSP
What for	retirement (and HBP/LLP)	first home	anything	a child's education	a person with the DTC
Contribution deductible	yes	yes	no	no	no
Growth inside	tax-free	tax-free	tax-free	tax-free	tax-free
Withdrawal	taxed	tax-free for a home	tax-free	grants+growth: the student's income	partly
2026 limit	18% of 2025 earnings, up to $33,810 + unused	$8,000 a year, $40,000 lifetime	$7,000 a year + unused from the residency date	$50,000 lifetime per child	$200,000 lifetime
Deadline for 2026	March 1, 2027	December 31, 2026	December 31 (room does not expire)	December 31 (for the year's grant)	December 31
First year in Canada	no deduction	allowed	allowed, $7,000	allowed	allowed
Government money	no	no	no	CESG 20%, CLB, BCTESG	grant up to $3,500, bond up to $1,000 a year

Sources: CRA limits [A1]; RRSP [A2]; FHSA [A10]; TFSA [A11]; RESP [A12]; RDSP [A13].

RRSP (Registered Retirement Savings Plan)

Room. The 2026 deduction limit = unused room + the lesser of 18% of 2025 "earned income" or $33,810, minus the pension adjustment (box 52 on the T4, if you have an employer plan) [A1] [A2]. Earned income: salary, net self-employment income, net rent. Not included: interest, dividends, capital gains [A6]. Your number is on the Notice of Assessment and in the CRA account [A2]. Unused room carries forward without limit.

First year. In the first filing year an RRSP contribution usually **is not deductible**, because room is created by the previous year's Canadian earnings [N2]. The rule: file, wait for the NOA, read the number, only then contribute. Otherwise an excess over the $2,000 buffer is penalized at 1% a month [A3].

Deadline. Contributions for 2026 can be made up to the 60th day of 2027, which is **March 1, 2027** (the CRA will publish the date later; for 2025 it was March 2, 2026) [A5]. You can contribute and not deduct this year, and deduct later when your rate is higher [A2].

Withdrawal. The RRSP withholds 10% up to $5,000, 20% up to $15,000, 30% above; this is a prepayment, not the final tax: the amount goes into the year's income [A4]. Room is not restored after a withdrawal [A6]. Non-residents have 25% withheld.

Spousal RRSP. The contributor deducts within their own room, the account belongs to the partner. The case: one partner earns in USD, the other is at home with a child; a spousal RRSP evens out future incomes. A withdrawal within three years of the contribution is taxed to the contributor [A7].

> TIP
>
> For a family with kids the value of an RRSP contribution is not just the marginal rate. The contribution lowers net income, and CCB, BCFB, CGEB and the renter's credit are calculated from it. In case 2 (section 14) $6,000 in an RRSP gives $1,692 in tax savings plus $192 in CCB.

Home Buyers' Plan (HBP)

Withdraw up to **$60,000** per person from an RRSP tax-free for a first home (the limit applies to withdrawals after April 16, 2024; before that it was $35,000) [A8]. Each partner from their own RRSP for one home. Conditions: you are a first-time buyer (did not live in a home you owned this year, except 30 days, and the 4 previous years; yours or your partner's), resident, a written purchase agreement at the time of withdrawal (a pre-approved mortgage does not count), buy by October 1 of the following year, live there within a year [A8]. Contributions in the 89 days before the withdrawal may not be deductible. Form T1036.

Repayment over 15 years. For 2022–2025 withdrawals the first payment is deferred to the fifth year after the withdrawal; per a government announcement and the CRA page this is extended to 2026–2028 withdrawals (a 2026 withdrawal – first payment in 2031); check the status of the law before relying on it [A8] [K20]. An unpaid instalment becomes income (line 12900). The payment is designated on Schedule 7; forget to designate it and the CRA treats it as a regular contribution, and the instalment as income.

The "did not live in a home you owned" condition is not tied to Canada. An apartment in Ukraine where you lived in 2023–2025 may exclude you. This is my reading of the definition; the CRA has the final word.

Lifelong Learning Plan (LLP)

Up to $10,000 a year, $20,000 in total from an RRSP for full-time studies, yours or your partner's (not children's), at a designated institution [A9]. Repayment over 10 years. An option for retraining if the RRSP already exists.

FHSA (First Home Savings Account)

The best account in Canada for anyone planning to buy a home. Contributions are deductible like an RRSP, withdrawals for a home are tax-free like a TFSA. $8,000 a year, $40,000 lifetime; an unused $8,000 carries forward to the next year, so the maximum in one year is $16,000 [A10].

Room starts accumulating **only after you open** the first FHSA [A10]. So open it with zero as soon as you plan a home within 15 years. Conditions: resident, 18+ (in BC banks usually ask for 19, since that is the age of contract; the CRA does not name provinces), up to 71, a first-time buyer under the same 4-year test, including the partner's home [A10].

The 2026 contribution must be made **by December 31, 2026**: there is no 60-day rule here [A10]. Undeducted contributions can be deducted later. A transfer from an RRSP to an FHSA is possible, but is not deductible and does not restore RRSP room. In the year of opening, Schedule 15 is filed. Excess: 1% a month.

A withdrawal for a home (RC725): a purchase agreement, closing by October 1 of the following year, residency, the intention to live there [A10]. The HBP and FHSA can be combined on one home: $40,000 + growth + $60,000 per person [A8 A10]. Did not buy within 15 years – transfer to an RRSP without using RRSP room [A10].

The same "Ukrainian" catch: if you lived in your own apartment in Ukraine in the last 4 calendar years, you cannot open an FHSA; the CRA writes "or what would be a qualifying home if it were located in Canada" [A10]. See the "when do I become a first-time buyer" table in section 6, "Housing".

TFSA (Tax-Free Savings Account)

Contributions are not deductible, but everything that grows and everything you withdraw is tax-free [A11]. 2026 limit: **$7,000** [A1]. Room accumulates from the residency date if you are 18+, and the year of arrival gets the full amount with no proration [A11].

Room for those who never contributed, as of 2026 [A1 A11]:

YEAR OF ARRIVAL (18+)	ROOM FOR 2026
2022	$33,500
2023	$27,500
2024	$21,000
2025	$14,000
2026	$7,000
resident since 2009	$109,000

> **COMMON MISTAKE**
>
> The bank's calculator shows $109,000, and someone who arrived in 2022 deposits $50,000. Room before the residency date does not exist. The penalty is 1% a month on the excess A11. The figure in the CRA account updates with a lag; count it yourself.

Withdrawn money comes back as room **on January 1 of the next year**, not immediately A11. Moving between banks only by direct transfer through the new bank; withdraw and deposit at another bank – that is a new contribution A11.

US dividend stocks in a TFSA lose 15% US withholding with no way to credit it; in an RRSP the treaty with the US has no such withholding I14 I13. Active trading in a TFSA the CRA may treat as a business: business income inside a TFSA is taxable I17.

RESP (Registered Education Savings Plan)

Contributions are not deductible, the limit is $50,000 lifetime per child A12. The point is the government money:

- **CESG**: 20% of the first $2,500 a year = $500; unused room carries forward, maximum $1,000 a year; $7,200 lifetime A12. Additionally for families with AFNI up to $58,523 (2026): +20% on the first $500; up to $117,045: +10% A12. Until the end of the year the child turns 17; for ages 16–17 earlier contributions are required.
- **Canada Learning Bond**: $500 + $100 a year until age 15, maximum $2,000, **with no contributions at all**, for families receiving the CCB with income up to $58,523 (1–3 kids, 2026–27), child born 2004 or later A12 B12. For automatic CLB enrolment ESDC explicitly requires that the primary caregiver be eligible for the CCB B12; temporary residents in the first 18 months will most likely not get the CLB. Open the RESP ahead of time: the bond will flow from the month the family becomes a CCB recipient. It can be requested retroactively; a young person aged 18–20 can do it themselves until 21.
- **BCTESG**: $1,200 one-time for a BC child between the 6th and 9th birthday, no contributions needed A12 B12. The window is strict: the child is 9 – too late.

Withdrawals: grants and growth are taxed to the student (usually almost zero); if the child does not study, grants are returned, growth is taxed with a 20% surcharge or moved into your RRSP if there is room A12.

From April 2028 the government will automatically open an RESP for children born in 2024 or later from families receiving the CCB and eligible for the CLB A12.

RDSP

For a person with an approved DTC under 60: contributions up to $200,000, a grant up to $3,500 a year (300% on the first $500 and 200% on the next $1,000 at family income up to about $117,045 in 2026), a bond up to $1,000 a year with no contributions at income up to $38,237 A13. Income is taken from 2 years earlier. First the DTC, then the RDSP.

Which account first

The order below follows from the rules above.

1. **Year of arrival:** the RRSP does not work. TFSA ($7,000) and an opened FHSA (even with zero). With kids: an RESP with the child's SIN; the CLB with no contributions if income is low and the family already receives the CCB.
2. **Planning a home within 15 years:** FHSA up to $8,000 a year first. It is both a deduction and a tax-free withdrawal.
3. **RRSP room, a marginal rate of 28% and up, or a family at the CCB/renter's credit threshold:** RRSP. At a 19.6% rate the RRSP gives less than the tax on the pension will cost, and a TFSA is often more logical.
4. **Kids:** $2,500 a year into an RESP for the $500 CESG, if there is money for it. BCTESG in the 6–8 window.
5. **A freelancer with USD:** an FHSA can be opened and deducted regardless of earnings; RRSP room from net self-employment income appears the next year (18%).
6. **A partner at home with a child:** a spousal RRSP from the one who earns.

The deadlines differ: RRSP by March 1, 2027, FHSA by December 31, 2026. Mixing them up is common.

08

CHAPTER 08 / 15

Freelance and self-employment

This section is written for someone who works through Upwork or directly for foreign clients, receives USD and lives in BC. But the rules are the same for any self-employed person: taxi, renovation, tutoring, design.

Four things that surprise you in the first year

1. **Nobody withholds anything.** All income tax for the year is paid in one payment by April 30, 2027.
2. **CPP twice over.** A self-employed person pays both halves: 11.9% of net income over $3,500, up to $8,460.90, plus CPP2 at 8% on income between $74,600 and $85,000, up to $832 C9 C10. At $50,000 net income that is $5,533.50 on top of tax.
3. **GST registration from $30,000 in revenue, even if every client is abroad.** Exported services are taxed at 0%, but they count toward the threshold E10.
4. **June 15 is the filing deadline, not the payment deadline.** Interest on the balance runs from May 1 C12 C15.

T2125 and status

Self-employment income is reported on form **T2125** (Statement of Business or Professional Activities) inside the same T1 return E1. There is no separate "business return" for a sole proprietor. The fiscal year is the calendar year.

When income "becomes" income. A self-employed person reports on the accrual method: income is shown in the year you **earned** it, regardless of when the money arrived; expenses in the year they were incurred E31. The cash method is allowed only for farmers, fishers and commission agents E31. For Upwork this means: work done and invoiced in December 2026 is 2026 income, even if because of the security period the funds became available only in January 2027 and you withdrew them in February. The platform's reports show several dates (when the client paid or approved the work, when the funds became available, when you withdrew); for income the first one matters, not the withdrawal date.

Business or hobby: the CRA looks at whether there is a profit intention and whether the behaviour is "commercial": contracts, invoices, a profile, time and client tracking, a separate account E1. Freelancing on Upwork with regular contracts is a business. Hobby losses may not be recognized.

Registering a business name in BC is needed only if you work under a name other than your own (name request about $30, registration $40) E22. For Upwork under your own name nothing needs registering except GST, once you reach the threshold.

Platforms already report to the CRA

Since January 1, 2024 the digital platform reporting rules apply: platform operators file with the CRA (or with a partner country that exchanges data) information about sellers: name, address, SIN or BN, date of birth, account, **the amount of consideration and platform fees by quarter** E6. The platform has the right to demand your SIN; refusal is a $500 penalty and possible account closure E6. Whether Upwork specifically reports to the CRA is not officially stated; assume it does.

Report **gross** income (what the client paid), and the platform fee, withdrawal fees, Payoneer, Wise, conversion as a business expense (T2125 line 8871, "management and administration fees including bank charges") E1. Reporting only the net payout is a mistake that creates a mismatch with the platform's data.

US platforms ask for IRS form **W-8BEN**: it confirms you are not a US taxpayer and goes to the platform, not the IRS E7. There is no official CRA guidance on US withholding on services provided from Canada; if something was withheld, that is a question for an accountant.

Currency: USD to CAD

The rule: the Bank of Canada rate on the transaction date, meaning the date the income arose (earned or invoiced), not the withdrawal date E8 E31. For many payments through the year the CRA may accept the annual average rate if the rate did not swing E8 N10. Average USD/CAD per the Bank of Canada: 1.3497 (2023), 1.3698 (2024), 1.3978 (2025); the 2026 figure will be published on the last business day of 2026 E9. Pick a method and keep it every year. Save the CSV from Upwork and the rate you used.

The Bank of Canada does not quote the hryvnia E9. Convert through USD or take the rate from an independent public source that meets CRA conditions (widely available, verifiable, used consistently) E8.

Money sitting in USD and converted later at a different rate creates a separate foreign exchange question. For individuals a net foreign exchange gain over $200 a year is taxed as a capital gain I15. If the amounts are large, discuss with an accountant.

What is deductible

The general rule: reasonable expenses incurred to earn income; personal expenses no; capital items (equipment, furniture) through CCA depreciation E1.

EXPENSE	RULE
Platform fees, withdrawals, FX, bank	in full, line 8871 E1
Software, subscriptions, domain, hosting	in full, if for the business E1
Accountant, lawyer	in full (line 8860) E1
Phone	business-use share; a basic home line no E1
Internet	business-use share

EXPENSE	RULE
Professional associations, trade publications	yes; clubs, gym no [E1]
Meals and entertainment	maximum 50% [E1]
Advertising (Google, Meta, LinkedIn)	yes [E1]
Coworking	yes
Courses related to the current business	yes
Laptop, monitor, desk	through CCA, not at once (below)
Premiums for a private health and dental plan (PHSP)	allowed if in the current or previous year net self-employment income was over 50% of total income **or** other income was no more than $10,000; there are annual per-person limits, the software and T4002 show them [E29]. Note: buying such a plan with dental closes access to the CDCP [B6]
Salary to a partner	only if the work is real, the pay is real and reasonable [E1]
Money to yourself	not an expense

If you are registered for GST and recover GST through ITCs, record expenses **without** that GST so you do not deduct it twice [E1].

> COMMON MISTAKE
>
> 100% of meals, 100% of the phone, personal clothing, a $2,000 laptop as one line in expenses, and not a single receipt because “there is a card statement”. A statement shows the payment, not what was bought.

Home office for the self-employed

Different rules from employees. The condition: the office is your principal place of business, **or** it is used only for business and regularly for meeting clients [E2]. The share: office area / home area; for a dual-use room also by time.

Deductible share: heat, electricity, home insurance, cleaning, repairs; renters – rent; owners – property tax and mortgage interest [E2]. CCA on the home itself is theoretically allowed, but it can affect the principal residence exemption on sale [E2]. Do not do it.

The home office **cannot create or increase a loss**; the unused portion carries forward to the next year [E2]. T2125 part 7, line 9945.

Vehicle

Actual expenses (fuel, insurance, registration, repairs, interest, lease, CCA) × the business-kilometre share [E1]. You need a log of every business trip: date, where, why, km, plus the odometer at the start and end of the year [E3]. After a full year of logging you can keep a 3-month sample [E3].

The $0.73/$0.67 per km rates (2026) are for employer reimbursements, not a deduction method for the self-employed [E4]. 2026 limits on passenger vehicles: CCA up to $39,000, lease up to $1,100 a month, interest up to $350 a month [E4].

Depreciation (CCA) in plain words

Equipment is not written off at once; it goes into a class and is written off at a percentage of the remaining balance each year [E1]:

CLASS	WHAT	RATE
50	computers, laptops, system software	55%
8	furniture, equipment, tools from $500	20%
12	tools under $500, application software	100%
10 / 10.1	vehicles (10.1 if above the ceiling)	30%

In the year of purchase the half-year rule usually applies. For property available for use in 2024–2027 the CRA page shows the Accelerated Investment Incentive: the first year is 2 times what the half-year rule gives [E5]. A $2,000 laptop in class 50: $2,000 × 55% = **$1,100** in the first year instead of $550.

The government also proposed (not confirmed as law as of October 2026) fully restoring the incentive for 2025–2029 and even a 100% write-off of new class 50 computers bought from April 16, 2024 and available for use before January 1, 2027 [E5] [K19]. At minimum you get what is on the CRA page; before filing ask whether the 100% write-off has become law. A laptop brought from Ukraine does not qualify for 100% (it was used); it enters the class at fair market value on the date business use began, if that is lower than the purchase price [E1].

CCA is optional: you can claim anywhere from zero to the maximum. In a loss year it is better not to take it.

CPP for the self-employed

2026: 11.9% of net income from $3,500 to $74,600 (maximum $8,460.90) plus 8% on income of $74,600–$85,000 (maximum $832) [C9] [C10]. Calculated on Schedule 8. The split: the “employer” half plus the enhanced portion of the “employee” half go into a deduction (line 22200), and the credit on line 31000 covers only the base portion of the employee half, 4.95% [E27] [C9]. So more than half of the contribution is deducted, roughly 6.95 of the 11.9 points (plus all of CPP2). The software calculates it on its own. If there is also a T4, contributions from the job are counted, the annual maximum is shared.

CPP is part of “net tax owing” for instalments [C14].

EI for the self-employed: optional

The self-employed do not pay EI and do not get regular unemployment benefits. You can voluntarily opt in to **special benefits**: maternity, parental, sickness, caregiving, up to 55%, maximum $729 a week in 2026 [E25]. You pay the employee rate of 1.63% up to $1,123.07 a year. Wait 12 months after registering; for a 2026 claim you needed $9,254 of net self-employment income in 2025 [E25]. After the first benefit the premiums are paid for as long as you are self-employed. Planning a child – register a year ahead.

Instalments

You must pay in advance if your "net tax owing" (tax after withholding plus CPP) is over **$3,000** in 2026 **and** in 2025 or 2024 [C14]. The first profitable year usually does not trigger instalments, because there was no balance last year. The second year almost certainly does. Dates: March 15, June 15, September 15, December 15 [C14]. The CRA sends reminders (INNS1) in February and August [C14]. Three calculation options: the amounts on the reminder (no interest if you pay exactly those), based on last year, based on the current year (risky) [E26]. Interest on underpayment is daily at 7% (Q4 2026) [C16]; a penalty only if the interest exceeds $1,000 [E26].

> TIP
>
> **Tip (my rule, the CRA does not require it):** set aside 25–35% of every payout into a separate account. At $50,000 net income in BC, tax plus CPP come to about 22%; at $80,000 closer to 28%. The rest of the buffer is for GST and surprises.

GST/HST: when, how much, to whom

The threshold. You are a "small supplier" while worldwide revenue from taxable supplies (including zero-rated) does not exceed **$30,000** in one calendar quarter or over four consecutive quarters [E10]. Exceeded it in one quarter – registration from the day of that supply, and GST must be charged from it. Exceeded it over four quarters – you are still a small supplier for that quarter and one month, and you register from the first supply after. You must register within 29 days [E10]. The threshold is counted on gross revenue before expenses [E10].

Exported services. Services to a non-resident are usually taxed at **0%** (zero-rated), with exceptions: services to an individual who is in Canada, services relating to real property or goods in Canada, agency services and so on [E14]. Consulting and professional services to a non-resident – 0%. Transfer of rights to code or design to an unregistered non-resident – 0% [E14]. The burden of proof is on you: keep the client's address, the contract, the invoice to the foreign company, the client's profile on the platform [E14].

A zero rate does not mean "no need to register". A freelancer with $35,000 from US clients registers, files a GST return with zero payable and **recovers the GST** paid on the laptop, software, accountant, coworking (input tax credits, ITCs) [E10] [E11]. For an exporter registration pays off, and it can be done voluntarily before the threshold; then you cannot deregister for at least a year [E11].

GOOD TO KNOW

Uber, Lyft, taxi: GST from the first dollar. A taxi or commercial rideshare driver (carrying passengers) must register and charge GST/HST on fares from the first day of work, even with revenue under $30,000: the small supplier rule does not apply [E28]. Food and parcel delivery (DoorDash, Skip, Uber Eats) is not carrying passengers, so the regular $30,000 threshold applies [E28]. Drivers of both kinds need a vehicle log (the "Vehicle" subsection above) and the platform's reports on every trip and the fees.

Canadian clients. The rate follows the client's province: 5% GST in BC, Alberta and the other GST provinces, 13% HST in Ontario, 14% in Nova Scotia, 15% in NB, NL, PEI [E12] [E13]. A Vancouver freelancer invoicing a client in Toronto charges 13%. A client through Upwork is the client, not Upwork: look at where they are.

Filing. With revenue up to $1,500,000 the period is annual; for a sole proprietor with a December 31 year-end the GST return is due June 15, everyone files electronically, even a nil return [E16]. Quarterly GST instalments only if net GST for both last year and the current year is $3,000 or more [E11]. The number: a 9-digit BN + RT0001.

Quick method. With revenue up to $400,000 you can remit 3.6% of sales in GST provinces instead of tracking ITCs (not for accountants, lawyers, financial consultants) [E15]. Zero-rated export sales are not in the base, so the method gives an exporter almost nothing; a freelancer with Canadian clients and low expenses may save with it.

Checklist on registration: enter the GST number in the platform's tax settings (whether that removes GST on the Upwork fee, the CRA does not say directly), invoices with the number, ITC records with receipts (under $100 the supplier's name is enough; from $100 also the supplier's GST number; from $500 also the buyer's name and a description) [E11].

PST in BC: almost never for a freelancer

The 7% PST applies to goods, accommodation, legal services, services relating to goods (equipment repair), online marketplaces, software and telecommunications [E17]. Design, writing, translation, marketing, consulting, development as a service are not on the list, no PST is charged (this is my reading of the list, not a quote). The catch: selling **your own** SaaS or templates to users in BC – PST may apply; **custom** development for a specific client – exempt [E18]. Small sellers under $10,000 a year without premises do not register [E17].

The BC budget planned to extend PST to accounting, architectural, engineering and other services from October 1, 2026, but on **September 18, 2026** the province paused this by temporary regulation [E19]. As of October 2026 an accountant does not charge PST.

A Ukrainian FOP and Canadian residency

After the residency date FOP income is world income, it goes into T2125 in CAD [N2]. The treaty says that the business income of a Canadian resident without a permanent base in Ukraine is taxed in Canada [N6]. Whether Canada credits the Ukrainian single tax as foreign tax – there is no official answer. A FOP kept

open “just in case” creates obligations on both sides. This is a question for a specialist in both jurisdictions, not for a guide.

Money on Payoneer, Wise, a Ukrainian account counts toward the $100,000 T1135 threshold (from the second year) [N9].

Sole proprietor or corporation

A corporation is a separate legal entity, limited liability (banks still ask for a personal guarantee), a T2 return within 6 months after year-end, even with no tax [E20]. The small business rate: federal 9% plus BC 2% = 11% on active income up to $500,000 [E20]. The “personal services business” trap: one long-term client who effectively directs the work, and the corporation loses the preferential rate, gets a surcharge and has almost no expenses [E21].

My opinion: in the first 1–3 years, while profit does not consistently exceed your personal spending and there are few clients, a sole proprietor is simpler and cheaper. A corporation makes sense when money can stay in the company.

Losses and records

A business loss reduces other income in the year (salary), the rest goes back 3 years (form T1A) or forward 20 [E23]. Records are kept **6 years** from the end of the year they relate to, and must be available in Canada [E24]. The minimum set: invoices, platform reports, bank and Payoneer/Wise statements, receipts for everything, the exchange rate and method, the vehicle log, the office floor plan, contracts with client addresses, GST returns, the CCA table.

Example: an Upwork freelancer in BC, 2026

An illustrative calculation. Assumptions: a single person, resident all of 2026, gross platform income USD 45,000, the rate for the example is the 2025 average of 1.3978 (the 2026 average is not published yet), platform fee 10%, rent $2,000 a month, office 15% of the area, a $2,000 laptop bought in 2026. Rates and amounts from [C1] [C4] [C9] [E1] [E5] [E9].

STEP	CALCULATION	AMOUNT CAD
Gross income	USD 45,000 × 1.3978	$62,901.00
Platform fee	10%	−$6,290.10
Software and subscriptions		−$1,500.00
Accountant		−$600.00
Phone + internet, business share		−$700.00
Home office	15% × $24,000 rent	−$3,600.00
Laptop, CCA class 50	$2,000 × 55% (the incentive on the CRA page)	−$1,100.00
Net business income (T2125)		**$49,110.90**

STEP	CALCULATION	AMOUNT CAD
Self-employed CPP	11.9% × ($49,110.90 − $3,500)	$5,427.70
Deduction of half the CPP (simplified, see below)		−$2,713.85
Net income (line 23600)		**$46,397.05**
Federal tax before credits	14% × $46,397.05	$6,495.59
Federal credits	14% × ($16,452 + $2,713.85)	−$2,683.22
Federal tax		$3,812.37
BC tax before credits	5.60% × $46,397.05	$2,598.23
BC credits	5.60% × ($13,216 + $2,713.85)	−$892.07
BC tax reduction	income over $44,952	$0
BC tax		$1,706.16
Total income tax		**$5,518.53**
Due April 30, 2027 (tax + CPP)		**$10,946.23**

None of this was withheld during the year. Income tax is 11.2% of net business income, with CPP 22.3% (or 17.4% of gross revenue). The self-employed do not get the Canada employment amount.

The simplification in the table: exactly half the CPP is deducted. In reality the enhanced portion of the "employee" half also goes into the deduction (1% of $45,610.90 = $456.11), and only the base portion gives a credit E27. Net income would then be about $45,941, that is $456 lower. The tax in this band barely changes, because both the credit and the deduction are worth 19.6% here; but the lower net income helps a little with benefits. The software calculates it exactly.

GST: revenue of $62,901 exceeds $30,000, registration is mandatory, even though all clients are abroad and nothing is payable. After registration ITCs come back: 5% on the laptop ($100), software, accountant. If $20,000 of this revenue had come from a client in Ontario, 13% HST would have to be added to their invoices.

Instalments: if 2026 is the first year with a balance over $3,000, nothing is due in March and June 2027 (the reminder calculates them from 2025), but in August 2027 the CRA will send a reminder for September 15 and December 15, 2027, roughly half the 2026 balance each C14 E26. Ignore it and you get interest on unpaid instalments. Benefits: CGEB for July 2027 – June 2028 at $46,397 income is almost full (a guide by 2026–27 amounts: up to $679 for a single person) B1; the CDCP is available with 0% co-payment if there is no insurance.

An employee of a foreign company

Many have kept a job at a Ukrainian, American or European company and work from BC as a salaried **employee**. For tax this is a separate case, unlike either a T4 or freelancing.

- **Tax is paid in Canada.** Salary for work physically performed in Canada is taxed in Canada (art. 15 of the treaty with Ukraine) [N6]. There is no T4 slip; you enter the CAD amount on line 10400 "other employment income": the CRA says directly to put foreign employment income not on a T4 there [N16]. The exchange rate – the same approach as for freelancing: the rate on the day received or the annual average [N16] [E8].
- **Nobody withholds Canadian tax.** All tax for the year falls due April 30. Set money aside like a freelancer (the tip above), and from the second year expect instalments: the $3,000 rule is the same [C14].
- **Ukrainian tax and the military levy.** If an employer in Ukraine withholds personal income tax and the levy from salary for work performed in Canada, Canada will most likely not credit that tax under the treaty: the right to tax this salary belongs to Canada. Recovering the withheld amount has to be done in Ukraine, and that is a question for a Ukrainian accountant and the employer. This is my reading of art. 15 and art. 23 of the treaty [N6] [N8].
- **CPP and EI.** A foreign employer with no establishment in Canada usually does not withhold CPP and EI. Whether it must in your case depends on its presence in Canada; the CRA has no clear-cut answer for this case. The employee can voluntarily pay CPP on such salary (form CPT20, Election to Pay Canada Pension Plan Contributions) [N17]: it is a future pension, but also less money now. Decide with an accountant.
- **RRSP room.** Foreign salary of a Canadian resident is part of "earned income", so it creates RRSP room for the next year [A6]. This is my reading of the definition; the CRA will show the figure on the NOA.
- **Home office.** For office expenses an employee needs a T2200 signed by the employer (section 6) [K12]. A foreign company can sign it, but many refuse; without it the claim is unprotected.

If the agreement with the foreign company effectively makes you a contractor (invoices instead of salary, your own tools, several clients), to the CRA you are self-employed, and then this whole section applies, including CPP at 11.9% and GST.

Paid in cash or by e-transfer with no slip

Renovation, construction, cleaning, nanny work, delivery, a restaurant kitchen: in the first year many get paid in cash or by e-transfer without any document. For tax this is ordinary income. No slip does not mean no income: everything must be reported, even what nobody told the CRA about [E1] [N16].

1. Who you are: employee or self-employed. The CRA looks at the facts, not at what you called it (guide RC4110) [E30]:

- **control**: who decides when, where and how to work;
- **tools**: whose they are and who pays for them;
- **helpers**: whether you can hire someone in your place;
- **risk and investment**: whether you bear expenses nobody reimburses, and whether you can lose money;
- **chance of profit**: whether you earn more by working more efficiently or taking more clients;
- plus **the intention of the parties**, but all the facts together decide [E30].

Cleaning for several clients with your own vacuum, renovation by estimate with your own tools – more likely self-employment. Working for one "boss" on his schedule, with his tools and an hourly rate – more likely employment; then he should have withheld tax, CPP, EI and issued a T4. Not sure – the CRA can issue an official ruling on status E30.

2. Where to put it.

SITUATION	WHERE ON THE RETURN	WHAT ELSE
Self-employment (own clients, own tools)	T2125, gross income minus expenses E1	CPP both halves, 11.9% of net income over $3,500 (Schedule 8) C9; GST if revenue is over $30,000
Employment without a T4 (cash from an employer)	line 10400, other employment income N16	nobody paid CPP and EI on this amount; that is a question for the employer
Tips	line 10400: the CRA explicitly names tips, gratuities and occasional earnings not on a T4 N16	tips the employer already put on the T4 are not written twice

3. Records. Keep a table from day one: date, client, amount, payment method (cash or e-transfer), what for. E-transfers are visible in the bank statement, so a mismatch between the statement and the return is easy to find. If self-employed, keep receipts for expenses: materials, tools, fuel.

4. Why report, besides the law. Reported income builds a CPP pension, RRSP room, CWB eligibility, and the NOA becomes proof of income for a rental, a mortgage and citizenship (section 4, "Taxes and citizenship"). Unreported income understates net income, and then CCB, BCFB and CGEB are calculated from the wrong figure. If it is found, both the tax and the benefits are recalculated for all years, and repeated failure to report from $500 carries a separate penalty P7. Past years can be fixed yourself through Change my return or the Voluntary Disclosures Program (section 12).

09

Investments and crypto

Interest

Interest from Canadian accounts comes on a T5 slip (box 13), line 12100 [I1]. If it is under $50 for the year there may be no slip, but it must be reported [I2]. Promo rates at EQ, Wealthsimple Cash, bank bonuses – all of it is income. Interest on multi-year GICs is reported every year as it accrues, even if the money has not been received yet [I2]. Interest is taxed in full at the marginal rate; it is the least efficient income outside a TFSA.

A joint account: each reports a share matching what they contributed, not 50/50 automatically [I2]. Money in a child's name: the income is usually the parents', except interest on CCB deposited into the child's separate account [I2]. So the CCB is worth keeping in the child's separate account, not mixed with gifts.

Dividends

Canadian "eligible" dividends are multiplied by 138%, and a credit of 15.0198% federally and 12% in BC of the grossed-up amount is given; "non-eligible" by 115%, credit 9.0301% and 1.96% in BC [I3] [C4]. The software does this from the T5. Side effect: the grossed-up amount raises net income, from which benefits are calculated.

Foreign dividends (US stocks) get no credit; they are simply foreign income in CAD before withholding; the amount withheld in the US can be claimed as a foreign tax credit [I1]. The treaty with the US limits withholding to 15% [I14]. In an RRSP there is no such withholding (the treaty exempts pension plans); in a TFSA and FHSA it exists and is lost, because no credit is given there [I14] [I13].

Capital gains

Half of a gain is taxed (inclusion rate 50%) [I4]. The proposal to raise it to 2/3 was cancelled on March 21, 2025, and for 2026 it does not exist [I16]. Old articles and other guides still write about 2/3; that is the past.

Gain = proceeds − (ACB + selling costs). The ACB (adjusted cost base) is the purchase price plus commissions; for identical securities (the same ETF bought several times) it is the average price [I4] [I5] [I6]. Reinvested fund distributions are added to the ACB, otherwise you pay for them twice [I7]. The broker's T5008 often does not show the correct cost, especially after a transfer between brokers. The ACB is your responsibility.

For securities in USD: proceeds at the rate on the sale date, ACB at the rate on the purchase date [I4]. The gain in CAD may have a different sign than in USD.

Losses: half of a loss is applied only against gains, back 3 years (T1A) or forward indefinitely [I9]. Report a loss even in a year with no gains so the CRA records it. **Superficial loss**: if you or your partner bought the same security within 30 days before or after the sale and still hold it 30 days later, the loss is denied; it is added to the ACB [I9]. A DRIP or an automatic ETF purchase easily breaks this rule. Moving a losing security into a TFSA or RRSP "in kind" also gives no loss [I9] [I15].

Housing: the exemption and the BC flipping tax

The sale of a principal residence is exempt (principal residence exemption), but since 2016 **only if you report the sale** on Schedule 3 and T2091 [I10]. Did not report it – a penalty up to $8,000 ($100 a month) and loss of the exemption. One home per family per year; the "+1" formula works only for years of residency in Canada [I10]. An apartment in Ukraine for the years before arrival does not fall under it, but its "entry valuation" on the residency date resets the old gain anyway.

Federally: a home sold less than 365 days after purchase produces business income, 100% taxable, no exemption, except for life events (death, a job relocation, illness, job loss) [I6] [I10]. BC additionally has the **Home Flipping Tax** since January 1, 2025: 20% of income on a sale before 366 days, tapering linearly to zero at 730 days; a deduction up to $20,000 for a principal residence; **a separate BC return within 90 days of the sale** for anyone selling before 730 days, even with an exemption [I11].

GOOD TO KNOW

Bought a home in BC: annual obligations. Easy to miss in the first year of ownership.

- **Speculation and Vacancy Tax.** Owners of homes in the tax's zones (Metro Vancouver and a number of other communities; check the exact address on the interactive map) declare every year by **March 31**, even if nothing changed [H1]. For a principal residence there is usually no tax, but the declaration is mandatory; without it the tax may be assessed with interest and penalties [H1].
- **The City of Vancouver Empty Homes Tax** is a separate annual declaration for homeowners within the city of Vancouver [H4]. Check the dates and rate on vancouver.ca.
- **The first-time home buyer exemption from the property transfer tax**: only for citizens and PRs who lived in BC for a year or filed 2 returns as BC residents in the last 6 years [H2]. Tax is exempt on the first $500,000 of the price, fully at a value up to $835,000, partially up to $860,000 (from April 1, 2024). The test is **stricter than the federal one**: you have never owned a home that was your principal residence, **anywhere in the world** [H2]. Your own apartment in Kyiv where you lived takes this exemption away forever. You must move in within 92 days and live there at least a year.
- **Home Owner Grant** – a reduction of property tax, $570 basic in 2026 for a home valued up to $2,075,000; apply **every year**, only for citizens and PRs living in that home [H3].
- **Underused Housing Tax** (federal) mainly affects owners who are not citizens or PRs [H5]. As of October 2026 the CRA page does not say the tax has been cancelled; if you bought a home on a work permit, check the status of the obligation to file a UHT return for each year.

Crypto

The CRA looks at each case: either business income (100%) or a capital gain (50%) I12. Signs of a business: many trades, short holding periods, lots of time, market knowledge. A taxable event is not only a sale for CAD: **swapping one coin for another**, buying goods, a gift I12. “I never cashed out to fiat” is no exemption.

Records for every trade: type and quantity, date and time, value in CAD, the nature of the trade and the counterparty, wallet addresses, balance and value at the start and end of the year I12. One valuation method, used consistently. Staking on an exchange is income when credited; mining is usually a business I12. Payment for work in crypto is income in CAD on the date received I12. Gains go on Schedule 3, line 7 (crypto-assets) I8.

There is no official CRA position on crypto at foreign exchanges for the T1135. At amounts near $100,000 ask a specialist.

T1135 for investors

Repeating from section 4, because this is where it bites most often: US stocks at a Canadian broker are “foreign property”. If their **purchase cost** together with other foreign property exceeded $100,000 at any time in the year, the T1135 is mandatory (from the second year in Canada) N9. Canadian ETFs that hold US stocks, and everything in an RRSP/TFSA, do not count N9.

Where to hold what

From the rules above: interest and US dividends are best in an RRSP or TFSA (US dividends specifically in an RRSP); Canadian dividends and growth stocks are tolerable in a regular account thanks to the 50% and the credit; active trading in a TFSA may be ruled a business I17.

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CHAPTER 10 / 15

How to file: free routes, step by step

Paying to file a return in the first years is mostly unnecessary. There are four free routes, and the choice depends on the situation.

Which route is yours

ROUTE	FOR WHOM	NOT SUITABLE
Free certified software (NETFILE)	everyone with a SIN or a temporary number starting with 01 or 03, including newcomers and the self-employed	deemed residents
CVITP, free clinics	modest income, simple situation	the self-employed, foreign income, T1135, capital gains, interest over $1,200
SimpleFile (CRA)	low income, simple slips, resident **all year**	the year of arrival
Paper	anyone who cannot or does not want to file online	slow: paper up to 12 weeks (online about 2 weeks, up to 4)

Sources: NETFILE and certified software C19 C20; CVITP C22; SimpleFile C21; paper C23.

Free software

The CRA publishes a list of certified products. For tax year 2025 (the 2026 list comes out in winter) **free for everyone**: Better Tax, GenuTax Standard, StudioTax (mobile app), Wealthsimple Tax C20. Free depending on the situation (read the conditions on the product's site): AdvTax, CloudTax, EachTax, H&R Block free, StudioTax (desktop), TurboTax, UFile and others C20. Free versions often exclude the T2125 or charge for it; check before you start. The CRA does not recommend any product and is not responsible for their errors C20.

Newcomers can file online if they have a SIN or a temporary number starting with 01 or 03 C13. NETFILE for 2025 opened on February 23, 2026; for 2026 it is expected in late February 2027, the date will be on the CRA page C19.

CVITP: free clinics

Volunteers at community organizations prepare returns for free, in person, online or by drop-off; some work all year C22. Approximate family income limits for the 2026 season: 1 person $40,000, 2 – $55,000, 3 – $60,000, 4 – $65,000, 5 – $70,000, then +$5,000 per person; interest up to $1,200 C22. They do not take:

self-employment, business and rental, foreign income (except US social security), capital gains, T1135, bankruptcy [C22].

For a newcomer employee with Canadian income this is the best route in the first year. For an Upwork freelancer it is not. Finding a clinic: the Tax clinic directory on canada.ca, by city and format [C22]. In BC in 2025, 460 organizations prepared 153,110 returns [C22]. Bring photo ID, your SIN, slips, receipts, last year's NOA.

Auto-fill my return

After signing in to the CRA account, certified software pulls in the T4, T5, RRSP contributions, carried-forward tuition, HBP data on its own [C18]. Most slips reach the CRA by mid-March, so filing earlier is risky [C18]. Auto-fill never has: foreign income, platform income, freelance, some receipts. It must be completed by hand.

Step by step

1. **Register a CRA account.** In BC through the BC Services Card without any return [C17]. Otherwise after the first NOA. A security code by mail takes up to 10 business days, or do the document verification online [C17].
2. **Turn on direct deposit** to a Canadian account: in the CRA account or through your bank [C23]. A refund with direct deposit can arrive 8 business days after processing [C13].
3. **Gather the documents** by the checklist (section 15). Newcomers: the date of entry and world income before arrival.
4. **Choose software** from the CRA list, create a profile, enter the province on December 31 and the date of entry if this is the first year.
5. **Auto-fill**, then by hand: freelance (T2125), foreign income, BC rent for the renter's credit, daycare, medical, donations, tuition.
6. **Check the summary:** is the BPA prorated in the year of arrival, is the renter's credit claimed, is the right partner taking daycare and medical. File both partners' returns together: the software optimizes the shared credits.
7. **NETFILE.** The software may ask for the access code from the NOA (8 characters); for a first filing there is none, that is normal [C24].
8. **Wait for the NOA:** online about 2 weeks (up to 4), paper up to 12 weeks [C23]. The NOA holds the refund or balance, your RRSP room for next year and the NETFILE code [C24]. Keep every NOA: CVITP, landlords, banks, sometimes IRCC ask for it.
9. **Pay the balance by April 30** through online banking (CRA as payee), the CRA account or a card prepayment.
10. **Set an email address** in the CRA account: then letters arrive there, and the email gets only a notification without links [C25].

> WATCH OUT
>
> The CRA may hold the refund if you owe the government (tax, a student loan, an EI overpayment) or have an unfiled GST return. Refunds under $2 are not paid [C23].

Did not file for 2022–2025: how to catch up

The most common situation among those who arrived in 2022–2023: a return is missing for some year because “I earned nothing”, “everything was withheld on the T4” or they simply did not know. This is fixed without an accountant and usually without a penalty.

1. **Online, not on paper.** The current NETFILE season (until January 29, 2027) accepts a **first** return for any year from **2018 to 2025** C19. For the 2027 season the CRA will announce its range on the same page; it is expected to shift by a year, but check C19. The software must be certified for that specific year; some free products have versions for past years C20.
2. **One return per year, oldest first.** Each year is filed separately, with the slips of that time. Carried-forward amounts (unused tuition, RRSP room, losses) flow from the previous year into the next, so the order matters. If the missed year is the year of arrival, enter the date of entry and world income before it (section 4). Slips for past years are in the CRA account if the employer filed them C18.
3. **No balance – no penalty.** The late-filing penalty is calculated only on the amount owing C15. If a refund is due for that year, it is simply paid to you.
4. **Benefits are recalculated.** CCB, BCFB and CGEB are calculated from both partners’ returns; without one of them the payments stop B2. On the CCB the CRA says it directly: after the return is assessed, the missed amounts you were entitled to are paid retroactively on the next payment date B20. The CGEB is calculated from the same return, so the CRA recalculates it too.
5. **A CCB application for past periods.** If you never filed an RC66 at all and are asking for the CCB for a period more than 11 months back, additional proof of status, residence and custody is needed (section 5) B2.
6. **The VDP only if there is tax to pay** and the CRA has not contacted you yet (for example, several years of Upwork with no returns). For years with no income or with a refund the VDP is not needed: just file the returns (section 12) P9.

Missed years are worth closing before applying for citizenship: IRCC checks returns for 3 of 5 years N21.

If you found a mistake after filing

Wait for the NOA. Then “Change my return” in the CRA account or ReFILE in the software (about 2 weeks), or a paper T1-ADJ (about 19 weeks) C27. Details in section 12.

Automatic filing: do not count on it

Budget 2025 proposed giving the CRA the right to file returns for people who have not filed for at least one of the three previous years, have taxable income below the BPA and all income on slips; the person has 90 days to review. The CRA announces this from tax year 2026, but whether the law is enacted is not confirmed as of October 2026 C21. For a newcomer in the first year it does not work. If such a letter comes, read it and check.

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CHAPTER 11 / 15

The annual calendar

A calendar for tax year 2026 and the 2027 filing season. 2027 dates the CRA has not published yet are marked “expected” and derived from the rules.

MONTH	WHAT HAPPENS	WHAT TO DO
October 2026	Oct 5 CGEB; Oct 9 ACWB; Oct 15 CDB; Oct 20 CCB + BCFB	freelancers: check whether $30,000 was exceeded in the quarter
November 2026	Nov 1 – filing deadline for the CWB advance; Nov 19 CDB; Nov 20 CCB	
December 2026	Dec 11 CCB; Dec 15 tax instalment (for those who pay); Dec 17 CDB; **Dec 31** last day for an FHSA contribution, donations, medical, daycare, tuition, a sale locking in a 2026 loss; province of residence is set	open an FHSA if you planned to; make a TFSA withdrawal by Dec 31 so the room returns Jan 1
January 2027	Jan 1 new TFSA room (the CRA has not published the 2027 limit yet); around Jan 5 CGEB; CCB date to be announced; CWB advance	gather platform reports for 2026, the 2026 USD/CAD rate (Bank of Canada, end of December)
February 2027	employers issue T4s (slips appear at the CRA by mid-March); banks T5s; the CRA sends instalment reminders (March/June); NETFILE for 2026 opens (expected late February)	do not file before all slips are in hand
March 1, 2027 (Mon)	**RRSP contribution deadline** for 2026 (60 days; the CRA will confirm the date)	decide the amount from the 2025 NOA
March 2027	Mar 15 instalment; slips in Auto-fill by mid-month; CVITP clinics at their peak	file if everything is in
April 2027	around Apr 5 CGEB; **Apr 30 (Fri): filing and payment deadline** for everyone; CDCP renewal under way	both partners file; pay the balance
May 2027	May 1 interest starts on an unpaid balance; NOAs arrive	check the NOA, RRSP room
June 1, 2027	CDCP renewal deadline, otherwise a gap	
June 15, 2027 (Tue)	filing deadline for the self-employed (payment was due Apr 30); GST return for the year; Jun 15 instalment	
July 2027	a new benefit year: CCB, BCFB, CGEB recalculated from the 2026 return; CGEB around Jul 5; CWB advance	if the benefits dropped, check the AFNI

MONTH	WHAT HAPPENS	WHAT TO DO
August 2027	instalment reminders (September/December)	
September 2027	Sep 15 instalment; temporary residents who arrived in March 2026: month 19 for the CCB	file RC66 if not yet
November 2027	Nov 1 filing deadline for the CWB advance	
December 2027	Dec 15 instalment; Dec 31 the same as last year	

Sources: payment dates [B3] [B5]; deadlines [C12] [C14] [A5] [A10]; RRSP [A5]; CDCP [B6]; CWB advance [B4]; slips [C18].

Standing rules not tied to a date: instalments only if the balance is over $3,000 this year and in one of the two previous ones; benefits are recalculated every July from last year's return; TFSA withdrawals return as room from January 1; an RRSP contribution in the first 60 days of the year can count for the previous year, an FHSA one cannot.

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CHAPTER 12 / 15

Mistakes, CRA letters, audits, penalties, scams

First: is it even the CRA

Scammers target newcomers because they do not know how the CRA communicates. The rules are simple [C25]:

The CRA **never**: sends a refund by e-transfer or SMS; accepts or pays in crypto; demands immediate payment by Interac, crypto, prepaid or gift cards; threatens deportation, arrest or prison; sets up meetings in public places for payment; asks for personal or financial details in a voicemail or email.

The CRA **may**: call or write to confirm your identity (name, date of birth, SIN), ask for documents, remind you of an unfiled return, notify you of a balance or a review [C25].

An email from the CRA comes in only two cases: you turned on notifications and there is new mail in your CRA account, or an agent promised to send a link during a call. The email is not from a specific person, has no request to reply, no links to enter data. SMS only for two-factor authentication codes. The CRA does not use WhatsApp or Messenger [C25].

Verifying a call: a real agent gives a name and a callback number. Hang up, check the number with the CRA tool or call **1-800-959-8281** [C25]. Do not trust caller ID. Report a scam: Canadian Anti-Fraud Centre, 1-888-495-8501 [C25]. The CRA does not handle immigration status; “deportation for a debt” is a scam.

A real letter: what to do

The CRA reviews about 3 million returns a year [P5]. A review is not an audit. Selection: a mismatch with slips, the type of credits claimed, history, random [P5]. The letter asks for documents for a specific line (daycare, medical, rent for the renter’s credit, donations, tuition). The answer: upload through **Submit documents** in the CRA account with the number from the top right corner of the letter, within the deadline stated in the letter [P5]. No document – a written explanation or a call to the number on the letter. Ignored it – the credit is removed and a balance is issued.

An audit is more serious: the auditor makes contact by mail or phone, shows ID, looks at business and personal records, sometimes the partner’s records; proposed changes get 30 days to agree or object [P6]. Failing to provide records is an offence [P6].

Fixing your own mistake

Wait for the NOA, then one of three routes [P1]:

ROUTE	TIME	LIMITS
Change my return in the CRA account	about 2 weeks	not for 2015 and earlier

ROUTE	TIME	LIMITS
ReFILE in the software	about 2 weeks	recent years (currently 2022–2025)
T1-ADJ by mail	about 19 weeks	complex cases up to 35 weeks

These routes cannot: apply for benefits, change your address, marital status or direct deposit (that is in the CRA account), fix a return filed for the wrong province P1. A refund from an adjustment is possible up to 10 calendar years back P1. A forgotten T4, daycare receipt, RRSP slip – this is the place.

Disagreeing with the CRA: objection

An objection is filed by the later of: one year after the filing deadline, or 90 days after the NOA date P4. For 2026 that is at least until April 30, 2028. Through the CRA account ("Register my formal dispute"), form T400A or a letter. Missed it – a request for an extension no later than a year after the deadline P4. Collection of the disputed amount usually stops until 90 days after the decision, but interest runs P4. Then the Tax Court of Canada within 90 days; the informal procedure up to $25,000 P4 P14. Benefit decisions (CCB, CGEB) are objected to the same way.

Forgot something – Change my return. Disagree with a decision – objection. These are different procedures.

How far back the CRA can go

The normal reassessment period for individuals: **3 years** from the NOA P2. No limit with negligence or fraud. Keep records **6 years** from the end of the year they relate to (the 2026 return – until the end of 2032); with late filing 6 years from the filing date; with a dispute until it ends P3. Electronic is fine, in a readable format.

Penalties

FOR WHAT	HOW MUCH
Late filing with a balance	5% + 1% per full month up to 12 C15
Repeat (penalized in the 3 previous years + a demand to file was issued)	10% + 2% per month up to 20 C15
Repeated failure to report income of $500+ (also in one of the 3 previous years)	the lesser of 10% of the unreported amount or 50% of the underpayment P7
False statements, gross negligence	the greater of $100 or 50% of the underpayment P7
Instalments	only if interest exceeds $1,000 E26
T1135	$25 a day up to $2,500; more when wilful N9
Late reporting of a home sale	$100 a month up to $8,000 I10

Interest: daily, 7% on balances in Q4 2026, changes every quarter C16.

Cannot pay

File anyway: the late-filing penalty is calculated on the balance, and interest runs regardless. A payment arrangement: in the CRA account (“Manage balance” from $1,000 owing, schedule payments) or the automated line 1-866-256-1147 [P10]. Conditions: pay on the set dates, file future returns on time; the CRA may apply your benefits against the debt [P10]. Interest on the unpaid balance keeps accruing.

Relief from penalties and interest (taxpayer relief) is possible for extraordinary circumstances (illness, a death in the family, a disaster), CRA errors, financial hardship; form **RC4288** or the CRA account, up to 10 calendar years back [P8]. This is not an appeal of the tax amount.

Did not report before: the Voluntary Disclosures Program

New rules since October 1, 2025: an unprompted disclosure gives 75% relief on interest and 100% on penalties; after a CRA letter 25% and up to 100% [P9]. Conditions: before an audit starts, complete information, at least a year past the deadline, payment or an arrangement [P9]. Periods: foreign income 10 years, Canadian 6, GST 4. Form RC199, an anonymous preliminary discussion is possible. The typical case: several years of Upwork with no returns, or foreign accounts without a T1135. If there is no balance for the missed years (zero income or only a T4 with withholding), the VDP is not needed: file the returns through regular NETFILE (section 10, “Did not file for 2022–2025”).

A paid helper: how not to get caught

Community chats offer to “do the return for a percentage of the refund” or “buy the refund right away, money today”. The second is called discounting, and the federal Tax Rebate Discounting Act limits it [P15]:

- the buyer of the refund must pay you at least **85% of the first $300** of the refund and **95% of everything over $300**. So the maximum discount is 15% of the first $300 and 5% of the rest. A $2,000 refund: at least $255 + 95% × $1,700 = **$1,870** for you [P15];
- pay in cash or by cheque of a Canadian financial institution at the moment of the deal, give a written statement of the deal in the prescribed form and, on your request, an exact copy of the filed return [P15];
- forward you the NOA and the notice of the actual refund amount [P15].

Red flags (my list, not from the law):

1. **Payment as a percentage of the refund.** Such a helper has an interest in “finding” credits you are not entitled to. You are responsible for the return, not them.
2. **The refund goes to their account.** Set up direct deposit only to your own account, in your own CRA account. Someone else’s account number on your return – stop.
3. **No copy of the filed return.** You must get a full copy of everything that went to the CRA and keep it 6 years [P3].
4. **They ask for your CRA account login and password.** The right way is representative authorization (next subsection): level 1 read only, level 2 changes [P11]. It can be revoked.
5. **They promise “like everyone does”**: the move from Ukraine as an expense, medical without receipts, daycare without receipts. On review the credit is removed from you, with interest.

The free alternative for simple situations is a CVITP clinic (section 10). For complex ones (freelance, a property sale, several countries) pay an accountant a fixed fee for the work, not a percentage.

A representative

An accountant, partner or relative gets access through the CRA account (fastest), a request in Represent a Client that you confirm, or form AUT-01 (without online access) P11. Level 1 – information only, level 2 – changes P11. Without authorization the CRA will not talk to your partner about your return.

Service complaints

The Service feedback form online or RC193, a reply within 30 business days; then the Office of the Taxpayers' Ombudsperson P12. This is about service quality, not the tax amount.

The twelve most common mistakes in the first years

1. Not filing because "I earned nothing" or "I arrived in December". Benefits lost, and citizenship needs returns for 3 of 5 years (section 4, "Taxes and citizenship").
2. The full BPA on two jobs at once (TD1).
3. Freelancing with no money set aside: a balance in April plus CPP at 11.9%.
4. "By June 15" as the payment deadline for the self-employed.
5. Not entering the date of entry and world income before arrival.
6. An RRSP in the first year "for the refund".
7. TFSA room "since 2009" for someone who arrived in 2022.
8. Believing Auto-fill is the whole return.
9. Paying a "CRA agent" with gift cards after a deportation threat.
10. Not reporting a home sale or a crypto-to-crypto swap.
11. Thinking cash, e-transfers and tips without a slip "do not count" (section 8, "Paid in cash or by e-transfer with no slip").
12. Handing the return to a "helper" for a percentage of the refund, with the refund going to their account (section 12, "A paid helper").

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Other provinces

The federal part is the same everywhere. What differs: provincial rates, basic amounts and benefits. The province is set by where you lived on December 31.

Comparison 2026

	BC	ONTARIO	ALBERTA	QUEBEC
Lowest rate	5.60% up to $50,363	5.05% up to $53,891	8% up to $61,200	a separate TP-1 return, see Revenu Québec
Basic amount 2026	$13,216	$12,989	$22,769	see Revenu Québec
Sales tax	GST 5% + PST 7%	HST 13%	GST 5%	GST 5% + QST
Provincial child benefit	BC Family Benefit	Ontario Child Benefit	ACFB	see Revenu Québec
Provincial quarterly/monthly payment	none (the climate credit ended)	Ontario Trillium Benefit	ACFB quarterly	see Revenu Québec

Sources: 2026 rates and amounts C1 C4 04 06; Quebec 08.

If you live in Ontario

2026 rates: 5.05% up to $53,891; 9.15% up to $107,785; 11.16% up to $150,000; 12.16% up to $220,000; 13.16% above C1. Plus the Ontario Health Premium from $20,000 of taxable income and a surtax on high provincial tax C6. Basic amount $12,989 04.

Ontario Trillium Benefit (OTB) combines three credits and is applied for every year **through form ON-BEN on the return** by April 30, even with no income 01. For July 2026 – June 2027: Ontario Sales Tax Credit up to $378 per adult and child (4% reduction from $29,047 single / $36,309 family); Ontario Energy and Property Tax Credit up to $1,307 (18–64) or $1,488 (65+), calculated from 20% of rent; Northern Ontario Energy Credit up to $189/$290 01 02. Paid monthly on the 10th; up to $500 a year in one July payment 02. Enter rent paid in Ontario on the ON-BEN; it is the source of the credit.

Ontario Child Benefit: up to $146.66 a month per child under 18, reduced from AFNI of $26,865; automatic with the CCB 03. The personal support workers credit works in Ontario K17. Ontario's tuition and education credits were eliminated from September 2017 05. There are SMS scammers "from the Ontario government" about the OTB 01.

If you live in Alberta

2026 rates: 8% up to $61,200; 10% up to $154,259; 12% up to $185,111; 13% up to $246,813; 14% up to $370,220; 15% above C1 06. Basic amount $22,769, the largest among these provinces 06. No provincial sales tax, only GST 5% E12.

Alberta Child and Family Benefit (July 2026 – June 2027): base up to $1,529 (1 child), $2,293 (2), $3,057 (3), $3,821 (4+), reduced from family income of $28,116; working component up to $782/$1,494/$1,920/$2,061, kicks in after $2,760 of working income at 15%, reduced from $47,115; paid in August, November, February, May; automatic from the return and the CCB 07. Alberta has its own CWB configuration B4. The PSW credit works in Alberta K17.

If you live in Quebec

Two returns: a federal T1 to the CRA and a TP-1 to Revenu Québec; federal tax is reduced by 16.5% (the Quebec abatement) 08. A different EI rate (1.30%), QPP instead of CPP, an instalment threshold of $1,800, its own daycare and family benefits. This guide does not cover Quebec; Revenu Québec has its own materials.

Moving between provinces during the year

The whole year follows the province on December 31 C2. Moved from Ontario to BC in November – BC tax for all of 2026, and the OTB for that period is not due. Provincial child programs are tied to the province of residence, so tell the CRA your new address right away, without waiting for the return B2. Rent for the BC renter's credit must be at least 6 months in BC B8.

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CHAPTER 14 / 15

Six cases with numbers

All six are illustrative estimates, calculated from the verified 2026 rates and amounts under the rules in the previous sections. The CRA has not published the July 2027 – June 2028 benefits yet; where they are needed, the July 2026 – June 2027 amounts are used as a guide. The figures are rounded to the cent so you can repeat the math.

One deliberate simplification in all cases: an employee's whole CPP is taken as a credit, and a self-employed person deducts exactly half the CPP. In reality the enhanced portion of CPP – 1% for an employee and another 1% in the "employee" half for the self-employed – goes into a deduction (lines 22215 and 22200), and only the base portion gives a credit C9 E27. In the lowest band (19.6%) the tax barely changes; in the 28.2% band it is a few tens of dollars lower; net income ends up 1–2% of earnings lower. The software calculates it exactly; where the difference changes something, the case says so.

Case 6 is closest to most readers: a family that arrived on CUAET in 2022. If that is you, start there.

Case 1. A family arrived March 1, 2026 on work permits, two kids

Vancouver, renting since March. One partner came on a closed (employer-specific) work permit, the other on a spousal open work permit. Kids aged 4 and 8. CUAET does not fit here: intake under that program closed on July 15, 2023 N20. But all the math below is the same for any temporary resident who arrived in 2026: the 18-month rule for the CCB applies to all temporary statuses B2. The partner with the closed permit started work in May, 2026 employment income $38,000. The other partner has no income. 2025 income in Europe totalled under the equivalent of $46,432.

Residency: from March 1, 2026, that is 306 days. World income before March 1 is not taxed, but is stated.

The working partner's tax C1 C4 C8 C9 C11 N3:

STEP	CALCULATION	AMOUNT
CPP	5.95% × ($38,000 − $3,500)	$2,052.75
EI	1.63% × $38,000	$619.40
Federal tax before credits	14% × $38,000	$5,320.00
BPA prorated	306/365 × $16,452	$13,792.64
Spouse amount prorated (partner's income 0)	306/365 × $16,452	$13,792.64

STEP	CALCULATION	AMOUNT
Canada employment amount (in full)		$1,501.00
CPP + EI (in full)		$2,672.15
Federal credits	14% × $31,758.43	−$4,446.18
Federal tax		**$873.82**
BC tax before credits	5.60% × $38,000	$2,128.00
BC credits	5.60% × (306/365 × $13,216 + 306/365 × $11,317 + $2,672.15) = 5.60% × $23,239.55	−$1,301.41
BC tax reduction	$690 − 3.56% × ($38,000 − $25,570)	−$247.49
BC tax		**$579.10**
Total income tax		**$1,452.92**

Payroll withheld as if $4,750 a month were paid all year ($57,000 annualized), so noticeably more than $1,453 was withheld. By my rough estimate about $3,000–$3,500 comes back in spring 2027. The T4 will show the exact amount.

What works in 2026:

- **CGEB**: RC151 (on paper, because there are kids, or a CCB application in the CRA account). For July 2026 – June 2027, with 2025 world income under $46,432, the maximum for a couple with two kids: $890 + 2 × $234 = **$1,358 a year** B1. Payments start from the quarter after processing.
- **BC renter's tax credit**: 10 months of rent (more than 6), income $38,000 < $66,189, so **$400** on the 2026 return B8.
- **TFSA**: $7,000 of room each from March 2026, no proration A11.
- **FHSA**: can be opened if you did not live in your own apartment in Ukraine in 2022–2026 A10.
- **CVITP**: qualifies, Canadian income, a family of 4 under $65,000 C22.
- **CDCP**: after both file; AFNI $38,000 means 0% co-payment if there is no work insurance B6.
- **RESP and BCTESG**: open an RESP with the kids' SINs now; the 8-year-old is in the BCTESG window (ages 6–8), that is **$1,200** from BC with no contributions A12 B12.

What does not work in 2026:

- **CCB and BC Family Benefit**: temporary residents, 18 months. Month 19 is **September 2027**; file RC66 + RC66SCH then, with a valid permit B2. PR earlier – apply right away.
- **Canada Learning Bond**: tied to CCB eligibility B12, so in 2026 most likely none. From the month the family becomes eligible for the CCB (the 19th month or PR), the bond flows into the already-opened RESP: $500 per child at AFNI up to $58,523.
- **CWB**: not resident all year B4.

- **BC sales tax credit**: $150 − 2% × ($38,000 − $18,000) = 0 B9.
- **RRSP deduction**: no; room for 2027 = 18% × $38,000 = $6,840 A2.
- **SimpleFile**: needs a full year of residency C21.
- **Affordable Child Care Benefit** BC: work permit holders are not on the status list B11.
- **T1135**: not in the year of arrival N9.
- **The move from Europe**: not deductible N14.

Case 2. A family with PR, third year: employee + freelancer, a child in daycare

Burnaby. Partner A: salary $72,000, an employer plan without a pension, contributed $6,000 to an RRSP before March 1, 2027. Partner B: freelancing on Upwork, gross $36,000 CAD, expenses $6,000, net $30,000. A child aged 3, daycare $9,000 for the year. Rent $2,400 a month.

Partner A C1 C4 C8 C9 C11:

STEP	CALCULATION	AMOUNT
CPP	5.95% × ($72,000 − $3,500)	$4,075.75
EI	2026 maximum	$1,123.07
Taxable income	$72,000 − $6,000 RRSP	$66,000.00
Federal tax before credits	14% × $58,523 + 20.5% × $7,477	$9,726.01
Federal credits	14% × ($16,452 + $1,501 + $4,075.75 + $1,123.07)	−$3,241.25
Federal		**$6,484.76**
BC before credits	5.60% × $50,363 + 7.70% × $15,637	$4,024.38
BC credits	5.60% × ($13,216 + $4,075.75 + $1,123.07)	−$1,031.23
BC		**$2,993.15**
Income tax A		**$9,477.91**

Partner B (B claims the daycare, as the lower net income; the limit is $8,000 for a child under 7, no more than 2/3 of earnings) K10 C9:

STEP	CALCULATION	AMOUNT
Net business income (T2125)		$30,000.00
Self-employed CPP	11.9% × ($30,000 − $3,500)	$3,153.50
Deduction of half the CPP (simplified)		−$1,576.75
Child care expenses (T778)	the least of $9,000, $8,000, 2/3 × $30,000	−$8,000.00

STEP	CALCULATION	AMOUNT
Net income B		**$20,423.25**
Federal before credits	14% × $20,423.25	$2,859.26
Federal credits	14% × ($16,452 + $1,576.75)	−$2,524.03
Federal		**$335.23**
BC before credits	5.60% × $20,423.25	$1,143.70
BC credits	5.60% × ($13,216 + $1,576.75)	−$828.39
BC tax reduction	$690 in full (income under $25,570), but no more than the remaining $315.31	−$315.31
BC		**$0.00**
B due April 30, 2027	$335.23 + $3,153.50 CPP	**$3,488.73**

Family: income tax $9,813.14, AFNI for 2026 = $66,000 + $20,423.25 = **$86,423.25**. This figure sets the benefits from July 2027.

What the $6,000 RRSP gives (illustrated on 2026–27 amounts) [B2]:

	WITH RRSP	WITHOUT RRSP
AFNI	$86,423.25	$92,423.25
CCB reduction (1 child, over $82,847)	$3,123 + 3.2% × $3,576.25 = $3,237.44	$3,123 + 3.2% × $9,576.25 = $3,429.44
CCB per year	$8,157 − $3,237.44 = **$4,919.56**	$4,727.56
Tax saving A	28.2% × $6,000 = **$1,692**	0

In total the RRSP contribution returned $1,692 in tax and added $192 in CCB. That is 31.4% of the contribution.

Other benefits:

- **BC Family Benefit**: $1,750 − 4% × ($86,423 − $30,176) falls below the minimum, so **$775 a year** [B7].
- **CGEB**: for a couple with a child the maximum is $1,124, but at AFNI over $46,432 the 5% reduction eats all of it: **$0** [B1].
- **BC renter's tax credit for 2026**: zero at income of $86,189, the family is $234 above: **$0** by the simplified calculation. Every extra $1,000 in an RRSP below $86,189 brings back $20 of credit, so this is pennies [B8]. With the exact CPP split (the enhanced portion in the deduction) the AFNI will be about $950 lower, around $85,470, and the credit appears, but only about $14.
- **CDCP**: AFNI in the $80,000–$89,999 band means 60% co-payment, and only if A's employer plan does not cover the family. Most likely it does [B6].

- **GST**: B's gross revenue of $36,000 is over $30,000, registration is mandatory; clients abroad – 0%, Canadian ones – by their province E10.
- **Instalments**: B pays instalments for 2027 if B's net tax owing for 2027 is over $3,000 **and** for 2026 ($3,488.73) or 2025 was also over $3,000 C14. So if B's income stays the same in 2027, instalments are needed: at least the September and December ones per the CRA reminder (section 8).
- **RESP**: $2,500 a year gives $500 of basic CESG plus $50 of additional CESG (10% on the first $500, because the AFNI is between $58,523 and $117,045) = **$550** A12.

Case 3. A single person with PR, second year, working and studying

Arrived in 2025, PR. In 2026 resident all year, salary $48,000, rents a room for $1,100, an evening program at BCIT for $3,000 (T2202). Age 31. No dental insurance at work.

STEP	CALCULATION	AMOUNT
CPP	5.95% × $44,500	$2,647.75
EI	1.63% × $48,000	$782.40
Federal before credits	14% × $48,000	$6,720.00
Federal credits	14% × ($16,452 + $1,501 + $2,647.75 + $782.40 + $3,000 tuition)	−$3,413.64
Federal		**$3,306.36**
BC before credits	5.60% × $48,000	$2,688.00
BC credits	5.60% × ($13,216 + $2,647.75 + $782.40 + $3,000)	−$1,100.18
BC tax reduction	income over $44,952	$0
BC		**$1,587.82**
Total		**$4,894.18**

Effective rate 10.2%. The $3,000 of tuition saved $588 (19.6%). If there had not been enough tax, the unused part would carry forward K6.

- **BC renter's credit**: $400 (12 months of rent, income under $66,189) B8.
- **CGEB** from July 2027 (guide by 2026–27 amounts): $679 − 5% × ($48,000 − $46,432) = **$600.60 a year** B1.
- **CWB**: at $48,000 – zero (gone around $38,492) B4.
- **CDCP**: no insurance, AFNI under $70,000 – 0% co-payment B6.
- **Canada training credit**: 2025 does not count (part of the year), so the limit for 2026 is zero. For 2026 the first $250 accrues (age 26–65, resident all year, income over $12,058), usable from the 2027 return K7.
- **TFSA room**: $7,000 (2025) + $7,000 (2026) = $14,000 A11.

- **RRSP**: room for 2026 = 18% of 2025 earnings (on the 2025 NOA); at a 19.6% marginal rate a TFSA is often more logical, an FHSA if there are housing plans A2 A10.
- **BC sales tax credit**: $75 − 2% × ($48,000 − $15,000) = 0 B9.

Case 4. A mother with two kids, husband in Ukraine

Arrived in August 2023 on CUAET with two kids. Now (2026) the kids are 5 and 10. Got PR in 2026. Works, 2026 income $30,000. Renting. The husband lives in Ukraine, his income is about the equivalent of $15,000 CAD a year. The marriage is not dissolved, she sends him no money.

Her 2026 tax C1 C4 C8 C9 C11:

STEP	CALCULATION	AMOUNT
CPP	5.95% × $26,500	$1,576.75
EI	1.63% × $30,000	$489.00
Federal before credits	14% × $30,000	$4,200.00
Federal credits	14% × ($16,452 BPA + $16,452 eligible dependant + $1,501 + $1,576.75 + $489) = 14% × $36,470.75	−$5,105.91, but no more than $4,200.00
Federal	max(0, $4,200 − $5,105.91)	**$0.00**
BC before credits	5.60% × $30,000	$1,680.00
BC credits	5.60% × ($13,216 + $11,317 eligible dependant + $1,576.75 + $489) = 5.60% × $26,598.75	−$1,489.53
BC tax reduction	$690 − 3.56% × ($30,000 − $25,570) = $532.29, but no more than the remaining $190.47	−$190.47
BC		**$0.00**
Total income tax		**$0.00**

The key to zero is the **eligible dependant amount** for one child K2. She is married but does not live with her husband, does not support him and he does not support her, so for this credit the CRA treats her as separated: “CRA considers that you were separated for the purpose of this amount” K2. Without this credit the tax would be $1,689.30. Everything the employer withheld from her pay comes back. If she sent her husband living money, this credit would not exist; instead the spouse amount would appear: $16,452 minus his income in CAD, with documents K1.

Benefits:

- **CCB**: the 18 months from August 2023 have passed, the 19th month was March 2025; PR in 2026 only confirms the eligibility. The husband is a non-resident, so the RC66 needs an RC66SCH and a

CTB9 with his income for every year [B2]. AFNI for 2025 = her $22,000 + his $15,000 = $37,000 (assumption). That is under $38,237, so the full amount: $8,157 + $6,883 = **$15,040 a year**, $1,253.33 a month [B2].

- **BC Family Benefit**: $2,850 − 4% × ($37,000 − $30,176) = **$2,577.04 a year** [B7]. No single-parent supplement: for the CCB and BCFB she is married (the test differs from the dependant credit).
- **CGEB**: a guide for a family with two kids up to $1,358; how exactly the CRA accounts for a non-resident husband depends on her status in the system. Check the CRA account after processing [B1].
- **BC renter's credit**: $400 [B8].
- **CDCP**: 0% co-payment at AFNI under $70,000 [B6].
- **Affordable Child Care Benefit**: now a PR, income under $45,000 – the maximum subsidy for daycare or after-school care [B11].
- **RESP**: both kids qualify for the CLB (income under $58,523): $500 + $100 a year each with no contributions. BCTESG: the 10-year-old missed the 6–8 window; the 5-year-old can from the 6th birthday [A12] [B12].
- **CWB**: about **$2,869** for 2026 at the family rate, through Schedule 6 [B4] [C1]. The family rate applies because her kids under 19 living with her are "eligible dependants". The husband is not an "eligible spouse": the CRA requires the partner to live with you on December 31 and be a Canadian resident all year [B4], so his income does not count in the CWB. The phase-in 27% × ($30,000 − $3,000) = $7,290 exceeds the maximum, and her net income (about $30,000) is below the $31,251 family reduction threshold, so the amount is full. If she received the CWB advance (RC210), it is subtracted. This is an estimate: check the software's result.
- **TFSA room** (18+, resident since 2023): $6,500 + $7,000 × 3 = $27,500 [A11] [A1].

> **WATCH OUT**
>
> If the husband comes, the CRA must be told (SIN, date, income): the CCB is recalculated, and the eligible dependant amount disappears from the year they live together. If they separate because of a breakdown of the relationship, after 90 days of living apart she becomes "single" for the CCB too: the BCFB single-parent supplement appears, and the benefits are calculated without his income [B2]. The eligible dependant amount does not depend on that: she already has it as long as they do not live together and do not support each other [K2].

Case 5. An Upwork freelancer who arrived June 1, 2026

A single person, no kids. Before the move lived in Europe and already worked on Upwork; since June 1, 2026 lives in Vancouver, rents an apartment for $2,200 a month, the workspace is 15% of the area. Income is even all year: **USD 4,000 a month** gross (what the clients paid), platform fee 10%, all clients abroad. The rate for the example is the 2025 average of **1.3978**, as in the section 8 example: the Bank of Canada publishes the 2026 average only at the end of December [E9]. Rates and amounts from [C1] [C4] [C9] [N2] [N3].

Step 1. Cut the year at the residency date. The date is June 1, 2026, that is 214 days of residency (June 1 to December 31, the arrival day counts) [N2].

PERIOD	GROSS INCOME	WHAT TO DO WITH IT
January 1 – May 31 (non-resident)	USD 20,000 × 1.3978 = $27,956.00; minus 10% fee = **$25,160.40** net	not taxed in Canada; stated as net world income for the non-resident part of the year, only for benefits N2
June 1 – December 31 (resident)	USD 28,000 × 1.3978 = **$39,138.40**	T2125 on the Canadian return: only the income and expenses of these seven months E1

Step 2. T2125 for June-December E1 E2:

STEP	CALCULATION	AMOUNT
Gross income	USD 28,000 × 1.3978	$39,138.40
Platform fee	10%	−$3,913.84
Software and subscriptions (June-December)		−$700.00
Home office	15% × $2,200 × 7 months of rent	−$2,310.00
Net business income		**$32,214.56**

Step 3. CPP and tax.

STEP	CALCULATION	AMOUNT
Self-employed CPP (only on income after residency)	11.9% × ($32,214.56 − $3,500)	$3,417.03
Deduction of half the CPP (simplified, as in the cases above)		−$1,708.52
Net income (line 23600)		**$30,506.04**
Federal tax before credits	14% × $30,506.04	$4,270.85
BPA prorated	214/365 × $16,452	$9,645.83
Federal credits	14% × ($9,645.83 + $1,708.52 CPP, in full)	−$1,589.61
Federal tax		**$2,681.24**
BC tax before credits	5.60% × $30,506.04	$1,708.34
BC credits	5.60% × (214/365 × $13,216 + $1,708.52) = 5.60% × ($7,748.56 + $1,708.52)	−$529.60
BC tax reduction	$690 − 3.56% × ($30,506.04 − $25,570)	−$514.28
BC tax		**$664.46**
Total income tax		**$3,345.70**
Due April 30, 2027 (tax + CPP)		**$6,762.73**

What matters here:

- **The BPA is prorated**, because Canadian income for the non-resident part of the year is 0% of world income, not 90%+ [N3]. The full BPA here is a common mistake the CRA will bill you for.
- **CPP is calculated only on income after the residency date**: January-May income is not on the Canadian return, so not on Schedule 8 either. I took the $3,500 basic exemption in full; it is prorated in special cases (age 18 or 70, disability, death), not because of arrival. This is my reading of Schedule 8; the software calculates it exactly [C9].
- **Nobody withheld anything.** $6,762.73 is 17.3% of June-December gross income. The "25–35% of every payout" rule from section 8 gives a buffer here for GST expenses, exchange rate swings and mistakes.

Step 4. GST. The $30,000 threshold counts worldwide taxable supplies, including zero-rated [E10]. Counting only from June 1: June $5,591.20, the third quarter $16,773.60, so $22,364.80 on September 30, below the threshold; on December 31 the sum for the four quarters of 2026 (effectively June-December) is $39,138.40, over $30,000. Then you are a small supplier until the end of the following month, and registration is required from the first supply after that, meaning from February 2027, within 29 days [E10]. Whether supplies made before the move, when you were not doing business in Canada, count toward the threshold, the CRA does not explain directly for this case; if they count, the threshold was passed in the second quarter. The simplest solution: **register voluntarily from the first month in BC**. Clients abroad – 0% rate, nothing payable, and the GST on the laptop, software and accountant comes back through ITCs [E11] [E14].

Step 5. Benefits: RC151 and CGEB. The RC151 is filed in the year of arrival, online, since there are no kids [B1] [B13]. In it you state net world income for 2025: USD 48,000 × 1.3978 minus 10% = $60,384.96. That is above the $60,012 ceiling for a single person, so for July 2026 – June 2027 the CGEB is most likely **$0** [B1]. Filing the RC151 is still worth it: that is how the CRA registers you in the benefit system. From July 2027 the CGEB is calculated from 2026, where net world income = $25,160.40 before arrival + $30,506.04 after = **$55,666.44**. A guide by 2026–27 amounts: $679 − 5% × ($55,666.44 − $46,432) = **$217.28 a year** [B1]. This is exactly why world income before arrival cannot be skipped on the return: it produces no tax, but it changes the benefits.

Step 6. Other items in this case.

- **Instalments:** none in 2026, because there was no Canadian balance in 2025 and 2024 [C14]. But net tax owing for 2026 ($6,762.73) is over $3,000, so if 2027 looks similar, the CRA will send a reminder for September 15 and December 15, 2027 (section 8).
- **BC renter's tax credit:** 7 months of rent, that is 6+, income under $66,189: **$400** [B8].
- **RRSP:** nothing to deduct in 2026; room for 2027 is calculated from 2026 Canadian earned income: 18% × $32,214.56 = $5,798.62 [A2]. The NOA will show the exact figure.
- **TFSA:** $7,000 for 2026 in full, no proration [A11].
- **CDCP:** no insurance and AFNI under $70,000 – 0% co-payment after filing [B6].
- **Upwork:** update the tax address to Canadian and, when you have it, enter the GST number. Report gross income and the fee as an expense; otherwise a mismatch with the platform's data [E6].

- **T1135:** not filed in the year of arrival. From 2027, if money on Payoneer, Wise and foreign accounts together exceeds $100,000 in cost – yes [N9].

Case 6. A family on CUAET since 2022: two salaries, a second job, a missed return, PR in 2026

Oleh and Iryna arrived in August 2022 on CUAET with two kids; now (2026) the kids are 6 and 9. They live in Surrey, renting. Both are employees. Oleh: one job, $64,000 for 2026. Iryna: a main job at $50,000 and an evening job at $24,000. In May 2026 the family got PR. Before the war they lived in their own apartment in Kharkiv until February 2022. In 2023 Oleh studied English, had no income and did not file a 2023 return.

Step 1. Catch up on 2023. The family's CCB started in March 2024 (the 19th month after arrival) and stopped in July 2024: July 2024 – June 2025 payments are calculated from both partners' 2023 returns, and Oleh's is missing [B2]. From July 2025 the money came again, because both filed for 2024.

- Oleh files the 2023 return online: the current NETFILE season accepts a first return for 2023 until January 29, 2027 [C19]. Income $0, so no penalty [C15].
- After the assessment the CRA determines CCB eligibility for July 2024 – June 2025 and pays the missed amounts on the next payment date [B20]. BCFB and CGEB for the same period are calculated from the same returns [B7] [B1]. The CRA calculates the amount itself: these are 2024–25 period amounts, not the 2026–27 tables from section 5.
- Bonus: the 2023 return closes the gap before a future citizenship application [N21].

Step 2. Iryna's second job and the TD1 [C8] [C9] [C11]:

WHAT	CALCULATION	AMOUNT
CPP, main job	5.95% × ($50,000 − $3,500)	$2,766.75
CPP, evening job	5.95% × ($24,000 − $3,500)	$1,219.75
CPP total	below the $4,230.45 maximum, no overpayment	$3,986.50
EI, main job	1.63% × $50,000	$815.00
EI, evening job	1.63% × $24,000	$391.20
EI total	the 2026 maximum is $1,123.07	$1,206.20
EI overpayment, returned on the return	$1,206.20 − $1,123.07	**$83.13**

The CPP and EI amounts are simplified to annual; the exact figures will be in box 16 and box 18 of the two T4s. The software calculates the overpayment on its own if both T4s are entered (section 3).

The main risk is the TD1 at the evening job. If Iryna claimed the basic amount there too, each employer gave her $16,452 tax-free. Under-withheld at least 14% × $16,452 = $2,303.28 federally and 5.60% × $13,216 = $740.10 in BC, that is **about $3,000 owing** in April 2027 [C1] [C4] [C8]. What to do right now: at the

evening job file a new TD1 with “0” on line 13 and ask for extra withholding from each paycheque until the end of the year (section 3).

Step 3. What PR in May 2026 gave (checklist in section 4):

- Update both SINs at Service Canada [N12].
- The CCB is already coming: nothing needs to be re-applied for. The 18-month rule no longer changes anything for this family.
- **ACCB:** if the kids attend a licensed before- or after-school group, check eligibility for the Affordable Child Care Benefit: on a work permit there was none, with PR there is [B11].
- **MSP Supplementary Benefits:** with PR and 4 years in Canada the status qualifies, but family income is above $42,000, so no [B17].
- **Housing:** the first-time buyer property transfer tax exemption and the Home Owner Grant are now available [H2] [H3]. But their own apartment in Kharkiv where they lived takes away the BC first-time buyer exemption forever (section 9) [H2].

Step 4. Accounts.

- **TFSA:** each is 18+ and resident since 2022, so 2026 room is **$33,500** per person, $67,000 per couple, if they never contributed [A11] [A1].
- **FHSA:** they lived in their own apartment in 2022, so they pass the federal first-time buyer test from **January 1, 2027** (the table in section 6) [A10]. Open the FHSA in January 2027, not December 2026.
- **RESP and BCTESG:** the 6-year-old is in the BCTESG window, that is $1,200 from BC with no contributions [A12] [B12].

What does not work: the BC renter’s tax credit (adjusted family income ~$138,000 over $86,189) [B8]; the CDCP (AFNI over $90,000) [B6]; the CWB (income too high) [B4].

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CHAPTER 15 / 15

Checklist, glossary, sources

Document checklist for the 2026 return

Everyone:

- ☐ SIN (or TTN) of every family member, dates of birth
- ☐ 2025 NOA (if there was one): RRSP room, NETFILE code
- ☐ A T4 from every employer (box 44 union dues, box 52 pension adjustment)
- ☐ T4A, T4E (EI), T5 (interest), T3 (funds), T5008 (sales), T2202 (tuition), RC210 (CWB advance)
- ☐ T5007, if you received BC income assistance or WorkSafeBC compensation (not taxed, but reported)
- ☐ Your own table of cash and e-transfer income without slips, tips
- ☐ RRSP slips (March-December 2026 and January-March 1, 2027), FHSA (T4FHSA)
- ☐ Receipts: daycare (with the provider's name and SIN), medical, dental, glasses, donations (official receipt), union
- ☐ Rent in BC: address, amount for the year, months, landlord's name
- ☐ Form T2200 from the employer, if you work from home
- ☐ Direct deposit: account number

Newcomers (first return):

- ☐ Date of entry (MMDD)
- ☐ World income before the residency date in CAD (for benefits)
- ☐ The partner's income abroad in CAD
- ☐ RC151 filed; RC66 + RC66SCH + CTB9 if there are kids
- ☐ Evidence of the fair market value of property abroad on the arrival date (for the future)

Freelancers:

- ☐ The platform's report for the year (gross income and fees by quarter)
- ☐ Bank, Payoneer, Wise statements; the exchange rate and conversion method
- ☐ Receipts for every expense; the CCA table; the apartment floor plan for the home office
- ☐ Vehicle log, if any; for taxi, rideshare and delivery also the platform's per-trip reports
- ☐ Private health plan premiums (PHSP), if you bought it yourself
- ☐ GST number and the GST return for the year, if registered
- ☐ Contracts and addresses of foreign clients (proof of 0%)

Investors:

- ❑ The ACB of every security (your own table, not the broker's)
- ❑ Crypto: every trade with its value in CAD
- ❑ Foreign property: cost at the start and the year's maximum (T1135, from the second year)
- ❑ A home sale: date, price, T2091; BC flipping tax within 90 days if under 730 days

Glossary

TERM	FORM / LINE	WHAT IT IS
tax return	T1	the annual form filed with the CRA
tax year		the calendar year you report on (2026)
Notice of Assessment	NOA	the CRA's response after processing the return
taxable income	line 26000	net income minus a few more deductions; the rates apply to it
net income	line 23600	total income minus most deductions (RRSP, daycare, CPP); the base for benefits and thresholds
adjusted family net income	AFNI	both partners' net income, from which CCB, CGEB, BCFB are calculated
tax bracket		the slice of income to which one rate applies
marginal rate		the rate on the next dollar
effective (average) rate		total tax / total income
non-refundable tax credit		reduces tax by 14% (federally) of the amount, not below zero
refundable credit		paid out even when there is no tax
deduction		reduces income
basic personal amount	BPA	$16,452 federally, $13,216 BC in 2026
source deductions, withholding		tax, CPP, EI the employer takes off
refund / balance owing		the result of the reconciliation
resident for tax purposes		status by ties, not by visa
world income		income from every country after the residency date
newcomer		the first year of residency for the CRA
prorated credit		credit × days of residency / 365

TERM	FORM / LINE	WHAT IT IS
tax treaty (convention)		Canada-Ukraine, 1996
foreign tax credit	T2209	credit for tax paid abroad
specified foreign property	T1135	reporting at cost over $100,000
self-employed, sole proprietor	T2125	works for themselves, reports through T2125
instalment		a quarterly tax payment in advance
small supplier		revenue up to $30,000, GST registration optional
zero-rated		GST 0%, but with the right to ITCs
input tax credit	ITC	recovery of GST on business purchases
capital cost allowance	CCA	writing off equipment in portions
capital gain	Schedule 3	profit from selling property, 50% taxable
adjusted cost base	ACB	purchase price with commissions
principal residence exemption	T2091	a tax-free home sale, if reported
registered account		RRSP, TFSA, FHSA, RESP, RDSP
contribution room		how much you can put in
review / audit		a request for documents / a full examination
objection	T400A	formal disagreement with an assessment
adjustment	Change my return, T1-ADJ	correcting a filed return
Voluntary Disclosures Program	VDP	coming forward before a review, with relief from penalties

Sources

All links are official: canada.ca (CRA, ESDC, IRCC, Finance Canada), gov.bc.ca, ontario.ca, alberta.ca, the texts of acts and treaties. Verified: October 3, 2026. In parentheses, the year the figures on the page apply to.

System, rates, deadlines, filing

C1 CRA, Tax rates and income thresholds, current year (2026): https://www.canada.ca/en/revenue-agency/services/tax/individuals/tax-rates-brackets/current-year.html; Indexation adjustment for personal income tax and benefit amounts (2026, including the CWB and the Canada training credit): https://www.canada.ca/en/revenue-agency/services/tax/individuals/frequently-asked-questions-individuals/adjustment-personal-income-tax-benefit-amounts.html; last year (2025): https://www.canada.ca/en/revenue-agency/services/tax/individuals/tax-rates-brackets/last-year.html

C2 CRA, General income tax and benefit package (province on December 31): https://www.canada.ca/en/revenue-agency/services/forms-publications/tax-packages-years/general-income-tax-benefit-package.html

C3 CRA tax tip, Taxes made simple for newcomers (2026): https://www.canada.ca/en/revenue-agency/news/newsroom/tax-tips/tax-tips-2026/tax-tip-taxes-made-simple-newcomers-canada.html

C4 Government of BC, Personal income tax rates (2026, bracket indexation paused 2027–2030): https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/tax-rates; Basic personal income tax credits (2026): https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/basic

C5 Government of BC, Budget 2026 tax changes (indexation of brackets and non-refundable credits paused 2027–2030): https://www2.gov.bc.ca/gov/content/taxes/tax-updates/budget-changes

C6 CRA, T4127 Payroll deductions formulas, January 2026: https://www.canada.ca/en/revenue-agency/services/forms-publications/payroll/t4127-payroll-deductions-formulas/t4127-jan/t4127-jan-payroll-deductions-formulas-computer-programs.html; July 2026: https://www.canada.ca/en/revenue-agency/services/forms-publications/payroll/t4127-payroll-deductions-formulas/t4127-jul/t4127-jul-payroll-deductions-formulas.html; T4032BC July 2026 (6.14% and $805): https://www.canada.ca/en/revenue-agency/services/forms-publications/payroll/t4032-payroll-deductions-tables/t4032bc-july/t4032bc-july-general-information.html

C7 Finance Canada, Report on the impact of reducing the lowest marginal rate on non-refundable credits (top-up credit 2025–2030): https://www.canada.ca/en/department-finance/services/publications/report-impact-reducing-lowest-marginal-personal-income-tax-rate-non-refundable-tax-credits.html; CRA, line 34990: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-34990-top-up-tax-credit.html

C8 CRA, Form TD1 2026 (TD1 E (26)): https://www.canada.ca/content/dam/cra-arc/formspubs/pbg/td1/td1-26e.pdf; TD1BC 2026: https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later/td1bc.html

C9 CRA, CPP contribution rates, maximums and exemptions (2026): https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/cpp-contribution-rates-maximums-exemptions.html; CPP enhancement: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/cpp-enhancement.html

C10 CRA, Second additional CPP contribution rates and maximums (2026): https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/calculating-deductions/making-deductions/second-additional-cpp-contribution-rates-maximums.html

C11 ESDC, 2026 EI premium rate: https://www.canada.ca/en/employment-social-development/news/2025/09/canada-employment-insurance-commission-sets-the-2026-employment-insurance-premium-rate.html; CRA, EI premium rates and maximums: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/employment-insurance-ei/ei-premium-rates-maximums.html; EI benefit amount ($729 a week, 2026): https://www.canada.ca/en/services/benefits/ei/ei-regular-benefit/benefit-amount.html

C12 CRA, Important dates for individuals: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/important-dates-individuals.html

C13 = C3 (NETFILE for newcomers, temporary number 01/03, refund timelines)

C14 CRA, Who has to pay instalments: https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/individual-payments/income-tax-instalments/who-pays-instalments.html; instalment due dates: https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/individual-payments/income-tax-instalments/due-dates.html

C15 CRA, Late-filing penalty: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/interest-penalties/late-filing-penalty.html

C16 CRA, Prescribed interest rates, Q4 2026: https://www.canada.ca/en/revenue-agency/services/tax/prescribed-interest-rates/2026-q4.html

C17 CRA, Sign-in services: https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services.html; register for CRA sign-in services: https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services/register-cra-sign-in-services.html

C18 CRA, About Auto-fill my return: https://www.canada.ca/en/revenue-agency/services/e-services/about-auto-fill-return.html

C19 CRA, NETFILE overview (season dates, years): https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-individuals/netfile-overview.html

C20 CRA, Certified tax software, NETFILE program (list for tax year 2025): https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-individuals/netfile-overview/certified-software-netfile-program.html

C21 CRA, SimpleFile: https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/how-file/simplefile.html; SimpleFile Digital: https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/how-file/simplefile/digital.html; automatic tax filing: https://www.canada.ca/en/revenue-agency/campaigns/offering-and-expanding-automatic-tax-filing-services.html

C22 CRA, Community Volunteer Income Tax Program: https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program.html; income limits (2026 season): https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program/need-a-hand-complete-your-tax-return.html; clinic statistics (2025): https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program/free-tax-clinic-statistics.html; Tax clinic directory: https://apps.cra-arc.gc.ca/ebci/oecv/external/prot/startClinicSearch.action?request_locale=en_CA

C23 CRA, Paper filing: https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/how-file/paper.html; refunds: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/refunds.html; processing times: https://www.canada.ca/en/revenue-agency/corporate/contact-information/check-cra-processing-times.html; direct deposit: https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/direct-deposit.html

C24 CRA, Notice of assessment: https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/after-you-file/noa-nor.html

C25 CRA, Recognize a scam: https://www.canada.ca/en/revenue-agency/corporate/scams-fraud/recognize-scam.html; verify CRA contact: https://www.canada.ca/en/revenue-agency/corporate/scams-fraud/verify-cra-contact.html; Canadian Anti-Fraud Centre: https://antifraudcentre-centreantifraude.ca/report-signalez-eng.htm

C27 CRA, Change my return: https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/after-you-file/change-return.html

Newcomers, residency, Ukraine

N1 CRA, Newcomers to Canada (ties, residency date, TTN): https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/newcomers-canada-immigrants.html; tax tip 2025, Filing for the first time: https://www.canada.ca/en/revenue-agency/news/newsroom/tax-tips/tax-tips-2025/new-canada-filing-tax-return-first-time.html

N2 CRA, Completing your return, newcomers (income before and after residency, date of entry, deemed acquisition, RRSP in the first year): https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/newcomers-canada-immigrants/completing-return-newcomers.html

N3 CRA, Federal non-refundable tax credits for newcomers and emigrants (proration, the 90% rule): https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/federal-non-refundable-tax-credits-newcomers-emigrants.html

N4 CRA, Deemed residents: https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/deemed-residents.html

N5 CRA, Form NR74: https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/nr74.html

N6 Convention between Canada and Ukraine (1996), full text: https://www.treaty-accord.gc.ca/text-texte.aspx?lang=eng&id=102414

N7 CRA, Line 25600 Additional deductions (treaty-exempt income): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-25600-additional-deductions.html

N8 CRA, Line 40500 Federal foreign tax credit (T2209): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-40500-federal-foreign-tax-credit.html; Income Tax Folio S5-F2-C1 Foreign tax credit: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-5-international-residency/folio-2-foreign-tax-credits-deductions/income-tax-folio-s5-f2-c1-foreign-tax-credit.html

N9 CRA, Questions and answers about Form T1135: https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/foreign-reporting/questions-answers-about-form-t1135.html; table of penalties: https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/foreign-reporting/table-penalties.html

N10 CRA, Line 12100 Interest and other investment income (currency conversion): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12100-interest-other-investment-income.html

N11 CRA, Leaving Canada (emigrants): https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/leaving-canada-emigrants.html; dispositions of property: https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/dispositions-property.html

N12 Service Canada, Apply for a SIN: https://www.canada.ca/en/employment-social-development/services/sin/apply.html; SIN for temporary residents: https://www.canada.ca/en/employment-social-development/services/sin/temporary-residents.html

N13 IRCC, Canada-Ukraine transitional assistance (one-time payment, closed June 30, 2024): https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/ukraine-measures/settlement/get-financial-assistance.html

N14 CRA, Line 21900 Moving expenses: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-21900-moving-expenses.html

N15 CRA, Amounts that are not reported or taxed (gifts, inheritances, CCB, CGEB; income earned on them is taxed): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/amounts-that-taxed.html

N16 CRA, Line 10400 Other employment income (foreign employment income without a T4): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-10400-other-employment-income.html

N17 CRA, Form CPT20 Election to Pay Canada Pension Plan Contributions: https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/cpt20.html

N18 Service Canada, International benefits, eligibility (OAS: 10 years of residence after 18; totalizing periods under agreements): https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-international/eligibility.html

N19 Global Affairs Canada, Canada-Ukraine joint statement, September 10, 2026 (start of preliminary discussions on a social security agreement): https://www.international.gc.ca/country_news-pays_nouvelles/2026-09-10-canada-ukraine.aspx?lang=eng

N20 IRCC, Ukraine immigration measures (CUAET closed July 15, 2023): https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/ukraine-measures.html

N21 IRCC, Citizenship: who can apply (tax returns for 3 of 5 years if required to file; physical presence 1,095 days, temporary resident days count as half, maximum 365): https://www.canada.ca/en/immigration-refugees-citizenship/services/canadian-citizenship/become-canadian-citizen/eligibility.html

N22 CRA, Line 14500 Social assistance payments (T5007 box 11, not taxed, line 25000, which partner reports): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-145-social-assistance-payments.html

N23 CRA, Line 14400 Workers' compensation benefits (T5007 box 10): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-144-workers-compensation-benefits.html

N24 CRA, Line 25000 Other payments deduction: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-25000-other-payments-deduction.html

Benefits (July 2026 – June 2027)

B1 CRA, Canada Groceries and Essentials Benefit: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit.html; how much: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit/how-much.html; payment amounts: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit/how-much/payment-amounts.html; payments chart: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit/how-much/payments-chart.html; who is eligible: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit/who-eligible.html; get the benefit: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-groceries-essentials-benefit/get-benefit.html; RC4210: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4210/canada-groceries-essentials-benefit.html; Finance Canada, February 2026: https://www.canada.ca/en/department-finance/news/2026/02/legislation-passes-to-deliver-new-canada-groceries-and-essentials-benefit.html

B2 CRA, CCB, how we calculate (2026–27): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-we-calculate-your-ccb.html; before you apply (status test): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-before-you-apply.html; how to apply (Automated Benefits Application, RC66, RC66SCH, CTB9): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-apply.html; after you apply: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-after-you-apply.html; T4114: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4114/canada-child-benefit.html

B3 CRA, Benefit payment dates (2026): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/benefit-payment-dates.html

B4 CRA, Canada workers benefit, who is eligible (eligible spouse, eligible dependant): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45300-canada-workers-benefit-cwb/who-is-eligible.html; how much: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45300-canada-workers-benefit-cwb/how-much-you-can-get.html; how to claim: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45300-canada-workers-benefit-cwb/how-to-claim.html; line 41500, advance payments: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-41500-canada-workers-benefit-cwb-advance-payments.html; CWB Q&A (rates): https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2021-recovery-plan-for-jobs-growth-resilience/canada-workers-benefit-qa.html; 2026 amounts: C1, indexation table

B5 Service Canada, Canada Disability Benefit amount (2026–27): https://www.canada.ca/en/services/benefits/disability/canada-disability-benefit/amount.html; eligibility: https://www.canada.ca/en/services/benefits/disability/canada-disability-benefit/eligibility.html; apply: https://www.canada.ca/en/services/benefits/disability/canada-disability-benefit/apply.html; benefits calendar: https://www.canada.ca/en/services/benefits/calendar.html

B6 Canadian Dental Care Plan, qualify: https://www.canada.ca/en/services/benefits/dental/dental-care-plan/qualify.html; coverage: https://www.canada.ca/en/services/benefits/dental/dental-care-plan/coverage.html; apply: https://www.canada.ca/en/services/benefits/dental/dental-care-plan/apply.html; renewal, April 2026: https://www.canada.ca/en/employment-social-development/news/2026/04/canadian-dental-care-plan-renewal-season-opens-april-15.html

B7 Government of BC, B.C. family benefit (2026–27): https://www2.gov.bc.ca/gov/content/family-social-supports/affordability/family-benefit; CRA, BC programs: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/provincial-territorial-programs/province-british-columbia.html

B8 Government of BC, Renter's tax credit (2026 thresholds): https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/renters-tax-credit

B9 Government of BC, Sales tax credit: https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/sales-tax

B10 Government of BC, Climate action tax credit (ended April 2025): https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/climate-action; CRA, Canada Carbon Rebate: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-carbon-rebate.html

B11 Government of BC, Affordable Child Care Benefit eligibility: https://www2.gov.bc.ca/gov/content/family-social-supports/caring-for-young-children/childcarebc-programs/child-care-benefit/information-for-families/eligibility-estimate-funding

B12 ESDC, Canada Learning Bond (automatic enrolment: the caregiver must be eligible for the CCB): https://www.canada.ca/en/services/benefits/education/education-savings/canada-learning-bond.html; CRA, Canada Learning Bond: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-education-savings-plans-resps/canada-education-savings-programs-cesp/canada-learning-bond.html; CLB thresholds 2026–27 (Notice #1138): https://www.canada.ca/en/employment-social-development/services/student-financial-aid/education-savings/resp/resp-promoters/bulletin/notice-2026-1138.html; Government of BC, BCTESG: https://www2.gov.bc.ca/gov/content/education-training/k-12/support/scholarships/bc-training-and-education-savings-grant

B13 CRA, Form RC151: https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/rc151.html; online RC151: https://apps.cra-arc.gc.ca/ebci/uisp/rc151/ntr/en.html; Form RC66: https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/rc66.html

B14 CRA, Line 11900 Employment insurance and other benefits (T4E): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-11900-employment-insurance-other-benefits.html

B15 Service Canada, EI maternity and parental benefits (55% up to $729; extended option 33% up to $437): https://www.canada.ca/en/services/benefits/ei/ei-maternity-parental.html

B16 Government of BC, Fair PharmaCare plan (income from 2 years earlier, consent to CRA verification, $10,000 deductible without consent, 70%/75%, Proof of Income Affidavit): https://www2.gov.bc.ca/gov/content/health/health-drug-coverage/pharmacare-for-bc-residents/who-we-cover/fair-pharmacare-plan; assistance levels table from May 1, 2026: https://www2.gov.bc.ca/gov/content/health/health-drug-coverage/pharmacare-for-bc-residents/who-we-cover/fair-pharmacare-plan/how-your-coverage-is-calculated/fair-pharmacare-assistance-levels-regular

B17 Government of BC, MSP Supplementary Benefits ($23 per visit, 10 visits, adjusted income under $42,000, citizens and PRs 12 months): https://www2.gov.bc.ca/gov/content/health/health-drug-coverage/msp/bc-residents/benefits/services-covered-by-msp/supplementary-benefits

B18 BC Housing, Rental Assistance Program (income up to $60,000, a child, 30% of income, 12 months in BC, a return, CUAET; rent ceilings from April 2025): https://www.bchousing.org/housing-assistance/rental-assistance-programs/RAP

B19 BC Housing, Shelter Aid for Elderly Renters (SAFER) (60+, income under $40,000, $1,150 ceiling from April 2025, CUAET): https://www.bchousing.org/housing-assistance/rental-assistance-programs/SAFER

B20 CRA, Canada child benefit, after you apply (late filing: payments stop, missed amounts paid retroactively after assessment): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview/canada-child-benefit-after-you-apply.html

B21 Service Canada, EI regular benefits, how much you could receive (55%, up to $729 a week from 2026; benefits are taxable, tax is withheld): https://www.canada.ca/en/services/benefits/ei/ei-regular-benefit/benefit-amount.html; after you apply (ROE): https://www.canada.ca/en/services/benefits/ei/ei-regular-benefit/after-applying.html

B22 CRA, Line 23500 Social benefits repayment (EI repayment threshold $82,125, tax year 2025): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-23500-social-benefits-repayment.html

Credits and deductions

K1 CRA, Line 30300 Spouse or common-law partner amount: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-30300-spouse-common-law-partner-amount.html

K2 CRA, Line 30400 Amount for an eligible dependant: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-30400-amount-eligible-dependant.html

K3 CRA, Canada caregiver amount: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/canada-caregiver-amount.html

K4 CRA, Disability tax credit, eligibility: https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/disability-tax-credit/eligible-dtc.html; how to apply (T2201): https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/disability-tax-credit/how-apply-dtc.html; claiming the credit: https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/disability-tax-credit/claiming-dtc.html; line 31800: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31800-disability-amount-transferred-a-dependant.html

K5 CRA, Lines 33099/33199 Medical expenses: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/lines-33099-33199-eligible-medical-expenses-you-claim-on-your-tax-return.html; RC4065: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4065/medical-expenses.html; line 45200, refundable medical expense supplement: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45200-refundable-medical-expense-supplement.html

K6 CRA, Line 32300 Tuition: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-32300-your-tuition-education-textbook-amounts.html; eligible tuition fees: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-32300-your-tuition-education-textbook-amounts/eligible-tuition-fees.html; transferring and carrying forward: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-32300-your-tuition-education-textbook-amounts/transferring-carrying-forward-amounts.html

K7 CRA, Line 45350 Canada training credit: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45350-canada-training-credit.html; Canada training credit: https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-training-credit.html

K8 CRA, Line 31900 Interest paid on student loans: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31900-interest-paid-on-your-student-loans.html; ESDC, interest-free loans (2023): https://www.canada.ca/en/employment-social-development/news/2023/03/government-of-canada-provides-interest-free-loans-for-students-effective-april1.html; StudentAid BC: https://studentaidbc.ca/news/general/eliminating-interest-bc-student-loans

K9 CRA, Line 34900 Donations and gifts: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-34900-donations-gifts.html; P113 Gifts and income tax: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/p113/p113-gifts-income-tax.html; list of foreign organizations: https://www.canada.ca/en/revenue-agency/services/charities-giving/other-organizations-that-issue-donation-receipts-qualified-donees/foreign-charities-that-have-received-a-gift-majesty-right-canada.html

K10 CRA, Line 21400 Child care expenses, who can claim: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-21400-child-care-expenses/who-claim-deduction.html; who is eligible: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-21400-child-care-expenses/who-eligible.html; expenses you can claim: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-21400-child-care-expenses/expenses-claim.html; Folio S1-F3-C1: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-1-individuals/folio-3-family-unit-issues/income-tax-folio-s1-f3-c1-child-care-expense-deduction.html

K11 CRA, Line 21200 Annual union, professional or like dues: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-21200-annual-union-professional-like-dues.html

K12 CRA, Line 22900 Work-space-in-the-home expenses, what changes: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-22900-other-employment-expenses/work-space-home-expenses/what-changes.html; detailed method: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-22900-other-employment-expenses/work-space-home-expenses/who-claim/detailed-method.html; expenses you can claim: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-22900-other-employment-expenses/work-space-home-expenses/expenses-can-claim.html; calculate: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-22900-other-employment-expenses/work-space-home-expenses/calculate-expenses.html

K13 CRA, Pension income splitting: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/pension-income-splitting.html; line 31400: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31400-pension-income-amount.html

K14 CRA, Line 31270 Home buyers' amount: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31270-home-buyers-amount.html

K15 CRA, Line 31285 Home accessibility expenses: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31285-home-accessibility-expenses.html; Government of BC, Home renovation tax credit for seniors and persons with disabilities: https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/seniors-renovation

K16 CRA, Line 45355 Multigenerational home renovation tax credit (2025): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45355-mhrtc.html

K17 CRA, Budget 2025 information on select measures (personal support workers credit): https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2025-cra-information-select-measures.html; Library of Parliament, Bill C-15: https://lop.parl.ca/staticfiles/PublicWebsite/Home/ResearchPublications/LegislativeSummaries/PDF/45-1/45-1-C15-E.pdf

K18 CRA, Line 31350 Digital news subscription expenses (2020–2024 only): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31350-digital-news-subscription-expenses.html

K19 Budget 2025, Tax measures: supplementary information: https://budget.canada.ca/2025/report-rapport/tm-mf-en.html; Budget 2024 tax measures: https://budget.canada.ca/2024/report-rapport/tm-mf-en.html; Fall Economic Statement 2024: https://budget.canada.ca/update-miseajour/2024/report-rapport/chap2-en.html

K20 Spring Economic Update 2026, Tax measures: https://budget.canada.ca/update-miseajour/2026/report-rapport/tm-mf-en.html

K21 CRA, T4044 Employment Expenses 2025 (tradesperson's tools, labour mobility deduction, transport employees and long-haul truckers, TL2): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4044/employment-expenses.html

Registered accounts

A1 CRA, MP, RRSP, DPSP, TFSA limits and YMPE (2026: RRSP $33,810, TFSA $7,000): https://www.canada.ca/en/revenue-agency/services/tax/registered-plans-administrators/pspa/mp-rrsp-dpsp-tfsa-limits-ympe.html

A2 CRA, How contributions affect your RRSP deduction limit: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/contributing-a-rrsp-prpp/contributions-affect-your-rrsp-prpp-deduction-limit.html; where to find your limit: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/contributing-a-rrsp-prpp/where-you-find-your-rrsp-prpp-deduction-limit.html

A3 CRA, What happens if you go over your RRSP deduction limit: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/contributing-a-rrsp-prpp/what-happens-you-over-your-rrsp-prpp-deduction-limit.html

A4 CRA, Tax rates on withdrawals (RRSP): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/making-withdrawals/tax-rates-on-withdrawals.html

A5 CRA, Important dates for RRSP, RRIF, RDSP: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/important-dates-rrsp-rrif-rdsp.html

A6 CRA, T4040 RRSPs and other registered plans for retirement: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4040/rrsps-other-registered-plans-retirement.html

A7 CRA, Withdrawing from spousal or common-law partner RRSPs: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/making-withdrawals/withdrawing-spousal-common-law-partner-rrsps.html

A8 CRA, Home Buyers' Plan: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/what-home-buyers-plan.html; participate: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/what-home-buyers-plan/participate-home-buyers-plan.html; repay: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/what-home-buyers-plan/repay-funds-withdrawn-rrsp-s-under-home-buyers-plan.html; definitions: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/what-home-buyers-plan/definitions-home-buyer-s-plan.html; Finance Canada, HBP limit (Budget 2024): https://www.canada.ca/en/department-finance/news/2024/04/putting-home-ownership-back-within-reach-and-supporting-canadian-homeowners.html

A9 CRA, Lifelong Learning Plan: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/lifelong-learning-plan.html; who can participate: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/lifelong-learning-plan/who-participate.html; repayments: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/lifelong-learning-plan/repayments-your-rrsp-under.html

A10 CRA, First Home Savings Account: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account.html; opening: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/opening-your-fhsas.html; contributing: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/contributing-your-fhsa.html; deductions: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/tax-deductions-fhsa-contributions.html; withdrawing: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/withdrawing-money-from-your-fhsa.html; closing: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/closing-your-fhsa.html

A11 CRA, TFSA: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account.html; calculate room: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/contributing/calculate-room.html; withdraw: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/withdraw.html; transfer: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/transfer.html; excess: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/owing-tax/excess.html; non-residents: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/non-resident.html; RC4466: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4466/tax-free-savings-account-tfsa-guide-individuals.html

A12 CRA, RESP contributions: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-education-savings-plans-resps/resp-contributions.html; payments from an RESP: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-education-savings-plans-resps/payments-resp.html; CESG: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-education-savings-plans-resps/canada-education-savings-programs-cesp/canada-education-savings-grant-cesg.html; ESDC, estimating amounts: https://www.canada.ca/en/services/benefits/education/education-savings/estimating-amounts.html; ESDC Notice #1114 (additional CESG 2026): https://www.canada.ca/en/employment-social-development/services/student-financial-aid/education-savings/resp/resp-promoters/bulletin/notice-2025-1114.html

A13 ESDC, RDSP how much: https://www.canada.ca/en/employment-social-development/programs/disability/savings/how-much.html; ESDC bulletin 2025–577 (2026 thresholds): https://www.canada.ca/en/employment-social-development/programs/disability/savings/issuers/bulletins/notice-2025-577.html; CRA RC4460: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4460/registered-disability-savings-plan.html

Self-employment and GST

E1 CRA, T4002 Self-employed business, professional, commission, farming and fishing income (2025), chapter 3: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4002/t4002-3.html; chapter 5: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4002/t4002-5.html; chapter 6: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4002/t4002-6.html

E2 CRA, Business-use-of-home expenses: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/report-business-income-expenses/completing-form-t2125/business-use-home-expenses.html; calculating: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/report-business-income-expenses/completing-form-t2125/calculating-business-use-home-expenses.html

E3 CRA, Motor vehicle records: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/business-expenses/motor-vehicle-expenses/motor-vehicle-records.html

E4 Finance Canada, 2026 automobile deduction limits and expense benefit rates: https://www.canada.ca/en/department-finance/news/2026/01/government-announces-the-2026-automobile-deduction-limits-and-expense-benefit-rates-for-businesses.html

E5 CRA, Accelerated investment incentive: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/report-business-income-expenses/claiming-capital-cost-allowance/accelerated-investment-incentive.html

E6 CRA, Reporting rules for digital platform operators, guidance: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/reporting-rules-digital-platforms/guidance-on-reporting-rules.html

E7 CRA tax tip 2024, Using an app or website to earn income: https://www.canada.ca/en/revenue-agency/news/newsroom/tax-tips/tax-tips-2024/using-app-website-earn-income.html; IRS, About Form W-8BEN: https://www.irs.gov/forms-pubs/about-form-w-8-ben

E8 CRA, Income Tax Folio S5-F4-C1 Income tax reporting currency: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-5-international-residency/series-5-international-residency-folio-4-foreign-currency/income-tax-folio-s5-f4-c1-income-tax-reporting-currency.html

E9 Bank of Canada, Annual average exchange rates: https://www.bankofcanada.ca/rates/exchange/annual-average-exchange-rates/

E10 CRA, When to register for and start charging GST/HST: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/when-register-charge.html; Memorandum 2–2 Small suppliers: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/2-2/small-suppliers.html

E11 CRA, RC4022 General information for GST/HST registrants: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4022/general-information-gst-hst-registrants.html

E12 CRA, GST/HST calculator and rates by province: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/charge-collect-which-rate/calculator.html

E13 CRA, Place of supply rules: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/charge-collect-place-supply.html

E14 CRA, GST/HST Memorandum 4-5-3 Exports: services and intellectual property: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/4-5-3/exports-services-intangible-personal-property.html

E15 CRA, RC4058 Quick method of accounting for GST/HST: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4058/quick-method-accounting-gst-hst.html

E16 CRA, GST/HST reporting requirements and deadlines: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/file-gst-hst-return/reporting-requirements-deadlines.html

E17 Government of BC, Bulletin PST 003 Small sellers: https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-003-small-sellers.pdf

E18 Government of BC, PST on software: https://www2.gov.bc.ca/gov/content/taxes/sales-taxes/pst/publications/software

E19 Government of BC, Notice: PST on professional services (paused): https://www2.gov.bc.ca/gov/content/taxes/sales-taxes/pst/publications/notice-professional-services; news release, September 18, 2026: https://news.gov.bc.ca/releases/2026PREM0034-001089

E20 CRA, Corporation tax rates: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/corporation-tax-rates.html; sole proprietorship: https://www.canada.ca/en/revenue-agency/services/tax/businesses/small-businesses-self-employed-income/setting-your-business/sole-proprietorship.html; corporation: https://www.canada.ca/en/revenue-agency/services/tax/businesses/small-businesses-self-employed-income/setting-your-business/corporation.html

E21 CRA, What is a personal services business: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/corporation-income-tax-return/tax-implications-personal-services-business/what-psb.html

E22 Government of BC, Proprietorships and partnerships (registration): https://www2.gov.bc.ca/gov/content/employment-business/business/managing-a-business/permits-licences/businesses-incorporated-companies/proprietorships-partnerships

E23 CRA, Line 25200 Non-capital losses of other years: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-25200-non-capital-losses-other-years.html

E24 CRA, Business records: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/business-records.html; IC05-1 Electronic record keeping: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/ic05-1/electronic-record-keeping.html

E25 Service Canada, EI special benefits for self-employed people: https://www.canada.ca/en/services/benefits/ei/ei-self-employed-workers.html; eligibility: https://www.canada.ca/en/services/benefits/ei/ei-self-employed-workers/eligibility.html; premiums: https://www.canada.ca/en/services/benefits/ei/ei-self-employed-workers/premiums.html

E26 CRA, Instalment interest and penalty charges: https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/individual-payments/income-tax-instalments/interest-penalty-charges.html; options to calculate: https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/individual-payments/income-tax-instalments/options-calculate.html

E27 CRA, Line 22200 Deduction for CPP or QPP contributions on self-employment and other earnings (and line 31000, Schedule 8): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-22200-deduction-cpp-qpp-contributions-on-self-employment-other-earnings.html

E28 CRA, When to register (exception for taxi and rideshare): https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/when-register-charge.html; GST/HST information for taxi operators and commercial ride-sharing drivers: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/charge-collect-specific-situations/taxi-ride-sharing-drivers.html; register as a rideshare driver or taxi operator: https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/business-registration/business-number-program-account/register-rideshare-taxi.html

E29 CRA, T4002 (2025), chapter 5, Private health services plan premiums (conditions for the self-employed): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4002/t4002-5.html

E30 CRA, RC4110 Employee or self-employed? (control, tools, helpers, financial risk, investment, chance of profit, intention of the parties): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4110/employee-self-employed.html

E31 CRA, T4002 (2025), chapter 1, General information (accrual method): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4002/t4002-3.html

Investments

I1 CRA, T5 slip information for individuals: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/tax-slips/understand-your-tax-slips/t5-slips/t5-statement-investment-income-slip-information-individuals.html

I2 CRA, Line 12100 Interest and other investment income (joint accounts, money in children's names, attribution): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12100-interest-other-investment-income.html

I3 CRA, T4015 T5 Guide (dividend gross-up and credit): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4015/t5-guide-return-investment-income.html

I4 CRA, Calculating and reporting your capital gains and losses: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/calculating-reporting-your-capital-gains-losses.html

I5 CRA, Definitions for capital gains (ACB): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/definitions-capital-gains.html

I6 CRA, T4037 Capital Gains (2025): https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4037/capital-gains.html

I7 CRA, Tax treatment of mutual funds: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/completing-schedule-3/tax-treatment-mutual-funds.html

I8 CRA, Completing Schedule 3 (line 7, crypto-assets): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/completing-schedule-3.html

I9 CRA, Capital losses and deductions (superficial loss): https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/capital-losses-deductions.html

I10 CRA, Principal residence and other real estate: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/personal-income/line-12700-capital-gains/principal-residence-other-real-estate.html; reporting the sale of your principal residence: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2016-growing-middle-class/reporting-sale-your-principal-residence-individuals.html; Folio S1-F3-C2: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-1-individuals/folio-3-family-unit-issues/income-tax-folio-s1-f3-c2-principal-residence.html

I11 Government of BC, BC home flipping tax: https://www2.gov.bc.ca/gov/content/taxes/income-taxes/bc-home-flipping-tax; calculate your tax: https://www2.gov.bc.ca/gov/content/taxes/income-taxes/bc-home-flipping-tax/calculate-your-tax

I12 CRA, Crypto-assets guide, income from crypto transactions: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide/income-crypto-transactions.html; valuing crypto: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide/value-crypto.html; mining and staking: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide/income-crypto-mining-staking-activities.html; tax obligations: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide/crypto-assets-tax-obligations.html; tax tip 2024: https://www.canada.ca/en/revenue-agency/news/newsroom/tax-tips/tax-tips-2024/reporting-your-capital-gains-as-crypto-asset-user.html

I13 CRA, Income Tax Folio S5-F2-C1 Foreign tax credit: https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-5-international-residency/folio-2-foreign-tax-credits-deductions/income-tax-folio-s5-f2-c1-foreign-tax-credit.html; FHSA investments: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account/investments-your-fhsa.html

I14 Finance Canada, Canada-United States tax convention (consolidated), Art. X and XXI: https://www.canada.ca/en/department-finance/programs/tax-policy/tax-treaties/country/united-states-america-convention-consolidated-1980-1983-1984-1995-1997.html

I15 Income Tax Act s. 39: https://laws-lois.justice.gc.ca/eng/acts/I-3.3/section-39.html; s. 40: https://laws-lois.justice.gc.ca/eng/acts/I-3.3/section-40.html; s. 46: https://laws-lois.justice.gc.ca/eng/acts/I-3.3/section-46.html

I16 Prime Minister of Canada, news release, March 21, 2025 (inclusion rate increase cancelled): https://www.pm.gc.ca/en/news/news-releases/2025/03/21/prime-minister-mark-carney-cancels-proposed-capital-gains-tax-increase; Finance Canada, Report on Federal Tax Expenditures 2026: https://www.canada.ca/en/department-finance/services/publications/federal-tax-expenditures/2026/part-2.html

I17 CRA, Income Tax Folio S3-F10-C1, ¶1.86 (a TFSA is taxed on income from carrying on a business): https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-3-property-investments-savings-plans/series-3-property-investments-savings-plan-folio-10-registered-plans-individuals/income-tax-folio-s3-f10-c1-qualified-investments-rrsps-resps-rrifs-rdsps-tfsas.html

Housing in BC

H1 Government of BC, Speculation and vacancy tax (annual declaration by March 31): https://www2.gov.bc.ca/gov/content/taxes/speculation-vacancy-tax

H2 Government of BC, Property transfer tax, First time home buyers' program (from April 1, 2024): https://www2.gov.bc.ca/gov/content/taxes/property-taxes/property-transfer-tax/exemptions/first-time-home-buyers

H3 Government of BC, Home owner grant (2026: $570, threshold $2,075,000): https://www2.gov.bc.ca/gov/content/taxes/property-taxes/annual-property-tax/home-owner-grant

H4 City of Vancouver, Empty Homes Tax: vancouver.ca, Empty Homes Tax section (check declaration dates and the rate there): https://vancouver.ca/home-property-development/empty-homes-tax.aspx

H5 Government of Canada, Underused Housing Tax: https://www.canada.ca/en/services/taxes/excise-taxes-duties-and-levies/underused-housing-tax.html

Mistakes, CRA, provinces

P1 CRA, Change your return: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/change-your-return.html; ReFILE years: https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-individuals/efile-electronic-filers/file-returns.html; refunds beyond 3 years: https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/complaints-disputes/refund-reduce-amount-payable-beyond-normal-three-year-period/who-can-apply.html

P2 CRA, IC75-7 Reassessment of a return of income: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/ic75-7/reassessment-a-return-income.html

P3 CRA, How long should you keep your income tax records: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/long-should-you-keep-your-income-tax-records.html; IC78-10R5: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/ic78-10/books-records-retention-destruction.html

P4 CRA, P148 Resolving your dispute: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/p148/p148-resolving-your-dispute-objection-appeal-rights-under-income-tax-act.html

P5 CRA, Income tax review campaign: https://www.canada.ca/en/revenue-agency/campaigns/income-tax-review.html; why returns are selected: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/review-your-tax-return-cra/tax-returns-selected-review.html; types of reviews: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/review-your-tax-return-cra/types-reviews.html; responding to us: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/review-your-tax-return-cra/responding-us.html

P6 CRA, RC4188 What you should know about audits: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4188/what-you-should-know-about-audits.html

P7 CRA, False reporting or repeated failure to report income: https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/interest-penalties/false-reporting.html

P8 CRA, Cancel or waive penalties and interest, who can apply: https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/complaints-disputes/cancel-waive-penalties-interest/who-can-apply.html; how to apply (RC4288): https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/complaints-disputes/cancel-waive-penalties-interest/how-to-apply.html; memo 16–3: https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/16-3/cancellation-waiver-penalties-interest.html; Federal Courts Act s. 18.1: https://laws-lois.justice.gc.ca/eng/acts/F-7/section-18.1.html

P9 CRA, Voluntary Disclosures Program, changes (October 1, 2025): https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/voluntary-disclosures-program/changes-vdp.html; eligibility: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/voluntary-disclosures-program/eligible-vdp.html

P10 CRA, Payment arrangements: https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/payment-arrangements.html; tax tip 2026, Manage balance: https://www.canada.ca/en/revenue-agency/news/newsroom/tax-tips/tax-tips-2026/cant-pay-tax-debt-options-help-including-manage-balance-service.html

P11 CRA, Authorize a representative: https://www.canada.ca/en/revenue-agency/services/tax/representative-authorization/how.html; access levels: https://www.canada.ca/en/revenue-agency/services/tax/representative-authorization/access.html

P12 CRA, Make a service complaint: https://www.canada.ca/en/revenue-agency/services/make-a-service-complaint.html

P14 Tax Court of Canada Act s. 18(1): https://laws-lois.justice.gc.ca/eng/acts/T-2/section-18.html

P15 Tax Rebate Discounting Act, R.S.C. 1985, c. T-3, ss. 3–5 (minimum 85% of the first $300 and 95% over $300, written statement, copy of the return, forwarding the NOA): https://laws-lois.justice.gc.ca/eng/acts/T-3/FullText.html

01 Government of Ontario, Ontario Trillium Benefit: https://www.ontario.ca/page/ontario-trillium-benefit

02 CRA, Ontario programs (OSTC, OEPTC, NOEC 2026–27): https://www.canada.ca/en/revenue-agency/services/child-family-benefits/provincial-territorial-programs/province-ontario.html; OEPTC calculation sheet 2026: https://www.canada.ca/content/dam/cra-arc/serv-info/benefits/ptc26_clc_sscns-eng.pdf

03 Government of Ontario, Ontario Child Benefit: https://www.ontario.ca/page/ontario-child-benefit

04 CRA, Form TD1ON 2026 (Ontario BPA $12,989): https://www.canada.ca/content/dam/cra-arc/formspubs/pbg/td1on/td1on-26e.pdf

05 Government of Ontario, 2025 Fall Economic Statement, tax provisions: https://budget.ontario.ca/2025/fallstatement/provisions.html

06 Government of Alberta, Personal income tax (2026): https://www.alberta.ca/personal-income-tax

07 Government of Alberta, Alberta Child and Family Benefit (2026–27): https://www.alberta.ca/alberta-child-and-family-benefit

08 Finance Canada, Quebec abatement: https://www.canada.ca/en/department-finance/programs/federal-transfers/quebec-abatement.html

What to check in the next revision (rev B, spring 2027)

- Exact CRA dates for the 2027 season: NETFILE opening, the RRSP deadline, payment dates January-June 2027.
- The list of free software for tax year 2026.
- CVITP limits for the 2027 season and the 2027 TFSA limit.
- Status of legislation: the 100% write-off of class 50 computers, the HBP deferral extension for 2026–2028, DTC changes.
- The return of BC PST on professional services.
- Benefit amounts for July 2027 – June 2028.
- The Bank of Canada's 2026 average USD/CAD rate.
- Status of the Underused Housing Tax, dates and rate of the Vancouver Empty Homes Tax.
- General Canada Learning Bond conditions (the CCB link outside automatic enrolment) and PHSP limits for the self-employed.
- Canada-Ukraine negotiations on a social security agreement.

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