

Lepore & Company Chartered Accountants

2009 Tax Season

As with last year, we request your assistance in ensuring the accurate, timely preparation of your 2009 income tax return. A review of your prior year's return will assist you in providing us with the most relevant information necessary to prepare your return.

Once again this year, we will be offering the Efile process to electronically file tax returns, at no additional cost to you. Most returns last year were eligible for this process, which accelerates the processing of your return as well as the receipt of your assessment and refund.

Additional information may be required for 2009 returns due to changes and proposed changes in legislation:

- **Pension income splitting** - If you or your spouse or common-law partner received pension income that is eligible for the pension income amount, you may once again be eligible to split it for income tax purposes. **Our office will automatically make this determination and will do whatever is best from a family perspective. If you prefer not to take advantage of tax savings through pension splitting, please advise us in advance.** Please note that if you or your spouse is in a nursing home, this calculation may increase your total income which is used to calculate subsidies given by the Province. Pension splitting may reduce your entitlement to these subsidies. Please advise us if you are in this situation, so that we may determine whether pension splitting makes sense in your case.
- **Home Renovation Tax Credit** - The 2009 Federal Budget introduced a temporary non-refundable tax credit for expenditures made after January 27, 2009 and before February 1, 2010 in excess of \$1,000, to a maximum of \$10,000, resulting in a maximum Federal credit of \$1,350 (\$9,000 x 15%). You will need to provide details of renovation costs incurred from January 27, 2009 to December 31, 2009 (example - carpets, landscaping, additions, fences, painting, etcetera, etcetera). Any expenses incurred from January 1, 2010 to January 31, 2010 will be claimed on your 2010 tax return.
- **First Time Home Buyers Tax Credit (HBTC)** - For 2009 and subsequent years, the HBTC is a new non-refundable tax credit, for 2009 the credit will be \$750, for certain home buyers that acquire a qualifying home after January 27, 2009 (i.e., generally means that the closing is after this date). You will qualify for the HBTC if: you or your spouse or common-law partner acquire a qualifying home; and you did not live in another home owned by you or your spouse or common-law partner in the year of acquisition or in any of the four preceding years.
- **Final return of a deceased person** - If an unmatured RRSP or RRIF of a deceased person decreases in value following death, and the final payment from that RRSP or RRIF is made after 2008, a deduction may be claimed on the final return of the deceased person for that decrease in value.
- **New payment method** - You may be able to pay online using CRA's My Payment option. This option allows individuals and businesses to make payments online, via the Canada Revenue Agency (CRA) Web site.

In order to avoid any possible delays, please bring or send your information to us at your earliest opportunity, so that we may prepare your return before the April 30, 2010 filing deadline. No appointment is necessary. We suggest that you get your information to us before April 15th to ensure that we are able to meet the filing deadline. We look forward to serving your tax needs once again this year. **If you need extra copies of our tax checklist, please call our office or a copy can be downloaded from our website address below.**

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