

Accord Business Solutions Inc. (888) 791-1589

## Articles

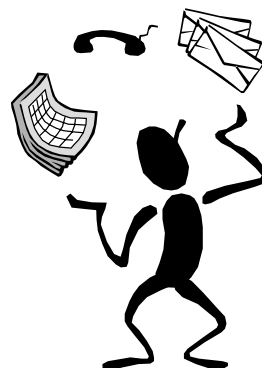
- Canada Revenue Agency
- Tax News
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## Canada Revenue Agency

### “MY ACCOUNT”

**CRA’s website** discusses some **new aspects** with respect to a taxpayer’s **My Account** including:

1. To access **My Account** a taxpayer has to apply for a Government of Canada “**epass**”.
2. Through **My Account**, a taxpayer may **see information** about his/her income tax return, assessments, account balances, refunds or balance owing, installments, RRSP limits, etc.
3. Also, through **My Account**, a taxpayer may **change his/her tax return**, address, telephone numbers or, dispute an assessment.



### MOVING EXPENSES FOR STUDENTS

A **student** who incurs **moving expenses** to take a summer job may deduct those expenses against that employment income. Also, when **moving back** to the post-secondary institution, moving expenses may be **deducted** against scholar-ships, bursaries, research grants or employment income at the post-secondary education location.

This reduces income thereby increasing the **tuition and education tax credits** that can be **transferred** to a parent or **carried forward** by the student.

Also, see Interpretation Bulletin **IT-178R3**. Section 62 & Form T1-M.

### Just For Fun

So a guy walks into a bar with a pair of jumper cables around his neck.

The bartender gives him a look and says gruffly, “All right, pal, I’ll let you stay, but don’t start anything.”

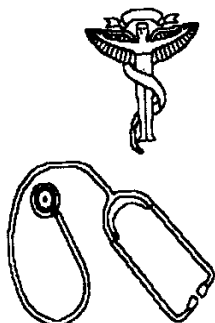
submitted by Scott Hoffman (from *Laughter, the Best Medicine*)

## MEDICAL EXPENSES - OUTSIDE CANADA

In an October 3, 2005 article in the *Globe and Mail* (Page A7) it was noted that an Ontario taxpayer (Sandra Posluns) was **reimbursed** for her **medical expenses** by the Ontario Hospital Insurance Plan (**OHIP**) under a decision of the Ontario Health Services Appeal and Review Board for a hip operation **done in Florida**. It was noted that the 18 to 24 month wait that she faced would have caused "medically significant irreversible tissue damage". This follows a similar Ruling for a London, Ontario man who went to Port Huron, Michigan for a hip replacement.

The article discusses the **waiting lists** in Canada for medical surgery. Also, the October 19, 2005 issue of the *National Post* (Page 1) noted that there are still **long delays** for medical care which have only been **reduced marginally** in recent months.

If foreign medical expenses are **not reimbursed** by government authorities, they are usually allowed as a **medical expense credit** on the Canadian return. Also, the **transportation costs** for the taxpayer and a required attendant may qualify but CRA may request from the taxpayer a **letter** provided by a **medical practitioner** in Canada that **equivalent** medical services were **not available** at their Canadian location.



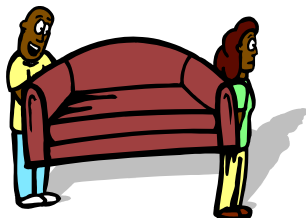
## Just For Fun

Working on a new trick, a magician turned his wife into a couch and his kids into chairs, but he couldn't turn them back. *What have I done?* He wondered. *How can I bring back my family?*

Out of ideas, he loaded everybody into his van and rushed to the hospital. He explained the situation, and his family was whisked off to surgery.

Hours later, the surgeon emerged. "How are they?" the magician asked. "Comfortable."

Submitted by Bob Myerson, from Laughter, the Best Medicine.



## TAX PROPOSALS

A few excerpts from the Conservative platform. Time will tell if they come to fruition.

**Tax Rates** - Reduce **GST** to 6%, then over 5 years to 5%, keeping the GST/HST credit; Lower the **general business tax rate** from 21% to 19 % by 2010; eliminate **business surtax** on January 1, 2008; reduce **small business rate** to 11% over five years, eliminate the **federal capital tax** on January 1, 2006, and raise the threshold for the **small business tax rate** from \$300,000 to **\$400,000**.

**Capital Gains Tax** - Eliminate the capital gains tax for individuals on the sale of assets when the proceeds are reinvested within six months; remove the capital gains tax on listed stocks donated to charities.

**Farm - Replace CAIS** with separate farm income stabilization and disaster relief programs.

**Trades** - Implement a **Tools Tax Deduction** of up to \$500 for existing trades people; implement an **Apprenticeship Job Creation Tax Credit** of 10 per cent of an apprentice's wages for two years to a maximum of \$2,000 to support businesses that establish apprenticeship positions to create more jobs in the trades, and implement a **\$1,000 Apprenticeship Incentive Grant** to help new apprentices cover the high cost of tools, boots, and work accessories.

**Seniors/Transit** - Raise **pension income tax amount** that is eligible for a federal tax credit **from \$1,000 to \$2,000** per year in 2006, and to **\$2,500** in five years; give public transit riders a federal tax credit to cover the cost of their **monthly transit passes**.

## Tax News

October, 2005 - Canada Mortgage and Housing Corporation (**CMHC**) will provide assistance through the Residential Rehabilitation Assistance Program (**RRAP**). Single, row and semi-detached **housing** may apply for financial assistance of between **\$3,500 and \$5,000** for **energy retrofits** such as draft-proofing, heating system upgrades and window replacements if the house was **built prior to 1980**.

To **qualify**, the household must meet certain requirements. For example, a four-person household with two children residing in **Hamilton** with a household income of **\$44,500** or less would be **eligible** for assistance. The same household would have to earn \$34,000 or less if they resided in **Kamloops** because of the lower cost of housing in that market.

Funding will also be provided for **multiple-unit buildings** and rooming houses of between **\$1,000 and \$1,500 per unit**. The program will be available in early **January 2006**.

See RRAP online: <http://www.cmhc-schl.gc.ca/en/prfias/rerepr/index.cfm>



## Montreal Climate Exchange created

by *Kevin Hursh* AgriSuccess Express December 9, 2005

The Montreal Exchange and Chicago Climate Exchange have signed a Letter of Intent to develop a new joint venture to create the Montreal Climate Exchange, a Canadian market for environmental products. The announcement was made in Montreal during the United Nations Framework Convention on Climate Change.

The two parties will develop trading, clearing and registry services for Canadian environmental products. The first product base will be the Canadian carbon market, something that is expected to become important to agricultural producers.

The Montreal Exchange is Canada's oldest exchange and is a leader in derivative products. The Chicago Climate Exchange is described as North America's only, and the world's first, voluntary, legally binding rules-based greenhouse gas emissions allowance trading system.

## Just For Fun

I was standing in the express line at a grocery store near the University of British Columbia. It was busy, and there were long lineups at all the registers. Much to the displeasure of those behind, the young fellow in front of me had a full cart, clearly violating the nine items or less sign displayed over the cash register.

When he reached the cash, the clerk asked, "You're a student at UBC, aren't you?"

"Yes," he replied cheerfully.

"Arts or Science?" she continued.

He looked puzzled. "Why do you ask?" "I want to know," she replied, pointing to the sign above her, "whether you can't count or can't read."

Contributed by Mark MacLean, 1999, from *Campus Comedy*



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### *About Our Organization...*

We are a full service financial company that provides flexible services plans to meet the unique needs of each of our clients. Our accountants provide our clients the expertise to optimize their tax position, maximize their available credits, utilize appropriate government programs, and assist in monthly record keeping. Our Investment and Insurance division provides estate planning, wealth preservation and retirement planning that is designed around our clients present needs and future goals.

## Web News

***www.favorville.com*** – *“facilitating the exchange of helpful acts.*

Favorville.com is a social networking tool which provides members with the opportunity to help and be helped by others.

With Favorville, members can post help requests, offer help and help grow the community.

Favorville makes it easy to get in touch and build lasting connections with helpful neighbors, both in your locale or across the global village.”

***Editor’s Note:*** this site is free to use and was started a few months ago by two young Toronto men. They have been excited by the huge number of people with offers **to** help others, rather than requests **for** help.

No offer or request is too small, for instance, the creation of this site was prompted in part by the need to borrow a ladder for a day.

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## Accord’s Services

### What do we offer?

People with fresh and innovative ideas balanced with years of practical experience.

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- ❖ Estate planners
- ❖ Association Group Insurance Benefits
- ❖ Bookkeeping specialists
- ❖ Assistance with Government programs