

Fact Sheet

Are you a newcomer to Canada?

Canada's income tax system

Many of the benefits people enjoy in Canada are made possible through taxes. Canada's tax system pays for roads, public utilities, schools, health care, economic development, cultural activities, defence, and law enforcement. One main form of taxation in Canada is the income tax system.

In Canada, many employers and payers deduct taxes from the income they pay you. Each year, residents of Canada (including newcomers) list their income, deductions, and tax credits on an income tax return to calculate their federal and provincial or territorial taxes payable.

When you complete a tax return, you also give the federal government the information it needs to determine if you qualify for the goods and services tax/harmonized sales tax (GST/HST) credit, the Canada Child Tax Benefit (CCTB), and related provincial or territorial benefits and credits.

An important feature of the Canadian income tax system is that you have the right and the responsibility to verify your income tax status each year, and to make sure you pay the correct amount of taxes according to the law.

Guide RC4213, *Your Rights*, outlines the fair treatment you are entitled to receive when you deal with us. You can get a copy of this document from our Web site at www.cra.gc.ca/forms or by calling 1-800-959-2221 (calls from Canada and the United States).

Canadian residency

Generally, you become a resident of Canada for income tax purposes when you establish significant residential ties in Canada, usually on the date you arrive. Residential ties include a home in Canada, a spouse or common-law partner and dependants who move to Canada to live with you, personal property such as a car or furniture, and social ties in Canada.

For more information about residency, get pamphlet T4055, *Newcomers to Canada*, from our Web site at www.cra.gc.ca/forms or by calling 1-800-959-2221.

Canada Child Tax Benefit (CCTB)

If you are primarily responsible for the care and upbringing of a child who is under 18 years of age, you may be eligible for monthly CCTB and related payments for that child.

To apply for the CCTB, send us a completed Form RC66, *Canada Child Tax Benefit Application*. Depending on your immigration and residency status, you may have to complete Schedule RC66SCH, *Status in Canada/Statement of Income*.

For more information about these programs, or to get the Canada Child Tax Benefit package, visit our Web site at www.cra.gc.ca or call 1-800-387-1193.

More Ways to Serve You!
Pour vous servir encore mieux !



Canada Revenue
Agency

Agence du revenu
du Canada

Canada

Goods and services tax/harmonized sales tax (GST/HST) credit

The **GST** is a tax that you pay on most goods and services sold or provided in Canada. In some provinces, GST has been blended with provincial sales tax and is called **HST**.

The **GST/HST credit** helps individuals and families with low and modest incomes offset all or part of the GST or HST that they pay.

You may be entitled to the GST/HST credit after your arrival in Canada. For more information, get Form RC151, *GST/HST Credit Application for Individuals Who Become Residents of Canada*.

For information about the GST/HST credit, including how to apply, call **1-800-959-1953** or see pamphlet RC4210, *GST/HST Credit*.

Do you have to file a tax return?

Generally, you have to file a tax return if you owe tax or to receive a refund if you paid too much tax. Even if you have no income to report, or tax to pay, you may be entitled to receive the GST/HST credit, the Canada Child Tax Benefit, and the related provincial or territorial benefits and credits. You have to file a tax return to receive these benefits and credits.

Where can you get the tax package you need?

You can get the *General Income Tax and Benefit Guide* and forms book (which includes a tax return) either from our Web site at www.cra.gc.ca/forms or by calling **1-800-959-2221**.

If you lived in Quebec during the year, you may have to file a separate provincial return. For information about Quebec income taxes, contact Revenu Québec.

Social insurance number

You may need a social insurance number (SIN). The SIN is a nine-digit identification number that is personal and confidential. Since your SIN is unique, we use it to identify you for income tax and benefit purposes, as well as to update your record of earnings for your contributions to the Canada Pension Plan (CPP) or the Quebec Pension Plan (QPP). You have to give your SIN to anyone who prepares a tax information slip for you.

If you have a SIN that starts with 900 and you decide to become a permanent resident of Canada, you have to apply for a new SIN.

You can apply for a SIN at your nearest Social Development Canada (SDC) office. You can also visit the SDC Web site at www.sdc.gc.ca for information on obtaining a SIN.

What date is your tax return due?

Generally, your tax return has to be filed **on or before April 30** of the following tax year.

If you owe tax and you file your tax return late, we will charge you a late-filing penalty and interest on any unpaid amounts.

Need more information?

For more information, visit our Web site at www.cra.gc.ca or contact us at:

International Tax Services Office
Canada Revenue Agency
2204 Walkley Road
Ottawa ON K1A 1A8

Calls from Canada
and the United States..... 1-800-267-5177

Need help completing your tax return?

You can get help to complete your tax return through our Community Volunteer Income Tax Program. Volunteers in the program offer help, free of charge, through their community organizations.

If you would like to use this free service, call any of our tax services offices.