

# Source Deductions Return 2007

To ensure that your source deductions of income tax are calculated correctly, you must remit this form, duly completed, to your employer or payer. For more information on when this form must be completed, see the section "General information" on page 2.

## 1 Identification of the employee or payee (please print)

Last name		First name			
Employee or payee number	Date of birth:	Y	M	D	Social insurance number

## 2 Calculation of the amount to be used to determine the deduction code

In this section, the term "employer" refers to both employers and payers (of pension income for example).

**Basic amount.** Enter \$9,750 unless you have more than one employer and have already entered \$9,750 on a TP-1015.3-V form completed for another employer. In this case, do not complete lines 1 through 10. Go directly to the code box (below line 10) and enter 0 as your deduction code. Complete lines 11 through 19 as applicable.

			1
<b>Amount transferred from one spouse to the other</b> (see page 2)			
Maximum amount respecting a spouse	\$9,750		
<b>Less:</b> Your spouse's estimated taxable income for 2007	-		
Amount transferred from one spouse to the other. If the result is negative, enter 0.	=		2
<b>Amount for children enrolled in post-secondary studies</b> (complete work chart 1 on page 3)		+	3
<b>Amount for other dependants</b> (complete work chart 2 on page 4)		+	4
<b>Amount for a severe and prolonged impairment in mental or physical functions</b> (see page 5)		+	5
Add lines 1 through 5.		=	7
<b>Amount with respect to age, for a person living alone or for retirement income</b> (complete work chart 3 on page 5)		+	9
Add lines 7 and 9.		=	10
<b>Deduction code.</b> Refer to the table at the bottom of page 5 to determine the deduction code for the amount on line 10. Enter the deduction code in the box. <b>If the amount on line 10 is over \$30,000, enter the amount from line 10 rather than the deduction code.</b>			Code
<b>Additional amount of income tax to be withheld.</b> If you wish to have a higher amount of income tax withheld from your remuneration, enter the additional amount to be deducted for each pay period.			11
<b>Deductions to be taken into account by the employer to calculate remuneration subject to source deductions</b> (The employer must divide the amount on line 19 by the number of pays remaining in the year and subtract the result from your gross pay for each pay period.)			
Housing deduction for residents of designated remote areas (see page 6)			14
Deductible support payments (page 6)		+	15
Add lines 14 and 15.		=	19
<b>Total</b>			
<b>Exemption for an employee.</b> You may ask to be exempted from source deductions of income tax with respect to your <b>employment income</b> if you expect your total income from all sources to be lower than the result of the following calculation: the amount on line 10, multiplied by 1.25, plus the amount on line 19. To request the exemption, enter the letter X in box 20. This request is <b>valid for the 2007 calendar year only</b> . Please note that <b>this exemption may be requested only with respect to remuneration that is employment income.</b>			20

## 3 Certification – I certify that the information provided in this return is accurate and complete.

Signature		Date	
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## Instructions for completing the form

### General information

If you receive a salary, wages, commissions or a similar amount, or amounts such as pension income, parental insurance benefits or employment insurance benefits, you must provide your employer or payer with a duly completed copy of this form

- when you take up employment, if you are remunerated by your employer;
- before you receive remuneration for the first time, if you are remunerated by a payer (rather than an employer);
- within 15 days after an event that results in a **reduction** of the amounts indicated on the previous TP-1015.3-V form completed. However, if the source deduction code does not change, in spite of a reduction in the amounts on lines 2 to 9, you do not have to complete another copy of the form.

You may, at any time, complete a copy of this form to **increase** the amount of your allowable deductions and personal tax credits.

The form must also be completed to enable your employer or payer to

- withhold an additional amount of Québec income tax, if you make a request to that effect on line 11; or
- stop withholding Québec income tax on your **employment income**, if you ask to be exempted from source deductions on line 20.

If you do not complete the form, income tax will be withheld only on the basis of the basic amount (\$9,750) provided for on line 1. In this case, the employer or payer will use deduction code A.

### Indexation of the personal income tax system

Automatic indexation of the personal income tax system began in 2002. The indexation applies to several of the amounts used to determine the deduction code. If you have already filed the form, you are not required to complete a new one simply because of the indexation, since the indexation will not affect your deduction code.

#### Note

The personal tax credits and deductions that appear on this form may be subject to a limit where the individual is not resident in Canada in 2007 or where the individual becomes a non-resident in 2007. In such cases, contact Revenu Québec.

### Amount transferred from one spouse to the other (line 2)

If you expect to have a **spouse on December 31, 2007** (see the definition opposite), you may claim the "amount transferred from one spouse to the other."

#### Note

You cannot enter an amount on line 2 if your spouse receives any of the following:

- workers' compensation;
- indemnities further to a precautionary cessation of work;
- indemnities further to a traffic accident;
- indemnities for an act of good citizenship;
- indemnities for a victim of a crime.

Do not take the following amounts into account when **calculating your spouse's estimated taxable income** (since they are deductible from the latter amount):

- net federal supplements (guaranteed income supplement or allowance);
- income situated on a reserve or premises, if your spouse is an Indian;
- scholarships, fellowships, bursaries or prizes for a remarkable achievement;
- income that is exempt from income tax under a tax treaty;
- assistance granted by the Ministère de l'Emploi et de la Solidarité sociale for the payment of tuition fees.

You may take into account any deductions to which your spouse may be entitled, including

- the deduction for contributions to a registered pension plan (RPP);
- the deduction for contributions to a registered retirement savings plan (RRSP);
- deductible support payments.

For further information on the calculation of taxable income, refer to the guide to the income tax return for 2006 and follow the instructions for lines 101 through 299.

#### Note

To be able to claim the amount transferred from one spouse to the other, you and your spouse must each file an income tax return for 2007.

### Spouse

The person to whom you are married, the person with whom you contracted a civil union or the person who is your de facto spouse.

### De facto spouse

The person of the opposite sex or of the same sex who, at any time in 2007,

- is living in a conjugal relationship with you and is the biological or adoptive parent (legally or in fact) of at least one of your children; **or**
- has been living in a conjugal relationship with you for at least 12 consecutive months (the 12-month period is considered to have been uninterrupted if you live apart because of the breakdown of your relationship for a period of less than 90 days).

### Spouse on December 31, 2007

The person who

- is your spouse at the end of that day. If you and your spouse are living apart on December 31, 2007, because of the breakdown of your relationship, you are considered to have a spouse on December 31, 2007, if you begin living together again and the separation lasts for less than 90 days; **or**
- is your spouse at the time of his or her death in 2007, provided you and your spouse are not living apart on that date because of the breakdown of your relationship and you do not have a new spouse on December 31, 2007.

**Amount for children enrolled in post-secondary studies (line 3)**

If you have at least one child enrolled in post-secondary studies (see the definition opposite), complete work chart 1.

If you are claiming this amount with respect to more than one child, you do not have to take the children's birth order into account. For example, under the heading "Children of full age on December 31, 2007," you may choose to enter in the column entitled "1st child" the data pertaining to your second child of full age.

If you are claiming an amount with respect to more than two **minor** children or to more than two children **of full age**, attach another sheet containing the requested information and carry the result of your calculations to line 40.

**Child enrolled in post-secondary studies**

A person whom you are supporting and who, in 2007, is a full-time student pursuing vocational training at the secondary level or post-secondary studies.

Note

The person may be

- your or your spouse's child;
- a person of whom you or your spouse has the custody and control (legally or in fact), or had the custody and control immediately before the person reached the age of 19;
- the spouse of your child;
- the spouse of your spouse's child.

**Work chart 1**

Children enrolled in post-secondary studies	Minor children on December 31, 2007		Children of full age on December 31, 2007				
	1st child	2nd child	1st child	2nd child			
Basic amount	X	X	<b>\$2,705</b>	<b>\$2,705</b>	30		
Additional amount for a child. Enter \$230, unless on December 31, 2007, you and your spouse have one or more minor children who give entitlement to the child assistance payment.						31	
Add lines 30 and 31.					=	= <b>\$2,705</b>	32
Amount for a single-parent family. Enter \$1,465 if you meet the requirements listed on the next page.							33
Add lines 32 and 33.					=	= <b>\$2,705</b>	34
Amount for post-secondary studies. Enter \$1,860 for each completed term that starts in 2007 (to a maximum of two terms).					+	+	35
Add lines 34 and 35.			=	=	=	=	36
Child's estimated net income for 2007			-	-	-	-	37
Subtract line 37 from line 36. If the result is negative, enter 0.	=	=	=	=	38		
Add the amounts on line 38.					40		
If one of the children respecting whom you are claiming an amount reaches the age of 18 in 2007, complete work chart 1.1 (page 6). <b>Otherwise</b> , enter 0.				-	47		
Subtract line 47 from line 40. If the result is negative, enter 0. Carry the result to line 3 (page 1).				=	48		
<b>Amount for children enrolled in post-secondary studies</b>							

### Amount for a single-parent family

If you are claiming the additional amount for a child (line 31 of work chart 1), you may claim the amount for a single-parent family if, **at any time in 2007**, you maintain, alone or with another person, a dwelling (see the definition opposite) in which you and the child respecting whom you are claiming the additional amount ordinarily live, and if, at that time, you meet one of the following requirements:

- You **do not have a spouse** and you are not living in a conjugal relationship with any other person.
- You **have a spouse** but you are not living with your spouse, are neither supporting nor being supported by your spouse, and are not living in a conjugal relationship with any other person. You are not considered to be supporting your spouse if you make support payments for the benefit of your spouse that entitle you to a deduction.

Please note that you are not entitled to the amount for a single-parent family if you are claiming the amount transferred from one spouse to the other on line 2 (page 1).

### Note

The amount of \$1,465 is granted on the basis of the number of months in which the requirements are met. Therefore, if you cease to meet the requirements at any time in the year, you must do the following in order to verify whether you need to remit another copy of form TP-1015.3-V to your employer or payer:

- Subtract \$1,465 from the amount entered on line 10 of the form that your employer or the payer is using to determine your source deductions of income tax at that time.
- Verify whether the deduction code corresponds to the result of that calculation.

If your code changes, you must complete another copy of form TP-1015.3-V, enter 0 on line 33 and remit the form to your employer or payer within 15 days after the time when you ceased to meet the requirements.

### Dwelling

A house, an apartment or a similar place of residence in which a person ordinarily eats and sleeps, and which is equipped with kitchen and bathroom facilities.

### Note

A room in a boarding house or a hotel is not a dwelling.

### Amount for other dependants (line 4)

If you have at least one **other dependant** (see the definition opposite), complete work chart 2.

If you are claiming an amount with respect to more than three other dependants, attach another sheet containing the requested information and carry the result of your calculations to line 56.

### Other dependant

A person who

- is related to you or to your spouse by blood, marriage or adoption;
- is not your spouse or a child respecting whom you or your spouse is claiming an amount for children enrolled in post-secondary studies;
- is 18 or older in 2007;
- is supported by you; and
- ordinarily lives with you.

### Work chart 2

<b>Other dependants 18 or older</b>	1st dependant	2nd dependant	3rd dependant	
Basic amount	<b>\$2,705</b>	<b>\$2,705</b>	<b>\$2,705</b>	50
Dependant's estimated net income for 2007	-	-	-	53
Subtract line 53 from line 50. If the result is negative, enter 0.	=	=	=	54
Add the amounts on line 54.				56
If one of the persons respecting whom you are claiming an amount reaches the age of 18 in 2007, complete work chart 2.1 (page 6). <b>Otherwise</b> , enter 0.			-	63
Subtract line 63 from line 56. If the result is negative, enter 0. Carry the result to line 4 (page 1).			<b>Amount for other dependants</b>	64

**Amount for a severe and prolonged impairment in mental or physical functions (line 5)**

You may enter \$2,295 on line 5 (page 1) for each person with a severe and prolonged impairment in mental or physical functions.

This person may be

- you;
- your spouse, if you entered an amount on line 2 (page 1).

A person is considered to have a severe and prolonged impairment in mental or physical functions if a recognized health professional attests that the impairment has lasted (or may reasonably be expected to last) for a continuous period of at least 12 months and if it significantly restricts the person's ability to perform a basic activity of daily living. A person is considered to be in this situation if, because of a chronic illness, he or she must have therapy, prescribed by a physician, administered at least twice a week (for a total of at least 14 hours for the week, including time for travel and post-treatment recovery), and the therapy is essential to the maintenance of his or her vital functions.

**Amount with respect to age, for a person living alone or for retirement income (line 9)**

**Work chart 3**

<b>Amount with respect to age.</b> If you were born before January 1, 1943, enter \$2,200: \$_____. If you expect to have a spouse on December 31, 2007, who was born before January 1, 1943, enter an additional \$2,200: \$_____. Enter the total of these amounts on line 85.			85
<b>Amount for a person living alone.</b> If, throughout the year, you expect to maintain and ordinarily live in a <b>dwelling</b> (see the definition on page 4) in which <b>you will live alone or only</b> with one or more children enrolled in post-secondary studies referred to on line 3 of page 1 or with one or more <b>minors</b> , enter \$1,180 on line 86.	+		86
<b>Amount for retirement income.</b> If you expect to receive retirement income entitling you to a tax credit in 2007, enter your estimated retirement income (maximum \$1,000): \$_____. If you expect to have a spouse on December 31, 2007, enter his or her estimated retirement income giving entitlement to a tax credit (maximum \$1,000): \$_____. Enter the total of these amounts on line 87.	+		87
Add lines 85 through 87.	=		88
Total of your estimated net income and that of your spouse on December 31, 2007	=		90
	-	<b>\$29,290</b>	91
Subtract line 91 from line 90. If the result is negative, enter 0.	=		92
<b>Estimated net family income</b>	x	<b>15%</b>	
Multiply line 92 by 15%.	=		95
Subtract line 95 from line 88. If the result is negative, enter 0.	=		96
Amount from line 9 of your spouse's TP-1015.3-V form	-		97
Subtract line 97 from line 96. Carry the result to line 9 (page 1). <b>Amount with respect to age, for a person living alone or for retirement income</b>	=		98

**Deduction code (line 10)**

Code 2007	Amount (\$)	
<b>O</b>	Nil	
<b>A</b>	1	9,750
<b>B</b>	9,751	11,000
<b>C</b>	11,001	13,000
<b>D</b>	13,001	15,500
<b>E</b>	15,501	16,500

Code 2007	Amount (\$)	
<b>F</b>	16,501	17,500
<b>G</b>	17,501	19,000
<b>H</b>	19,001	20,000
<b>I</b>	20,001	22,500
<b>J</b>	22,501	25,000
<b>K</b>	25,001	26,000

Code 2007	Amount (\$)	
<b>L</b>	26,001	27,000
<b>M</b>	27,001	28,000
<b>N</b>	28,001	30,000
<b>X</b>	Exemption	

### Housing deduction for residents of designated remote areas (line 14)

If, in 2007, you expect to live in one or more prescribed **northern zones** for a period of at least **six consecutive months** beginning or ending in the year, you may enter the lower of the following amounts on line 14 (page 1):

- 20% of your net income for 2007; or
- one of the following amounts:
  - \$15 multiplied by the number of days in the year you expect to live in a prescribed northern zone, if no other person living in the same **dwelling** (see the definition on page 4) claims this deduction; or
  - \$7.50 multiplied by the number of days in the year you expect to live in such a zone, in all other cases.

If, in 2007, you expect to live in a prescribed **intermediate zone** for a period of at least **six consecutive months** beginning or ending in the year, enter 50% of the result obtained in the previous paragraph.

### Deductible support payments (line 15)

If, in 2007, you expect to make support payments to your spouse or former spouse, to the mother or father of your child, or to a third party, for the benefit of your child or one of the aforementioned persons, you may deduct the support paid, provided, as a rule, you meet the following conditions:

- The support is paid under a judgment or a written agreement, as an allowance payable on a periodic basis for the maintenance of the recipient, the maintenance of one of his or her children, or the maintenance of the recipient and the child, and you are living apart from the recipient at the time the payments are made.
- The support payments are not subject to the measures concerning the tax treatment of support payments.

For further information, refer to the brochure *The Tax Effects of Separation and Divorce* (IN-128-V).

Enter, on line 15 (page 1), the support payments deductible for 2007.

## Child enrolled in post-secondary studies or other dependant who reaches the age of 18 in 2007

The work charts below are related to work charts 1 and 2 (pages 3 and 4). Complete these work charts only if you claimed an amount with regard to a child enrolled in post-secondary studies or another dependant who reaches the age of 18 in 2007.

### Work chart 1.1 – Reduction of the amount for children enrolled in post-secondary studies (line 47 of work chart 1)

In this work chart, use one column per child. If more than two children reach the age of 18 in 2007, attach another sheet containing the requested information and carry the result of your calculations to line 46.

<b>Child who reaches the age of 18 in 2007</b>			
Amount entered on line 34 of work chart 1 with respect to the child			41
	÷	<b>12</b>	42
Divide line 41 by 12.	=	=	43
Number of months in the year up to and including the month of the child's birthday	x	x	44
Multiply line 43 by line 44. If the result is greater than the amount on line 38 of work chart 1, enter the amount from line 38 instead.	=	=	45
Add the amounts on line 45. Carry the result to line 47 of work chart 1.		<b>Reduction of the amount for children enrolled in post-secondary studies</b>	46

### Work chart 2.1 – Reduction of the amount for other dependants (line 63 of work chart 2)

In this work chart, use one column per dependant. If more than two dependants reach the age of 18 in 2007, attach another sheet containing the requested information and carry the result of your calculations to line 62.

<b>Dependant who reaches the age of 18 in 2007</b>			
Amount entered on line 50 of work chart 2 with respect to the dependant			57
	÷	<b>12</b>	58
Divide line 57 by 12.	=	=	59
Number of months in the year up to and including the month of the dependant's birthday	x	x	60
Multiply line 59 by line 60. If the result is greater than the amount on line 54 of work chart 2, enter the amount from line 54 instead.	=	=	61
Add the amounts on line 61. Carry the result to line 63 of work chart 2.		<b>Reduction of the amount for other dependants</b>	62