



# THE PROPOSED FEDERAL GOODS AND SERVICES TAX CREDIT

- Please complete Areas D and E on the reverse side of this form and attach the form to your completed income tax return.

## Area A – How it works

- The federal Goods and Services Tax Credit will be paid to families with low and modest incomes to offset all or part of the Goods and Services Tax.
- **Please complete Areas D and E.** This information and your income tax return are needed to establish your eligibility for the quarterly payments of the credit which will be made in July 1991, October 1991, January 1992 and April 1992.
- Later payments of the credit will be made four times a year on the basis of information supplied on your future tax returns.
- If you do not wish to complete the calculation in area F, Revenue Canada, Taxation will calculate the amount of your payments and will advise you of the amount to which you are entitled.
- The credit will NOT be included in your income tax refund.

## Area B – Who applies

- You may apply for this credit if, at the end of 1990, you were resident in Canada and were 19 years of age or older. If you were under 19 years of age at the end of 1990 and resident in Canada you may apply for this credit if you were married or a parent.
- Eligible individuals may apply for the Goods and Services Tax Credit for themselves, their spouse or an "other supporting person" with whom they reside, and their "qualified children".
- **If you are married or residing with an "other supporting person", you must decide which one of you will apply.** However, if you are married, the spouse who claims the Federal Sales Tax Credit on Schedule 7 on their income tax return must be the spouse who applies for the Goods and Services Tax Credit.
- **Certain individuals do not qualify for this credit and may not apply.** They include those who:
  - were confined to a prison or other penal institution on December 31, 1990 and had been confined for at least six months during 1990,
  - were exempt from 1990 tax in Canada under Section 149 of the Income Tax Act. This applies to diplomats from other countries, their families and their employees.

## Area C – Terms used in this form

- **Other Supporting Person** – If you were **married** on December 31, 1990, an "other supporting person" is any person, other than you or your spouse, who claims a personal amount on their return for a qualified child you are claiming in Area D.
  - If you were a **widow(er), divorced, separated or single** on December 31, 1990, an "other supporting person" is:
    - (a) The other parent of a qualified child you are claiming in Area D if you were residing with that parent on December 31, 1990, and
    - (b) any person who claims a personal amount on their return for a qualified child you are claiming in area D, even if you were not residing with that person on December 31, 1990.
- **Qualified Children** – A "qualified child" is a child who:
  - (a) was under 19 years of age at the end of 1990, and
  - (b) was not married and was not a parent, and
  - (c) was claimed as a dependant by only you or by only you and your spouse, or
  - (d) if (c) does not apply, was your child who lived with you at the end of 1990.
- **Personal Amount** – A "personal amount" for Goods and Services Tax Credit purposes is:
  - a Non-Refundable Tax Credit for a dependent child (see line 304 in the 1990 T1 Guide), or
  - an Equivalent-to-Married Non-Refundable Tax Credit (see line 305 in the 1990 T1 Guide).
- **Equivalent-to-Married Credit** – You are eligible to claim an equivalent-to-married credit if:
  - (a) you were not married and were not living with an "other supporting person" at the end of 1990, and
  - (b) you have a qualified child born in 1972 or later, and
  - (c) no other person will claim a Goods and Services Tax Credit for the same qualified child, and
  - (d) no other person will claim an Equivalent-to-Married Credit in respect of the same dwelling.

## Area D - Family information

Please complete the following:

At the end of 1990,

1. Your marital status was: (if married only one spouse may make a claim, see Area B on reverse side)	190	Married 1 <input type="checkbox"/>	Widow(er) 2 <input type="checkbox"/>	Divorced 3 <input type="checkbox"/>	Separated 4 <input type="checkbox"/>	Single 5 <input type="checkbox"/>
2. Did you reside with an "other supporting person": (see Area C on reverse side)	191	Yes 1 <input type="checkbox"/>	No 2 <input type="checkbox"/>			
3. Please enter the number of your "qualified children": (see Area C on reverse side)	192	<input type="text"/>				
4. Are you eligible for an "equivalent-to-married" credit: (see Area C on reverse side)	193	Yes 1 <input type="checkbox"/>	No 2 <input type="checkbox"/>			
5. If someone is an "other supporting person" of your "qualified children", please enter the Social Insurance Number of that person:	194	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Area E - Income information

Enter your net income from line 236 on your income tax return	6.	<input type="text"/>
Enter your spouse's net income (if negative, enter zero)	195 7.	<input type="text"/>
Enter other supporting person's net income plus their net federal supplements (Box (21) or Box (H) on the T4A(OAS)), social assistance payments and workers' compensation payments received in the year	196 8.	<input type="text"/>
Enter the net federal supplements (Box (21) or Box (H) on the T4A(OAS)), social assistance payments and workers' compensation payments received in the year by you and your spouse	197 9.	<input type="text"/>
Income to be used for the calculation of your Goods and Services Tax Credit (Add lines 6, 7, 8 and 9)	10.	<input type="text"/>

Please sign here \_\_\_\_\_ Date \_\_\_\_\_ Your Social Insurance Number

## Area F - Calculation

It is not necessary to complete this calculation. This area is provided to show how Revenue Canada, Taxation will calculate the amount of your Goods and Services Tax Credit payments (see Area A on reverse side).

Basic Goods and Services Tax Credit	Claim \$190.00	198 11.	<input type="text"/>
Credit for spouse or supporting person - If married or you answered "Yes" to question 2 in Area D above	Claim \$190.00	12.	<input type="text"/>
Equivalent-to-Married Credit - If you answered "Yes" to question 4 in Area D above	Claim \$190.00	13.	<input type="text"/>
Credit for Qualified Children - Do not include a child claimed on line 13	Number of Qualified Children × \$100.00	14.	<input type="text"/>
Calculation of Additional Credit:			
If you were not married and not living with an other supporting person at the end of the year, you may claim this credit.			
Income from line 10 in Area E above		15.	<input type="text"/>
Subtract base amount		16.	<input type="text"/> 6,169 00
	Income over base amount (if negative, enter zero)	17.	<input type="text"/>
Additional credit - enter 2% of line 17 above or \$100.00 whichever is less		18.	<input type="text"/>
Add lines 11, 12, 13, 14 and 18			
Income from line 10 in Area E above		20.	<input type="text"/>
Subtract base amount		21.	<input type="text"/> 24,769 00
	Income over base amount (if negative, enter zero)	22.	<input type="text"/>
Enter 5% of line 22		23.	<input type="text"/>
	Goods and Services Tax Credit (line 19 minus line 23) (if less than \$1.00, enter zero)	24.	<input type="text"/>
Enter 1/4 of line 24 - This amount will be paid to you in July 1991, October 1991, January 1992 and April 1992.		25.	<input type="text"/>

(If line 25 is zero, please do not submit this application form as you do not qualify to receive a Goods and Services Tax Credit.)