

Blue Skies Tax Service

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Did you know...

The new Children's Arts Tax Credit allows parents to deduct a portion of the cost of an artistic or cultural program. This includes dance, music, writing, theatre, language, and instruction on customs and culture. In 2014 you could deduct up to \$500.

Volunteer firefighters enjoy a \$1000 exemption on their firefighting income. Now, qualifying firefighters have the option to include that \$1000 in income and claim a credit of \$3000 on Schedule 1.

Workers aged 60 to 64 who are receiving CPP must now make CPP contributions on employment and self-employment income. Workers aged 65 to 70 can elect to stop making CPP contributions.

If Sunshine Coast residents need to travel to the city to see a specialist, the cost for the trip can be deducted as a medical expense. This includes mileage, parking, meals, and in some cases, hotels.

The CRA has set a 10 year statute of limitations on tax refunds. This means if you missed a deduction anytime in the past 10 years, you can request an adjustment. The CRA may even pay you interest!

Your Tax Free Savings Account is more than just a savings account; it is an investment account. Funds held in a TFSA are eligible for all the same investments as RRSPs. Make your savings work for you.

Charitable Donation receipts are good for five years. When your total donations exceed \$200, you get a larger deduction. Consider saving your donation receipts for five years to save more on taxes.

If two or more single parents are sharing a home, the CRA will allow only one to claim a child as Equivalent to Spouse. Compare the tax savings to your annual accommodation savings.

Self-employed people are eligible to deduct a portion of their home expenses as a home-office expense. This includes rent, mortgage interest, property taxes, insurance, heat, electricity, and maintenance.

There is no statute of limitation on applying to split CPP benefits with a divorced spouse. However, if you were living common-law, you have only two years after the date of separation to make the request.

BC Housing may subsidize your rent if you meet these criteria: you pay rent; you are employed; you have one or more minor children; family income is under \$35,000; your taxes are up to date.

You can claim the Best 12 Months of Medical Expenses on your tax return. If all your expenses are dated October to February, choose a 12-month period that includes those months for a greater tax savings.