

UPDATED!

January 20, 2010

2009 Year-End Customer Guide

Powerpay



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2009 Powerpay Year-End Customer Guide

Welcome to the 2009 year-end customer guide. Use this guide as a reference to lead you through the year-end process. The information contained in this customer guide is as up to date as possible as of **September 1, 2009**. As new information becomes available, it is distributed via the following media:

- Info Centre available upon log-in to Powerpay
- Ceridian's web site, at www.ceridian.ca → Resources & Tools → Top HR and Payroll Resource Websites
- Ceridian's electronic newsletter, **Ceridian HR Specialist**. To receive the newsletter, submit your e-mail address on the web site.
- To receive legislative updates, send a blank email to yeinfo@ceridian.ca. Content is updated as legislative changes occur.


Note: This e-mail address is not monitored and will send legislative updates only. Please direct specific questions to your Service Delivery Team

To request your tax forms between January 4th and February 19th, 2010, call our Interactive Voice Response (IVR) Service at 1-800-667-7867.



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Ceridian Bulletin Board

The bulletin board is the section of the year-end guide where Ceridian has provided you with suggested topics for review, resource information, and an introduction to some of the tools Ceridian offers to enhance your year-end processing.

Resources for Year-End Information



In addition to this guide, please refer to the following for more information on year-end and processing tax forms:

- For further details concerning payroll deductions, consult Canada Revenue Agency's Employer's Guide - Payroll Deductions and Remittances, or go to their web site: www.cra-arc.gc.ca
- For Revenu Quebec information, see their Guide for Employers or go to www.revenu.gouv.qc.ca
- Access these sites above and other sites such as federal, provincial, and territorial governments, international payroll & HR related sites, and payroll and HR associations directly from Ceridian's website. From www.ceridian.ca, click **Resources & Tools** → **Top HR and Payroll Resource Websites**

Tax Forms Via Powerpay

Tax forms via Powerpay are a single file of employer copies of tax forms (e.g. T4s) that can be easily accessed in PDF format. It does not replace the legally required paper tax forms but does provide an electronic backup for the employer. This backup can also be used to generate replacement forms for employees who lose their original form.

A copy of your 2009 tax forms will be available in Powerpay on the **Reports Tab – Year-End Reports**, which will enable you to access these records from any computer with an Internet connection for 7 years. You can search the information as required. All the information is fully secure so that it cannot be modified. Use it to:

- Re-print individual forms on demand
- Easily archive Employee Tax Forms in keeping with legislation
- Respond to employee queries without referring to archived paper copies.

Online Tax Forms powered by epost™

Ceridian's online service offering provides you with the ability to have employee pay statements and tax forms delivered directly to your employees via epost™, the online mail delivery service powered by Canada Post. This secure web-based service is available to your employees free of charge, 24 hours a day, 7 days a week, in English and French.



Features of this service include:

- Electronic Postmark™ and RCMP-audited data security system
- Email Notification. At your employees discretion, epost™ will send an email notification to your employees notifying them of new mail.
- Online storage of important documents for seven years

Note: 2009 Online tax forms via epost™, are available from **December 1, 2009 – March 26, 2010**. Tax forms processed outside of this time frame will produce paper forms.

epost™ Subscription (2009 Tax Forms)

Employer registration **must occur prior to, or with**, the final payroll processing of the year. Please allow yourself additional time to complete the Ceridian agreement and for Ceridian to enter the required system option.

Employee subscription to epost™ and adding 'Ceridian' as a mailer, **must be completed 24 hours before tax forms are processed**. Please keep in mind that if an employee misses the opportunity to subscribe, they will receive paper tax forms and must wait until the following year-end to receive online tax forms.

Tax Form Holding Period and Release

Default Holding Period

It is important to note that tax forms are held by Ceridian for a default of 7 calendar days before being released to epost™ for delivery (pay statements are available on cheque date). The purpose of the 7 day holding period is:

1. To allow for delivery of employer forms, client review and verification of accuracy.
2. To provide the opportunity to re-run tax forms, in situations where changes or updates are required.

- If tax forms are re-run within the day 7 day holding period, the original tax forms will be **overwritten** with the new tax forms
- If the 7 day holding period has expired, subscribed employees will receive **2 copies** of their tax form(s) in their epost™ mailbox (the date stamp will identify which form is the most current).

Holding Period Override

Once tax forms have been processed, you may, on a per request basis, contact your Service Delivery Team to override the default setting to:

- Waive the 7 day waiting period, releasing tax forms to epost™ for delivery, or
- Defer the release to epost™ beyond the default 7 day holding period until further notice. You are required to contact Ceridian a second time when you are ready to have forms released to epost™.

Imposed Release

Irrespective of the holding period, in order to ensure all employees receive their tax forms prior to MRQ's deadline of **Friday February 26, 2010** and CRA's deadline of **Monday March 1, 2010**, all pending employee tax forms will be released to epost™ for delivery on **Thursday February 25, 2010**.

Employer service fees do apply. Contact your Service Delivery Team for further information.



Mandatory Electronic Filing

Effective January 2010, CRA has announced that filers submitting more than **50** (formerly 500) information returns (tax forms) will be required to file electronically.

Electronic filing does NOT include electronic media such as CD's, DVD's or diskettes. Filers with more than 50 tax forms who previously used these filing methods will have to file using the Internet.

CRA will be applying a one-year transitional period to enable businesses and service providers the time to effectively implement these changes. Therefore, penalties will begin being applied starting in 2011 (for tax reporting year 2010).

Ceridian is pleased to announce that we are well prepared to Internet file 2009 tax forms. In fact, 2008 tax forms were successfully filed via the Internet using CRA's PKI secure file transfer process.

For more information on filing tax forms electronically, go to the CRA Web site at <http://www.cra-arc.gc.ca/iref/>

CRA Summaries

CRA has advised they will no longer send paper summaries to employers via the mail. Fillable summaries can be completed at www.cra.gc.ca/fillable or paper forms can be requested at www.cra.gc.ca/forms or by calling 1-800-959-2221.

For T4's, all employers with an active business number will receive a letter from CRA in November, providing them with a Web Access Code (WAC) inviting them to file electronically. Other form types will also be notified of the WAC, but may be at a different time of the year.

If you do not receive your WAC, please contact E-Services at 1-877-322-7849 (English) 1-877-322-7852 (French) or visit the website at <http://www.cra-arc.gc.ca/esrvc-srvce/ef/cd-eng.html>

Note: If you are a tape filer; Ceridian is filing electronically on your behalf; and you do not require a Web Access Code, no action is required on your part. If you are a non tape filer, you are responsible for completing and submitting the T4 summary with your tax forms.

Important Dates and Deadlines

In addition to the year-end banner pages and Powerpay Info Centre, Ceridian's year-end dates and deadlines are now available in this guide. Please see, *Important Dates and Deadlines*, page 27, to be sure you are familiar with when adjustments are due and tax form processing must be complete.

Self Serve Tax Form Initiation

Ceridian would like to announce that effective January 2010; all initial tax form requests must be made by you, via Ceridian's self serve IVR (Interactive Voice Response) Service.

Using IVR provides fast, convenient self service and **bypasses phone queue wait times!** IVR is available 24 hours a day, seven days a week.

Please prepare early by ensuring that you have your IVR Branch ID, Payroll ID and PIN number on hand. If you do not have this information, please contact your Service Delivery Team for assistance.

For more information on how to use IVR and when it is available, please refer to the Year-End tab in the Powerpay application.

Dating of Payrolls

Legislation requires that amounts (e.g. earnings, statutory deductions, etc.) belong to the year in which they were paid. This is determined by the **payment date**. For example, if pay period ending is December 31, 2009 and is paid on January 4, 2010 (January 5, 2010 in Quebec), this is considered earnings for 2010 and therefore included in the 2010 tax form.

View your calendar in Powerpay by clicking **Company tab** → **Calendar** to verify that the payment date for your first pay in 2010 is correct.

Checklist of 2009-2010 Year-End Activities

This checklist was created to keep the year-end process simple and is your primary tool for processing your year-end with Ceridian. Use this checklist to ensure that all necessary tasks are properly completed in order and on time.


November 2009

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> Powerpay displays a message prompting you to indicate your choice for producing tax forms with your final run. The default selection is Yes , as the majority of our small business customers do not have adjustments that prevent them from processing tax forms with the final run (i.e. pension adjustments or taxable benefits not calculated throughout the year).	
<input type="checkbox"/> When you receive your year-end preliminary reports package, follow the instructions for each report to ensure that the information it contains is correct as of the pay period ending date, shown in the upper right-hand corner of each report. If you require new earning or deduction codes or adjustments to a current code, please contact your Service Delivery Team prior to your final payroll run of the year. For each of the following items, verify that they are correct by checking the relevant reports, see <i>Year-End Reports</i> , page 23.	
<input type="checkbox"/> For each employee (including those on terminated status), verify: <ul style="list-style-type: none">• name and address• Social Insurance Number• CPP/QPP, EI and QPIP (Quebec Parental Insurance Plan) deficiencies• Province(s) of employment for 2009.	

<input checked="" type="checkbox"/>	Action	Deadline
<input type="checkbox"/>	Review the Earnings and Deductions Matrix to ensure all codes are accurate and are directed to the appropriate tax form box(es).	
<input type="checkbox"/>	Verify Business Number(s) and/or Quebec Remittance Account Number(s)	
<input type="checkbox"/>	Verify tape-filing status (Tape Filer/Non Tape Filer); see <i>Validating Your Tape Filing Status</i> , page 25.	
<input type="checkbox"/>	Verify EI/QPIP reduced rates, with associated BNs, for 2009	
<input type="checkbox"/>	If your payroll includes employees in the relevant province, verify: <ul style="list-style-type: none"> • Manitoba Health and Education Tax Number • Ontario Employer Health Tax Number • Newfoundland and Labrador Health and Post-Secondary Education Tax Number • Northwest Territories/Nunavut Payroll Tax Number • Nova Scotia WCB account number and rate 	
<input type="checkbox"/>	If applicable verify: <ul style="list-style-type: none"> • Deferred Profit Sharing Plan Number(s) • Registered Pension Plan Number(s) 	
<input type="checkbox"/>	If you have adjustments to make, proceed to the Year-End tab → Year-End Adjustment Process → Prior to the First Pay of the New Year window for further instructions. **By entering all year-end adjustments prior to or with your final pay of 2009, you should request to have your tax forms produced with the last pay of the year. Your package is delivered to you within five business days via your regular delivery method.	

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> If you have employees in any of the provinces that have provincial medical/payroll tax plans (NL, ON, MB, QC) and the projected earnings for these provinces for the new year may result in a change in the way Ceridian calculates your provincial health care levy, contact your Service Delivery Team.	

December 2009 and Last Pay of the Year

<input checked="" type="checkbox"/> Action	Deadline	
<input type="checkbox"/> Verify the remittance amounts made by Ceridian on your behalf during the year by comparing them with the reports from the appropriate government agency.		
	<p>Note: Anything not included in your regular payroll processing in 2009 requires you to make the remittance payment to CRA/ Revenu Quebec directly.</p>	
	<table border="0"> <tr> <td data-bbox="446 1081 1258 1333"> <input type="checkbox"/> Advise Ceridian in writing of any changes to your company's EI/QPIP rates, Receiver General remittance frequency, and/or WCB mill rate effective for 2010 if applicable. Advise Ceridian of any changes to your C.S.S.T. mill rate effective for 2010 if applicable (Quebec employers only). </td> <td data-bbox="1291 1081 1453 1333"> At least one week prior to processing your first payroll of 2010 </td> </tr> </table>	<input type="checkbox"/> Advise Ceridian in writing of any changes to your company's EI/QPIP rates, Receiver General remittance frequency, and/or WCB mill rate effective for 2010 if applicable. Advise Ceridian of any changes to your C.S.S.T. mill rate effective for 2010 if applicable (Quebec employers only).
<input type="checkbox"/> Advise Ceridian in writing of any changes to your company's EI/QPIP rates, Receiver General remittance frequency, and/or WCB mill rate effective for 2010 if applicable. Advise Ceridian of any changes to your C.S.S.T. mill rate effective for 2010 if applicable (Quebec employers only).	At least one week prior to processing your first payroll of 2010	
<input type="checkbox"/> If you have employees in Nova Scotia, forward your 2010 WCB rates to Ceridian.	At least one week prior to processing your first payroll of 2010	
<input type="checkbox"/> If pension adjustments (PAs) are being calculated by an actuary, ensure that they have been provided and verified to reports prior to processing your tax forms. See <i>Calculating Pension Adjustments (PAs)</i> , page 25.		

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> If you have a company pension plan and your payroll has been set in the previous year with a YTD maximum amount, these amounts must be re-entered in the new year. Contact your Service Delivery Team for assistance.	
<input type="checkbox"/> Ensure that tax exemption claim amounts for employees other than single are updated with your first payroll of the new year.	
<input type="checkbox"/> Ensure that any amounts for employees who have CRA/Revenu Quebec letters (for reductions in taxable remuneration) and/or TK3 or PK3 amounts for federal/provincial tax credits are reviewed and re-set to zero on the first pay of the new year, or adjusted as required.	
<input type="checkbox"/> Ensure that any exemption amounts for any commissioned employees are re-entered on the first pay of the new year if these employees have completed a TD1X form. All commissioned employees should complete a TD1X form for 2010 prior to the first pay of the new year.	
<input type="checkbox"/> Powerpay prompts you to confirm your selection to produce tax forms with your final pay of the year. Your previous choice is indicated as the default.	
<input type="checkbox"/> If you do not want Ceridian to file your tax forms by tape-file with CRA or Revenu Quebec, complete <i>Authorization for Non-Tape Filing</i> , page 58 and fax it to Ceridian prior to requesting your tax forms. For more information on non-tape filing restrictions, see <i>Validating Your Tape Filing Status</i> , page 25.	December 5
<input type="checkbox"/> You receive, with your final pay of the year, a set of year-end balancing reports. If you do not receive these reports, contact your Service Delivery Team immediately.	

First Pay of the Year: January – February 2010



<input checked="" type="checkbox"/>	Action	Deadline
<input type="checkbox"/>	Review the Powerpay Info Centre and Year-End tab for communication of Ceridian's important dates and deadlines detailing when adjustments must be received and processed. If you are unable to meet any deadline, contact your Service Delivery Team for advice on how to proceed.	
<input type="checkbox"/>	If Ceridian is not filing your tax information with CRA and/or Revenu Quebec, follow the instructions for <i>Non Tape Filer</i> , page 38.	
<input type="checkbox"/>	If you submitted adjustments to be processed for your tax forms after your last pay of 2009, you are responsible for remitting to the appropriate agencies any remittances caused by the adjustments by the specified deadline imposed by those agencies.	
<input type="checkbox"/>	Employees who have CRA/Revenu Quebec letters (for reductions in taxable remuneration) and/or labour-sponsored tax credits automatically have these amounts re-set to zero with the first payroll of the new year. Enter new amounts for 2010 as part of your first payroll of the new year on the Statutory Deductions window.	First pay period in 2010
<input type="checkbox"/>	For commissioned employees, enter amounts for estimated annual earnings/expenses for 2010 on the first pay of the new year, on the Statutory Deductions window. If new values are not entered, the previously entered values will apply.	First pay period in 2010
<input type="checkbox"/>	Review those deductions that may have used reducing targets during the year to determine if changes to the target amount are required. All changes should be entered as part of the first payroll in 2010, on the Deductions and Contributions window.	First pay period in 2010
<input type="checkbox"/>	If you have employees in Quebec, when submitting the first pay period in 2010, you are prompted to enter your company's worldwide gross payroll amount for 2009 (including taxable benefits), in order to accurately calculate the Health Services Fund in the new year.	First pay period in 2010

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> If you have adjustments, review the information provided on the Year-End tab → Year-End Adjustment Process → After the First Pay of the New Year .	February 12
<input type="checkbox"/> If you have reviewed your Year-End Balancing Reports and are ready to request your tax forms, call our Interactive Voice Response service (IVR) at 1-800-667-7867 or see <i>Requesting Tax Forms In 2010 with IVR</i> , page 35. The deadline to request your tax forms is February 19th .	February 19
<input type="checkbox"/> If you have employees in British Columbia , you are responsible for filing your B.C. WCB reports and remittances (if applicable) for 2009. Your provincial WCB should communicate the rates at which to calculate your premiums owing.	February 26 for quarterly remitters (validate annual remitter due dates on return)
<input type="checkbox"/> After verifying that your tax forms are correct, distribute them to your employees.	CRA: March 1
<div style="border: 1px solid black; padding: 5px;"> <p>Note: Failure to distribute tax forms to employees before these deadlines can result in penalties (fines) being levied by CRA/Revenu Quebec.</p> </div>	
<input type="checkbox"/> If you are a non-tape filer, submit your T4/RL summary and government copy of forms to CRA/Revenu Quebec.	
<input type="checkbox"/> If you have employees in Newfoundland and Labrador , it is recommended that you file an Annual Declaration Return form along with your T4 and/or T4A Summaries for the year to the Department of Finance. See <i>Newfoundland and Labrador Health and Post-Secondary Education Tax (HAPSET)</i> , page 42.	
<input type="checkbox"/> If you have employees in Quebec , you are responsible for submitting the RL Summaries to Revenu Quebec, regardless if tax forms were sent by tape file, see <i>Submission of Tax Forms</i> , page 37.	February 26

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> If you have employees in Quebec , you are responsible for filing your CNT levy and WSDRF return with Revenu Quebec. Please refer to the RL Summary.	February 26
<input type="checkbox"/> If you have employees in provinces other than British Columbia and Ontario , file your provincial WCB reports and remittances (if applicable) for 2009. Your provincial WCB should communicate the rates at which to calculate your premiums owing.	March 1

March 2010

<input checked="" type="checkbox"/> Action	Deadline
<input type="checkbox"/> If you have employees in Ontario , you are responsible for filing an annual Ontario EHT form, to reconcile the annual tax due against the instalments made. This is the employer's responsibility, even if Ceridian remits your EHT premiums on your behalf.	March 15
<input type="checkbox"/> If you have employees in Quebec , you are responsible for completing and filing your annual Quebec C.S.S.T. reports and remittance for 2009.	March 15
<input type="checkbox"/> If you have employees in Ontario , you are responsible for filing your Ontario WSIB reports and remittances (if applicable) for 2009. The WSIB should communicate the rates at which to calculate your premiums owing.	March 31
<input type="checkbox"/> If you have employees in Manitoba and the Manitoba gross earnings for 2009 are \$1,250,000 or greater, you are required to report this amount on a T4 Summary (provided by CRA) and forward it to the Manitoba Minister of Finance. See <i>Manitoba Health and Post-Secondary Education Tax</i> , page 46.	March 31

Important Holiday, Bank and Direct Deposit Dates

Year-end is a process that requires much consideration to important dates and deadlines, especially around the holiday season, near the end of December and start of January. This section lists all of the important holiday dates, bank dates, and direct deposit dates that you should consider during the year-end season.

Processing the First Pay of the New Year

Although the practice is uncommon prior to December 17th, you may wish to process your first pay of 2010 in December 2009. Until the CRA/ Revenu Quebec tax tables for the new year are in place, Powerpay displays a message that prevents you from submitting your first pay of 2010. This ensures that the correct tax tables are in place for processing your payroll run and prevent errors caused by using the previous year's tax tables.

Should you receive this error message while attempting to submit your payroll run, contact your Service Delivery Team for more information on the date the new tax tables will be available.

Important Dates for Employers with Direct Deposits (EFTs)

Powerpay calendars account for bank, statutory and provincial holidays; however, it is good practice to review your 'Submit for Processing By' dates on your calendar (**Company tab → Calendar**).

If changes are required, making them now ensures that your December and January payrolls are processed early enough to guarantee that direct deposits are made on time. The following input schedule is recommended for releasing EFT payments so that all employees receive payment on the due date.

EFT Payment Date	Input to Ceridian
December 29, 2009	December 22, 2009
December 30, 2009	December 23, 2009
December 31, 2009	December 24, 2009
January 4, 2010 (Except in Quebec – banks in Quebec are closed)	December 29, 2009

EFT Payment Date	Input to Ceridian
January 5, 2010	December 30, 2009 (December 29, in Quebec)
January 6, 2010	December 31, 2009 (December 30, in Quebec)
January 7, 2010	January 4, 2010
January 8, 2010	January 5, 2010

Any payrolls processed outside of these recommended guidelines are processed on a best-effort basis by the receiving banking institutions. Ceridian is unable to speed up the processing of deposits with the banks once the EFT information has been released to them. Due to bank closures, no EFT files are processed on December 25 and 28, 2009, or January 1, 2010 (and January 4, 2010 in Quebec).

2009-2010 Bank Holiday Schedule

The following table lists the days that **Banking Institutions** recognize major holidays from December 2009 through to November 2010. When approving or reviewing your 2010 calendar, ensure your schedule has taken the following dates into account.

Holiday	Date	Observed on
Christmas Day	December 25, 2009	Friday, December 25
Boxing Day	December 26, 2009	Monday, December 28
New Year's Day	January 1, 2010	Friday, January 1
Traditional Holiday (Quebec only)	January 2, 2010	Monday, January 4
Islander Day (Prince Edward Island only)	February 15, 2010	Monday, February 15
Family Day (Alberta, Saskatchewan and Ontario)	February 15, 2010	Monday, February 15
Louis Riel Day (Manitoba only)	February 15, 2010	Monday, February 15
Heritage Day (Yukon only)	February 26, 2010	Friday, February 26
Good Friday	April 2, 2010	Friday, April 2
Easter Monday (Nunavut only)	April 5, 2010	Monday, April 5
Victoria Day	May 24, 2010	Monday, May 24

Holiday	Date	Observed on
Aboriginal Day (Northwest Territories only)	June 21, 2010	Monday, June 21
Discovery Day (Newfoundland and Labrador only)	June 21, 2010	Monday, June 21
St. Jean Baptiste (Quebec only)	June 24, 2010	Thursday, June 24
Canada Day	July 1, 2010	Thursday, July 1
Nunavut Day (Nunavut only)	July 9, 2010	Friday, July 9
Civic Holiday *	August 2, 2010	Monday, August 2
Discovery Day (Yukon only)	August 16, 2010	Monday, August 16
Labour Day	September 6, 2010	Monday, September 6
Thanksgiving Day	October 11, 2010	Monday, October 11
Remembrance Day	November 11, 2010	Thursday, November 11

* Civic Holiday is in BC, AB, SK, MB, ON, NT, NU, NB and NS only (optional, at employer's discretion, in AB).

Note: Ceridian closures may differ from the Bank Holiday Schedule. Please contact your Service Delivery Team regarding dates of interest.

Year-End Reports

Because the year-end process can be very involved, it is important to start looking at, and adjusting your employee information as early as possible. Where possible, make your adjustments in November, to ensure that all information is accurate and complete for your final pay submission at the end of the year.

With your first payroll with a cheque date in November, you will receive your year-end preliminary reports package, also accessible on the **Reports** tab, which includes the following reports:

- Tax Returns Exception Report
- General Client Information
- Earnings and Deduction/Benefit Matrix Reports
- Name, Address and S.I.N. Report
- CPP/QPP Deficiency Report
- EI Premium Deficiency Report
- QPIP Premium Deficiency Report
- T4/T4A Employee Totals Report
- T4/T4A Recap Reports
- Relevé 1 and 2 Employee Totals Report (if applicable)
- Relevé 1 and 2 Recap Report (if applicable)

Follow the instructions accompanying each report to ensure that the information it contains is correct as of the Pay Period Ending date shown in the upper right-hand corner.

Year-End Balancing Reports

If you signalled your last pay of 2009, or if you are processing your first pay of 2010 without having signalled your last pay of the year in 2009, you will receive Year-End Balancing Reports with your payroll package. These are the same as the Preliminary Year-End Reports, with the following differences:

- The Name, Address and S.I.N. Report is not included
- Year-End Balancing Reports are available in the **Reports Tab – Year-End Reports**.

Note: To commence your review earlier in the year, contact your Service Delivery Team for more information.

Reviewing Important Information Required by Ceridian

It is necessary to have the following information on file. Review the relevant reports (Preliminary Year-End Reports, Payroll Register) to ensure that it appears correctly.

Required Employee Information

The following information is required for each employee, including those in a terminated status:

- Current address, including province/territory and postal code
- Social Insurance Number (SIN)

Note: An invalid or missing Social Insurance Number may result in a penalty imposed by CRA.

Changes to these items can be made within Powerpay until the last payroll for 2009 is submitted for processing. Instructions for making changes to year-to-date values can be found on the **Year-End tab → Year-End Adjustment Process → Prior to the First Pay of the New Year** window. Other employee changes can be keyed on the **Employee Profile** window.

After such time, if changes are required, proceed to the **Year-End tab → Year-End Adjustment Process → After the First Pay of the New Year** window for instructions.

Required Employer Information

- Business Numbers (BNs) - Confirm these numbers are correct by comparing them to your CRA PD7A form.

Note: If your BN(s) are missing or invalid, tax forms are not produced.

- Province of Quebec Tax Number. - Confirm this number is correct by comparing it to your Revenu Quebec form TPZ-1015.R.14.#-V.
- EI/QPIP reduced rates, with associated BNs, for 2010
- All applicable provincial tax registration numbers (EHT, Nova Scotia WCB, etc.)

- Deferred Profit Sharing Plan Number(s)
- Registered Pension Plan Number(s) - must be 7 numeric digits. Confirm the accuracy of these numbers by comparing them to your policy plans.
- Worldwide Gross Wages from previous year for HSF

Calculating Pension Adjustments (PAs)

Refer to CRA's *Pension Adjustment Guide* (Publication No. T4084) for a detailed explanation of the PA calculation for each different type of plan (i.e., money purchase, deferred profit sharing, defined benefit). The maximum reportable pension adjustments for 2009 are:

- \$22,000 for Money Purchase plans
- \$11,000 for Deferred Profit Sharing plans
- \$21,400 for Defined Benefit plans [(\$2,444 x 9) - \$600]

Note: If you have pension adjustments to report and an actuary is providing the details for you, ensure they are aware that you must have the information prior to processing your tax forms.

Validating Your Tape Filing Status



Your tape filing status is what determines whether or not Ceridian is providing your tax information directly to CRA and Revenu Quebec electronically.

Your tape filing status is displayed in two primary places in your year-end reports package. To establish and validate your tape filing status, review the following:

1. Item 2, under **Actions to be taken on the General Tax Form Information and Earnings and Deduction/Benefit Reference Tables**
2. The upper left corner of each page of the **T4/T4A/RL-1 Employee Totals**

The tape status displays as one of the following:

Tape Filer	Ceridian submits your employee tax information to CRA and Revenu Quebec electronically on your behalf. Government copies are not printed or provided. You receive 2 copies of tax form slips, one for your employees and one for you, the employer.
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Note: The government-supplied RL-1/RL-2 Summary must be sent to the address shown on the form, by you, the employer, even if Ceridian has sent your RL-1 information electronically.

Non Tape Filer Ceridian **does not submit** your employee tax information electronically. Ceridian provides you with three copies of the tax forms; employee, employer and government forms, which you, the employer, must file with CRA and Revenu Quebec.

Employers who file more than **50** (formerly 500) forms must submit their forms electronically to CRA by Monday March 1, 2010, or penalties could incur. If you are a tape filer and you plan for Ceridian to submit your forms electronically, ensure you review the Powerpay Info Centre and banner pages to ensure your tax form production occurs in sufficient time to meet Ceridian's deadlines. Failure to meet these deadlines could result in you, the employer, being responsible for filing your company's tax information to CRA and/or Revenu Quebec electronically using an alternate method.

Note: To ensure you are filing in accordance with CRA and Revenu Quebec regulations, review and validate your tape filing status on each set of year-end reports you receive (preliminary reports in November, year-end reports in December, year-end adjustment runs and actual tax form production).

Year-End Adjustments

It is recommended that all changes required to be included in the T4s/RLs are updated to your masterfile on or before the final run of the year. However, this is not always possible, as some information may not be available to you until early in the new year.

It is your responsibility to ensure that all year-end adjustments are properly submitted using the correct system codes for the input method that you use. In order to ensure that these corrections amend your 2009 year to dates and not 2010, a special processing run must be created. This is called a year-end adjustment run or y-run.

Note: Additional charges apply for this service.

Important Dates and Deadlines

It is important to remember that with the year-end process and legislative requirements (for both you the employer, and Ceridian), there are a number of important dates and deadlines to keep in mind. Review the following information and keep it easily available throughout the tax season.

Please note, effective January 2010, CRA has announced that filers submitting more than **50** (formerly 500) information returns (tax forms) will be required to file electronically. See *Mandatory Electronic Filing*, page 7.

Follow the tape filer deadlines to have Ceridian file on your behalf.

Activity	Deadline
Attachment 1 – Authorization for Non Tape Filing	December 4, 2009

Tape Filer

Tape Filer Ceridian **submits** your employee tax information to CRA and Revenu Quebec electronically on your behalf. Government copies are not printed or provided. You receive 2 copies of tax forms, one for your employees and one for you, the employer.

Activity	Deadline
Y-run adjustments <i>Additional service charges may apply.</i>	February 12, 2010. Ensure you provide Ceridian with notification of these adjustments and allow for a minimum of 7 business days for Ceridian to enter data.
Y-run submission	February 12, 2010
Tax form initiation	February 19, 2010

Non Tape Filer

Non Tape Filer Ceridian **does not submit** your employee tax information electronically. Ceridian provides you with three copies of the tax forms; employee, employer and government forms, which you, the employer, must file with CRA and Revenu Quebec.

Activity	Deadline
Y-run adjustments <i>Additional service charges may apply.</i>	February 19, 2010. Ensure you provide Ceridian with notification of these adjustments and allow for a minimum of 7 business days for Ceridian to enter data.
Y-run submission	February 19, 2010
Tax form initiation	February 24, 2010

Employees with Multiple Tax Forms

If you have employees who worked in different provinces or under different BNs during the year who require adjustments, please contact your Service Delivery Team for assistance.

Prior to the First Pay of 2010

Adjustments to year-to-date values and/or employee profiles before or with the last pay of the year can be made directly in Powerpay via an E-Run or a regular run. For information, proceed to the **Year-End tab → Year-End Adjustment Process → Prior to the First Pay of the New Year** window.

After the First Pay of 2010

If you have not requested your tax forms with your last pay of 2009 due to outstanding adjustments, the Year-End Adjustment run (y-run) is now available via Powerpay for this purpose.

Provided you have processed your first pay of 2010, proceed to the **Year-End tab → Year-End Adjustment Process → After the First Pay of the New Year** window in Powerpay for full details. The window and attached documents tell you everything about how to get your adjustments done and request your tax forms.



Note: Multiple adjustment runs can be processed, but charges do apply. Where possible, it is recommended that you gather all adjustments and process them at one time.

What Kind of Adjustments can be Made on Year-End Adjustment Runs (Y-Run)?

- Employee profile changes, such as name, address and SIN.
- Amendments to year-to-date values for employee earnings and deductions, as well as employer contributions.

What do I Need to Know About the Year-End Adjustment Run (Y-Run)?

- All remittances relating to statutory and provincial taxes and health care levies resulting from adjustments must be sent directly to the appropriate governing body. **Ceridian will not remit these amounts on your behalf.**
- Changes made to employee profiles only affect 2009 tax forms. If these changes also apply permanently, key them into Powerpay on your next run. For example, if your employee requests their tax forms be mailed to an alternate address but this address is only temporary, you need only enter this change on the Year-End Adjustment Run (and not into Powerpay for the current year).
- No payments to employees are generated.
- Year-End Adjustment run fees apply.
- Tax forms (T4s/RL-1s) are not produced when a y-run is processed.

Ceridian processes the adjustments provided, and sends new year-end reports (including the adjustments) using your usual delivery method.

Notes: The Payroll Funds Summary and the Executive Summary identify the output as belonging to a Year-End Adjustment run.

The reports created from the Year-End Adjustment Run are also available online in Powerpay on the Reports tab (see **Reports** → **Year-End Reports**).

Coding the ‘Other Information’ Area of the T4

The “Other information” area at the bottom of the T4 slip has boxes for you to enter codes and amounts that relate to employment commissions, taxable allowances and benefits, deductible amounts, and other entries if they apply. The boxes are not pre-numbered as in the top part of the slip.

The *CRA Codes* table on page 31 lists all the CRA codes, which can be listed in the “Other Information” area of the T4, along with the associated Ceridian system codes.

In the column **Ceridian Code**, if the word “Permanent” appears, it means it is possible to have a permanent option in your masterfile that automatically records the YTD values of that payroll code on the T4 slip with the appropriate CRA code. Refer to your year-end balancing reports to identify the payroll code that has been set up for this purpose. If you have to make year-end adjustments, use the payroll code that is specific to your payroll.

If there is not a permanent code set up on your masterfile and you need to report these amounts, advise your Service Delivery Team that you require a code to do so. *Remember that you must enter dollar values as well, as they will not have accumulated throughout the year.*

In the **Ceridian Code** column, if a ‘Z’ code is listed, you should use this 3-digit Z code along with a value to report the amount in the “Other Information” area of the T4. In most cases, these amounts are part of a value already appearing in another box on the T4, and their amounts cannot be determined until year-end.

If you have Z-codes to be added to your payroll, they must be processed on a year end run (y run). If you need to report these amounts, advise your Service Delivery Team that you require a Y run to be done.

Special Comments:

- Ceridian Z-codes (i.e. Z39 Stock Option) are processed only on Y runs. They cannot be processed throughout the year on regular pay runs.
- These codes **replace**, they do not add together. If an employee has multiple entries made to the same Z code, the system accepts the *last* entry only.

- Z codes are entered without decimal points. For example: to enter \$500.00 for Medical travel - key or code **Z33 5000**
- To report Deferred Stock Options, the amount must first be recognized as a stock option by the payroll system. Therefore, the value that you want coded to Z46 must first be allocated to Box 38. Once the Z46 code is recognized, Boxes 14 and 38 are reduced by the Z46 amount, provided there are sufficient dollars in Box 38 to reduce them.

The following table lists all the CRA codes, which can be listed in the **Other Information** area of the T4, along with the associated Ceridian system codes.

CRA Codes

Description	CRA Code	T4 Box	Action Required	Ceridian Code
Housing, board and lodging	Code 30	Box 14	Enter amount as required	Permanent
Special work site	Code 31	None	Enter amount as required	Z31
Travel in a prescribed zone	Code 32	Box 14	Enter amount as required	Permanent
Medical travel	Code 33	None	Enter the portion of Code 32 that applies	Z33
Personal use of employer's automobile	Code 34	Box 14	Enter amount as required	Permanent
Interest-free and low-interest loan	Code 36	Box 14	Enter amount as required	Permanent
Employee home relocation loan deduction	Code 37	None	Enter the deductible portion of the amount in Code 36	Z37
Stock option benefits	Code 38	Box 14	Enter amount as required	Permanent

Description	CRA Code	T4 Box	Action Required	Ceridian Code
Stock option deduction - 110(1)(d)	Code 39	Box 39	Enter 50% of the amount reported in Code 38 for these shares	Z39
Other taxable allowances and benefits	Code 40	Box 14	Enter amount as required	Permanent
Security options deduction - 110(1)(d.1)	Code 41	Box 41	Enter 50% of the amount reported in Code 38 for these shares	Z41
Employment Commissions	Code 42	Box 14	Enter amount as required	Permanent
Canadian forces personnel and police deduction	Code 43	None	Enter amount as required	Permanent
Deferred security options benefits	Code 53	Box 53 and Box 14	Enter the amount to a Ceridian code that reports to Box 38. Enter this same value again as Z46.	Z46
Municipal officer's expense allowance	Code 70	Box 70	Enter non-taxable portion of allowance	Z40

Description	CRA Code	T4 Box	Action Required	Ceridian Code
Status Indian employee	Code 71	Various (dependant on Provincial status rating)	Change employee Tax Status code	ET = I
Section 122.3 income - employment outside of Canada	Code 72	None	Enter the amount from Box 14 that qualifies under Section 122.3	Z42
Number of days outside of Canada	Code 73	None	Enter the number of days outside of Canada. Use a 3 digit number - e.g., 089 for 89 days	Z43
Pre-1990 past service contributions while a contributor	Code 74	None	Enter the amount from Box 20 that belongs to this period	Z44
Pre-1990 past service contributions while not a contributor	Code 75	None	Enter the amount from Box 20 that belongs to this period	Z45

Description	CRA Code	T4 Box	Action Required	Ceridian Code
Workers' compensation benefits repaid to the employer	Code 77	None	Enter amount of WCB benefits repaid to the employer which was previously included in the employee's salary	Z47
Fishers – Gross earnings	Code 78	None	Enter amount as required	Z48
Fishers – Net partnership amount	Code 79	None	Enter amount as required	Z49
Fishers – Shareperson amount (included in gross earnings)	Code 80	None	Enter amount as required	Z50
Placement or employment agency	Code 81	None	Enter amount as required	Z34
Driver of taxi or other passenger-carrying vehicle	Code 82	None	Enter amount as required	Z35
Barber or hairdresser	Code 83	None	Enter amount as required	Z36
Public transit pass	Code 84	None	Enter amount as required	Permanent
Employee-paid premiums for private health services plan	Code 85	None	Enter amount as required	Permanent

Requesting Tax Forms

Requesting Tax Forms With Last Pay of 2009

If you entered all required adjustments prior to, or with your last pay of the year, or do not have adjustments, you should request your tax forms with your last pay of 2009.

In Powerpay, after creating your final pay of the year, and indicating that this is the last pay for 2009, you are presented with your previously selected option for processing tax forms with your final run. If you are requesting your tax forms with your last pay run of 2009:

- All adjustments must be keyed into Powerpay.
- Reversals and manuals must have been entered.
- Taxable benefits that did not process through the payroll must have been entered.
- All names, addresses and SIN numbers must be correct.
- CPP/QPP, EI and QPIP deficiencies must have been corrected.

Requesting Tax Forms In 2010 with IVR

If further corrections or adjustments are required before tax forms are produced, proceed to the **Year-End tab** → **Year-End Adjustment Process** → **After the First Pay of the New Year** window for information and instructions on how to submit your adjustments.

After validating the year-end reports provided from your y-run, you are able to request your tax forms.

Important Information on When to Access IVR:

TAPE FILER: Tax form initiation is available via IVR from **January 4, 2010 to February 19, 2010.**

NON TAPE FILER: Tax form initiation is available via IVR from **January 4, 2010 to February 24, 2010.**

Note: To determine your TAPE status, see *Validating Your Tape Filing Status*, page 25.

To access the IVR service:

1. Dial 1-800-667-7867.
2. Select your language of choice.
3. Select **Account Management**.
4. Identify yourself with your Branch, Payroll ID and PIN (this is the same access information used when calling in for payroll totals). If you do not have this information, contact your Service Delivery Team.
5. Follow the voice prompts for **Tax Form Processing**.

If you require assistance or have not used the IVR service and require your access information, contact your Service Delivery Team.



After you have made your request, you are able to call again to check on the *status* of your request.

Note: IVR can be utilized for initial requests **only**. To initiate a re-run or re-print, contact your Service Delivery Team.

Processing After the Tape Deadline

It is extremely important to note that if your tax forms are processed ***after*** the February 19th tape deadline, Ceridian will **automatically** process them as **NON-TAPE**, even if your most recent year-end reports indicate you are a tape filer, and you have processed as a tape filer in previous years.

This will occur in order to ensure that Ceridian meets our commitment to our many customers and file appropriately with the government agencies prior to MRQ's deadline of Friday February 26, 2010 and CRA's deadline of Monday March 1, 2010.

If the February 19th deadline is approaching, and you are still not ready to process, please contact your Service Delivery Team immediately for advice on how to proceed.

Submission of Tax Forms

Tax Form Filing

When you receive your tax forms, ensure you review and validate your reports one last time. Once you ensure that all information is accurate, distribute the employee copies to your employees, and review the following sections in relation to submitting your tax forms to CRA and Revenu Quebec.

Filing Deadline for 2009

CRA's deadline for filing returns and distributing forms for year-end 2009 is **Monday March 1, 2010**. All employers who file more than **50** (formerly 500) T4 type slips must submit them to CRA electronically, meaning via the Internet. See *Mandatory Electronic Filing*, page 5.

MRQ's deadline for filing returns and distributing forms for year-end 2009 is **Friday February 26, 2010**.

Note: All employee forms must be distributed by the above deadlines, regardless of your filing method.

2009 tax form adjustments are due no later than Friday, February 12th, 2010. For information and instructions, proceed to the **Year-End tab → Year-End Adjustment Process → After the First Pay of the New Year** window in Powerpay. For assistance, contact your Service Delivery Team.

Requests to produce tax forms must be communicated no later than Friday, February 19th, 2010.

Note: These deadlines are in place to allow Ceridian time to process your request and allow clients time to review output prior to information being submitted to CRA and Revenu Quebec.

Tape Filer

If the most recent copy of your year-end reports (those received with your actual tax forms) indicates that you are a **tape filer**, Ceridian submits your employee T4 and RL information directly to CRA and Revenu Quebec electronically on your behalf and government copies of the forms are not printed or provided. Please review and complete the following:

- CRA** Do not send a T4/T4A Summary to CRA.
- Revenu Quebec** The government supplied RL Summary must be completed by you and sent to the address shown on the form even if Ceridian has sent your RL-1 information electronically. The Quebec provincial government does not supply Ceridian with RL-1 Summaries. The summary that is sent directly to you, the employer, from the Government of Quebec must be used for filing purposes.



For the purpose of completing the RL Summary, Ceridian's MRQ tax filing number is **000006**. Please note that this number is for Ceridian customers filing purposes only, and should NOT be used or distributed to anyone other than MRQ.

ACTION REQUIRED: If you have employees in Quebec, submit RL Summaries regardless of your tape-file status by **Friday February 26, 2010**.

Non Tape Filer

If the most recent copy of your year end reports (those received with your actual tax forms) indicates that you are a **non tape filer**, Ceridian does not submit your employee tax information electronically; government copies are provided, which you, the employer, must file with CRA and Revenu Quebec. Please review and complete the following:

- CRA** Complete the fillable T4/T4A Summary, found at www.cra.gc.ca/fillable or request paper forms from CRA at www.cra.gc.ca/forms or by calling 1-800-959-2221. CRA no longer sends paper summaries to employers via the mail.

All information required to complete these summaries is found on the T4/T4A Recap Reports provided by Ceridian.

Note: The summaries and government copies of the forms must be filed by **Monday March 1, 2010**.

- Revenu Quebec** Complete government-supplied RL Summaries. All information required to complete these summaries is found on the RL-1/RL-2 Recap Reports provided by Ceridian. Forms can be located at <http://www.revenu.gouv.qc.ca/>.

Note: The summaries and government copies of the forms must be filed by **Friday February 26, 2010.**

Making Amendments After Tax Forms are Filed (After February 19, 2010)

After your tax forms are processed, you may discover that additional changes are required. If errors are identified after T4s and RL-1s have been filed electronically, follow these procedures.

Issuing an Amended T4/T4A

If your forms have been released to employees and you are not able to retrieve the affected forms and/or they have been filed with CRA (after Ceridian deadline of February 19, 2010):

- Manually prepare the form(s) using the corrected information. Ensure they are completed in their entirety. (Forms can be located at <http://www.cra-arc.gc.ca/>).
- Clearly identify the new form(s) as **AMENDED**.
- Send Copy 1 of the amended form(s) and a letter explaining the reason for the amendments to the Taxation Centre that serves your region. Indicate how your original form(s) were filed (tape file or non tape file). The addresses of CRA's tax centres are listed in both the *Filing the T4 Slip & Summary* and the *Employers' Guide - Payroll Deductions and Remittances* publications.
- **Do not submit an amended T4/T4A Summary.**
- Distribute the amended forms to the employees.
- Keep the amended employer copies on file for reference.

For further information, see the CRA's publication, *Employers' Guide - Filing the T4 Slip and Summary*.

Issuing an Amended RL-1/RL-2

If your forms have been released to employees and you are not able to retrieve the affected forms and/or have been filed with Revenu Quebec:

- Manually prepare the form(s) using the corrected information. Ensure they are completed in their entirety. (Forms can be located at <http://www.revenu.gouv.qc.ca/>)
- Clearly identify the new form(s) as **AMENDED**.

- Indicate on the amended form(s) the number appearing on the upper right-hand corner of the original slip.
- **IMPORTANT:** If you submitted your RL data electronically, you must send a paper copy of the original form(s) along with the form(s) amending them.
- Send Copy 1 of the amended form(s) with a new RL Summary along with a letter explaining the reason for the amendments to Revenu Quebec and how your original form(s) were filed (tape-file or non-tape-file). The address is shown on the RL Summary form. Forms can be located at: <http://www.revenu.gouv.qc.ca/eng/entreprise/retenues/sommaire.asp>.
- Distribute the amended forms to the employees.
- Keep the amended employer copies on file for reference.

For further information, see Revenu Quebec's Guide to Filing the RL-1 Slip - Employment and Other Income.

NR4 Filing

An NR4 return must be filed if you are responsible for reporting and withholding Part XIII tax according to the *Income Tax Act*. Part XIII is a withholding tax imposed on certain amounts paid or credited to non-residents of Canada. NR4 slips are used to report income such as pensions, annuities or investments.

Ceridian can produce self-sealed NR4 forms for issuance to employees, and can electronically file your NR4 information to CRA. Contact your Service Delivery Team for instructions regarding the setup of the payroll codes and the employee information necessary to produce NR4s.

Reprinting Tax Forms

If required you can reprint an individual employee's tax form from the Tax form PDF File found in Powerpay, available on the **Report tab** → **Year-End Reports**. Simply access the file, search for the employee and print. If you have printed a copy for the purpose of distribution to an employee, ensure you:

- Blank out your Company Business Number
- Mark "Duplicate Copy"
- Sign and Date

Provincial Health Care Levies & WCB

If your payroll includes employees in any of the following provinces, you are required to submit the form listed below.

Province	Requirement	Deadline
Quebec	Complete HSF section of RL-1 Summary	March 1, 2010
Ontario	Annual EHT return	March 15 2010
Manitoba**	T4 Summary (for Health & Education Tax)	March 31, 2010

** 2009 gross earnings > \$1,250,000

Quebec Health Services Fund (HSF)

The following rates apply to the Quebec Health Services Fund for 2010:

- If your total worldwide payroll for 2009 is equal to or less than \$1 million, your rate is 2.70%
- If your total worldwide payroll for 2009 is greater than \$1 million but less than \$5 million, your rate is based on the following formula:

$$W (\%) = 2.31\% + (0.39\% \times S), \text{ where}$$

W represents the rate and **S** the quotient obtained by dividing your total payroll for 2009 by 1,000,000.

The rate calculation must be rounded to the second decimal. If the third decimal is equal to or greater than 5, the second decimal must be rounded up to the nearest second decimal. For example, if your total payroll is \$1,500,000, **S** = 1.5. As a result, your rate would be 2.895%, which is rounded to 2.90%.

- If your total worldwide payroll for 2009 is over \$5 million, your rate is 4.26%.

For example, the following rates would apply to the following payroll amounts:

\$1,000,000	2.70%
\$2,000,000	3.09%
\$3,000,000	3.48%
\$4,000,000	3.87%

Over \$5,000,000 4.26%

Note: Your actual contribution rate is determined using your TOTAL worldwide payroll amount for 2009. For further details, see the back of the RL-1 Summary.

Newfoundland and Labrador Health and Post-Secondary Education Tax (HAPSET)

It is recommended that all Newfoundland and Labrador employers file an Annual Declaration Return form along with copies of your T4 and/or T4A Summaries for the relevant year. The Department of Finance may levy penalties for payments or returns that are filed late.

Effective January 1, 2009, the exemption threshold was increased to \$1,000,000. The Department of Finance has advised that employers whose cumulative payroll for 2009 that will not exceed \$1 million will not be required to pay payroll tax.

For those employers whose reported cumulative payroll for 2009 has already exceeded the old threshold, an adjustment to reflect the new threshold will be required. The Department is currently reviewing those accounts and making the required adjustments. If you have a credit balance as a result of these adjustments and Ceridian is currently remitting on your behalf, you may now request Ceridian to reduce your next remittance by the credit amount. Please contact your Service Delivery Team for details.

Employers who are associated with other corporations or who are in partnership with other employers are required to file an allocation agreement for the purposes of allocating the exemption threshold. For these employers, the department will allocate the revised exemption threshold based on the most recently filed allocation agreement. If employers would like to change those thresholds a new allocation form will have to be submitted.

ACTION REQUIRED: If your payroll includes employees in the province of Newfoundland and Labrador*, submit your Annual Declaration.

*2009 gross earnings >\$1,000,000

Ontario Employer Health Tax (EHT)

Each Ontario employer must file an annual return for each calendar year. The annual return for 2009 is due on March 15, 2010. The purpose of the annual return is to reconcile the annual tax due with the instalments paid. For monthly remitters the instalments paid are calculated on the *previous month's* payroll and are remitted on the 15th of the following month. An employer is required to pay monthly instalments if their annual "Total Ontario Gross Remuneration" exceeds \$600,000.

An Annual EHT return must be filed by:

- All employers who received their EHT Annual Return
- Eligible employers whose "Total Ontario Gross Remuneration" is greater than their available exemption for 2009
- Eligible employers with annual "Total Ontario Gross Remuneration" that does not exceed their available exemption amount if the employer:
 - was a member of an associated group on December 31, 2009; or
 - made EHT instalment payments in 2009
- New eligible employers whose annual "Total Ontario Gross Remuneration" is greater than their allowable prorated exemption amount

Note: The annual exemption amount is \$400,000. If your exemption amount has changed from 2009, you must advise Ceridian 5 days prior to processing your first payroll in January, see *Ontario Employer Health Tax Exemption Form*, page 59.

If Ceridian is remitting on your behalf, the balancing of payments and the filing of the annual return is still your responsibility. Refer to the General Client Information section of your Year-End Balancing Reports for information to assist you in completing the Annual Ontario EHT Return.

Debit or Credit Balance

If your completed EHT return reflects a balance owing, you must submit a payment to the Ministry of Revenue with your Annual EHT return.

If your completed EHT return reflects a credit balance, and Ceridian is currently remitting on your behalf, you may now request Ceridian to reduce your next payment by the credit amount. In order to do so, please provide Ceridian with a copy of a recent EHT statement displaying the credit and confirm that you have not already requested a refund cheque from the Ministry of Revenue (via the filing of your Annual return).

- If the credit is for a previous tax year, before Ceridian can make a reduction in payment, a request must be made to the Ministry of Revenue to transfer the credit to the current tax year.
- Please note that the Ministry of Revenue has advised that it reserves the 'right to offset' any EHT credit balance with a debit balance on a related Ontario tax account. Therefore, the EHT tax office may refuse to transfer the credit or allow the refund.

Change to Ontario EHT Numbers

In December 2008, the Ontario Ministry of Finance proceeded with their plans to convert the 9 digit EHT account numbers to mirror the 15-digit federal Business Number (BN). The new account numbers have a "TE" extension rather than the "RP" extension used by the Canada Revenue Agency (CRA).

The new account numbers will be issued to Employer Health Tax clients by the Ministry. Once the Ministry has converted your account to the new 15-digit federal Business Number, please notify your Service Delivery Team.

EHT Annual Year-End Return - Annual Remitters

Employers whose "Total Ontario Gross Remuneration" for the year is \$600,000 or less are not required to pay instalments. They remit any tax owing only once a year.

EHT Annual Year-End Return - Monthly Remitters

For employers making *monthly* instalments, the amount owing for a year is based on the payroll from January 1 to December 31.

ACTION REQUIRED: If your payroll includes employees in the province of Ontario, **SUBMIT** your Annual EHT Return for March 15, 2010 (deadline).

Balancing EHT Payments - An Example

Month Gross Paid	Actual Monthly Gross for Calendar Year	Gross Pay Used to Determine Monthly Remittance	Accumulative Gross Pay	EHT Remitted in 2009 @1.95%	Date EHT Remittance Made
January 2009	\$76,000	\$76,000	\$76,000		

Month Gross Paid	Actual Monthly Gross for Calendar Year	Gross Pay Used to Determine Monthly Remittance	Accumulative Gross Pay	EHT Remitted in 2009 @1.95%	Date EHT Remittance Made
February 2009	\$58,000	\$58,000	\$134,000		
March 2009	\$52,000	\$52,000	\$186,000		
April 2009	\$60,000	\$60,000	\$246,000		
May 2009	\$55,000	\$55,000	\$301,000		
June 2009	\$54,000	\$54,000	\$355,000		
July 2009	\$52,000	\$52,000	\$407,000	\$136.50	Aug. 15/09
August 2009	\$50,000	\$50,000	\$457,000	\$975.00	Sept. 15/09
September 2009	\$56,000	\$56,000	\$513,000	\$1092.00	Oct. 15/09
October 2009	\$60,000	\$60,000	\$573,000	\$1170.00	Nov. 15/09
November 2009	\$52,000	\$52,000	\$625,000	\$1014.00	Dec. 15/09
December 2009	\$80,000	\$80,000	\$705,000	\$1560.00	Jan.15/10
Totals	\$705,000	\$705,000	\$705,000	\$5947.50	

*Annual exemption of \$400,000 exceeded in July - EHT remittances begin August 15/09

Gross pay Jan. 1 - Dec. 31, 2009	\$705,000
Less EHT exemption	400,000
Amount owing	305,000 x 1.95% = \$5947.50
Amount paid Jan. - Dec. 2009	<u>\$5947.50</u>
Balance due	\$0.00

All enquiries regarding EHT changes should be directed to:

Employer Health Tax Branch
 Ministry of Revenue
 33 King Street West

Oshawa, Ontario
L1H 8H5

In Ontario: Phone: 905-433-6000
Fax: 905-433-6777

Toll Free (Canada & US): 1-800-263-7965

Hours of Service: 8:30 am to 5:00 pm (EST) Monday to Friday
Closed Statutory Holidays

Web: <http://www.rev.gov.on.ca/english/taxes/eh/>

Manitoba Health and Post-Secondary Education Tax

If you have employees in Manitoba and you pay Manitoba Health and Education Tax, you are required to report your year-to-date Manitoba gross earnings on your 2009 T4-T4A Summary(s) and submit this form by March 31, 2010 to:

Manitoba Department of Finance
101 - 401 York Avenue
Winnipeg, Manitoba
R3C 0P8

Note: Complete the fillable T4/T4A Summary found at www.cra.gc.ca/fillable or request paper forms from CRA at www.cra.gc.ca/forms or by calling 1-800-959-2221. CRA no longer sends paper summaries to employers via the mail

The rates are:

Less than \$1,250,000	exempt
\$1,250,000 - 2,500,000	4.3% of accumulated remuneration exceeding \$1,000,000
Over \$2,500,000	2.15% of monthly remuneration

ACTION REQUIRED: If your payroll includes employees in the province of Manitoba*, **SUBMIT** your T4 Summary (for Health & Education Tax) for March 31, 2010 (deadline).

* 2009 gross earnings > \$1,250,000

Updating your Gross Earnings for 2009 HSF Calculations

On your first pay of 2010 in Powerpay, you are prompted to provide your company's total worldwide gross earnings (including taxable benefits) for 2009 before you submit your payroll for processing.

WCB Reports

You are required to submit a report to the Workers Compensation Board for each province/territory in which you have employees. Your provincial WCB should communicate to you the rates at which to calculate your premiums owing. The information for completing these reports may be found in the WCB Assessable Earnings Report in your year-end reports package.

Workers Compensation Maximum Assessable Amounts for 2009

Province	Maximum Assessable Amounts for 2009
BC	\$68,500
AB	\$72,600
SK	\$55,000
MB	\$83,000
ON	\$74,600
QC	\$62,000
NB	\$55,400
NS	\$49,400
PE	\$47,500
NL	\$50,379
YT	\$76,842
NT/NU	\$72,100

Troubleshooting

While processing your year-end, you are bound to have questions that aren't answered within the year-end guide. The focus of this section is to provide you with answers to common year-end questions.

Q: How do I let Ceridian know when I am ready to run my T4s/RL-1s?

A: If you have entered all adjustments prior to, or with your last run of the year and have completed the November activities on the Year-End Checklist, you should request your tax forms with your last pay of 2009. This option is available after selecting the **Last Pay of the Year** checkbox when creating your final run for the year.

Or, between January 1 and February 19, call Ceridian's IVR system at 1-800-667-7867 to request your tax forms, see *Requesting Tax Forms In 2010 with IVR*, page 35.

Q: Why are Ceridian's deadlines for adjustments and requesting tax forms earlier than the actual deadline set by CRA and Revenu Quebec?

A: Due to the large volume of payroll information being processed by Ceridian at that time of year and Ceridian's internal validation procedures, this lead-time is required to meet the processing deadlines set by CRA and Revenu Quebec.

Q: Are you sending my tax information electronically to CRA and Revenu Quebec?

A: The upper left corner of each page of the 'Employee Totals' report indicates 'TAPE FILER' or 'NON TAPE FILER'. If the most recent copy of your reports reads 'TAPE FILER', then yes, Ceridian will send your information to CRA/Revenu Quebec electronically on your behalf.

If your report reads 'NON TAPE FILER', then no, Ceridian will not send your information to CRA/Revenu Quebec. You must submit the government forms provided.

If you are not sure and have no reports to refer to, advise your Service Delivery Team of your preference. Check your reports when you receive them to ensure that the preference you've indicated is recorded correctly.

Note: If you do not want Ceridian to file your T4s/RL-1s electronically with CRA/Revenu Quebec, Ceridian requires this information in writing. Complete the *Authorization for Non-Tape Filing*, page 58 and fax it to Ceridian prior to requesting that your tax forms be produced.

Remember, regardless of your tape-filing status, if you have employees in Quebec your RL-1 Summary must be sent to Revenu Quebec. Ceridian does not forward this information on your behalf.

Q: Should I have received a T4/RL summary from Ceridian?

A: For tape filers: When T4s are filed on tape-file, CRA does not require a Summary. Therefore, Ceridian does not produce one on your behalf to avoid CRA receiving duplicate copies. All of the information contained on the Summary may be found within your T4/T4A Recap Reports. If you require a copy of a Summary, the fillable T4/T4A Summary can be found at www.cra.gc.ca/fillable or you can request paper forms from CRA at www.cra.gc.ca/forms or by calling 1-800-959-2221. CRA no longer sends paper summaries to employers via the mail.

For non tape filers: Since most customers file on tape and do not require a Summary, Ceridian is unable to print this report for customers who choose not to file on tape. It is your responsibility to complete and file the fillable T4/T4A Summary, found at www.cra.gc.ca/fillable or you can request paper forms from CRA at www.cra.gc.ca/forms or by calling 1-800-959-2221. CRA no longer sends paper summaries to employers via the mail. All the information required to complete your Summary is contained within your T4/T4A Recap Reports you receive with your tax forms.

Q: I received an RL-1 Summary in the mail from Revenu Quebec, and I am a tape filer - why?

A: Even if Ceridian files your RL-1 information electronically, you are still required to submit this summary to Revenu Quebec. Revenu Quebec automatically sends a blank form to all employers who have a registered Quebec Provincial taxation number.

Q: Where do I find the WCB Assessable Earnings amounts by employee?

A: In your Year-End Balancing Report on the T4/T4A Employee Totals page.

Q: Box 24, EI Insurable Earnings - why is it blank?

A: An amount is only printed in this box only if it is different from Box 14, Employment Income.

Q: Box 26, Pensionable Earnings - why is it blank?

A: As per CRA, Box 26 – Pensionable Earnings is left blank if:

- There are no pensionable earnings
- Pensionable earnings are the same as the employment income in Box 14
- Pensionable earnings are over the maximum for the year

An amount is only printed in this box if an employee's pensionable earnings are different from Box 14, Employment Income. Some payments are not pensionable and thus would not be allocated to Box 26.

Q: I have received a late filing letter from CRA, what should I do about it?

A: Even when Ceridian electronically files your year-end information for you, there may still be circumstances where you could receive a late filing letter from CRA and/or Revenu Quebec. If you do receive such a letter, contact your Service Delivery Team immediately for assistance.

Q: Where do I find the details on the set up of my earnings, deductions and benefits?

A: Details on the set up of earnings, deductions and benefits can be found on the Earnings and Deductions matrix provided in your preliminary and final year-end balancing report.

Appendix A

Tax Form Sort Options

Your tax form sort order is displayed on the General Tax Form Information and Earnings & Deduction/Benefit Reference Tables, item #3, found in your year-end reports package.

While the primary sort for all year-end reports and forms is by Business Number, you have the option of choosing 2 additional sort options.

For example, if you would like your tax forms sorted Numerically (employee number) within Department (DC code), you would specify:

- the Main sort as 'Department' and
- the Second sort as 'Numeric'

This will result in tax forms and year-end reports sorted by: employee number, within Department (DC code), within Business Number.

Please submit your sort options along with your changes via the General Tax Form Information and Earnings & Deduction/Benefit Reference Tables, or by contacting your Service Delivery Team.

Description

Numeric (by employee number)

Alpha (by surname)

Social Insurance Number (SIN)

Province (code PC)

Department (code DC)

Glossary

IVR	Interactive Voice Response – This is a toll-free 1-800 number for Ceridian customers to initiate the production of their tax forms, check on the status of their tax forms, place stop payments on direct deposits and confirm the transmission of their payroll data.
Non Tape Filer	Ceridian does not submit your employee tax information electronically. Ceridian provides you with three copies of the tax forms; employee, employer and government forms, which you, the employer, must file with CRA and Revenu Quebec.
Tape Filer	Ceridian submits your employee tax information to CRA and Revenu Quebec electronically on your behalf. Government copies are not printed or provided. You receive 2 copies of tax forms, one for your employees and one for you, the employer.
Tax Forms RL-2	Government Issued T4, T4A, RL-1 and
Y-run	<p>Year-end Adjustment runs – Y-runs are used to process year-end adjustments (to employee year-to-date totals) and to make year-end modifications to name, address and S.I.N. numbers, AFTER the first payroll of the new year has been processed.</p> <p>T4s/RL-1s are not produced when a Y-run is processed.</p> <p>Please refer to the 'Year-End Adjustments' section for more detail.</p>

Appendix B

Attachments

Attachment 1 - Authorization for Non Tape Filing

Attachment 2 - Ontario Employer Health Tax Exemption Form

Authorization for Non-Tape Filing



**Attention: Powerpay Customer
Solutions**

**All provinces except Quebec: 1-866-
414-2301**

Quebec Fax: 1-877-483-3701

**Please do not file my
tax forms electronically**

I request that you **do not** file my tax forms on tape, for the following payroll number(s):
PP

I understand that by signing this authorization, I accept full responsibility for filing my Tax Forms and T4/RL Summary with Revenu Quebec prior to **February 26, 2010** and CRA prior to **Monday March 1, 2010**.

Authorized Signature

Date

Customer name

Ontario Employer Health Tax Exemption Form



2010 Ontario Employer Health Tax Exemption

The EHT default exemption amount for 2010 is \$400,000.00.

Please complete this form if your exemption amount has changed and fax it to your Service Delivery Team.

Attn: Powerpay Service Delivery Team

All provinces except Quebec: 1-866-414-2301

Quebec Fax: 1-877-483-3701

Please keep in mind that if you are an associated payroll, your exemption may be shared among several payrolls. For more information, please contact the EHT office at 1-800-263-7965 (toll free in Canada & US).

Payroll Number	PP
Company Name	
Exemption Amount	
Rate (refer to your EHT statement)	
Authorized Signature	

Note: No changes will be made without a returned form. Failure to update your exemption amount could result in EHT penalties.

For Ceridian use only:

Date Rec'd: Initials	Date Updated PPN 1 Hold: Initials:	Date Updated Powerpay: Initials:
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