UPDATED!

January 20, 2010

# 2009 Year-End Customer Guide

Small Business


CERIDIAN

# 2009 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:

- Banner pages included with your payroll
- Ceridian's web site, at www.ceridian.ca → **Resources & Tools**
- Ceridian's electronic newsletter, **Ceridian HR Specialist**. To receive the newsletter, submit your e-mail address on the web site www.ceridian.ca.
- 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.

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# Ceridian Bulletin Board

## 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 the 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**
- Effective November 17, 2009 to March 1, 2010, select the year-end option when you call Ceridian to reach our year-end specialist team. This team will be able to assist you with any year-end questions or adjustments.

NEW!

## 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/rf/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, Ceridian's year-end dates and deadlines are now available in this guide. Please see, *Processing After the Tape Deadline*, page 29 to be sure you are familiar when adjustments are due and when 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, see *IVR – Interactive Voice Response*, page 29.

## Tax Forms on CD

Tax forms on CD 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.

Ceridian will provide you with a copy of your 2009 tax forms on CD-ROM, which will enable you to access these records from any computer with a CD drive. Each CD allows you the ability to 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$^{TM}$ 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 5, 2010**.

Contact the Service Delivery Team for further information.

## 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 in Quebec), this is considered earnings for 2010, and therefore included on the 2010 tax form.

# Checklist of 2009-2010 Year-End Activities

This checklist is your primary tool for processing your year-end with Ceridian. All tasks are sequentially ordered, and references to other sections of this guide are provided. Use this checklist to ensure that all necessary tasks are completed in order and on time.

## November 2009

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | 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.<br><br>For each of the following items, verify that they are correct by checking the relevant reports, see *Year-End Reports*, page 23.<br><br>☐ For each employee (including those on terminated status), verify:<br>• Name and address<br>• Social Insurance Number<br>• CPP/QPP, EI and QPIP (Quebec Parental Insurance Plan) deficiencies<br>• Province(s) of employment for 2009.<br><br>**Note:** Any employee in a terminated status on your last pay of the year will be removed from your payroll.<br><br>☐ Verify Earnings and Deductions Matrix to ensure all codes are accurate and are directed to the correct box on the T4/RL-1.<br><br>☐ Verify Business Number(s) and/or Quebec Remittance Account Number(s) | At least 5 days prior to your final input with a 2009 cheque date |

| ☑ | Action | Deadline |
|---|---|---|
| | ☐ Verify tape-filing status (Tape Filer/Non Tape Filer), see *Validating Your Tape Filing Status*, page 25. | |
| | ☐ Verify EI/QPIP reduced rates, with associated Business Numbers (BNs), for 2009 | |
| | ☐ If your payroll includes employees in the relevant province, verify:<br>• Manitoba Health and Education Tax Number<br>• Ontario Employer Health Tax Number<br>• Newfoundland and Labrador Health and Post-Secondary Education Tax Number<br>• Northwest Territories/Nunavut Payroll Tax Number<br>• Nova Scotia WCB account number and rate | |
| | ☐ If applicable verify:<br>• Deferred Profit Sharing Plan Number(s)<br>• Registered Pension Plan Number(s) | |
| | ☐ Review and validate your 2010 payroll input schedule provided in your preliminary balancing reports. If you have any changes, contact your Service Delivery Team. | |
| ☐ | If you need to make year-end adjustments, a spreadsheet is available at [www.ceridian.ca/en/resources/yearend.html](www.ceridian.ca/en/resources/yearend.html). This spreadsheet can be downloaded, populated and emailed to sbyearend@ceridian.ca. You may also contact your Service Delivery Team, and verbally communicate your adjustments. Remittances are made on your behalf for adjustments provided prior to your final pay of the year. | At least 5 days prior to final input with a cheque date of 2009 |
| ☐ | To prepare for Tax Form Initiation, ensure you have your IVR Branch ID, Payroll ID and PIN number. See, *IVR – Interactive Voice Response*, page 29 for details. | |
| ☐ | **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 or access the appropriate form for Ontario or Quebec in the appendix section of this guide. | |

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | Schedule any special bonus or vacation runs with your Service Delivery Team, if required. | December 1 |

## December 2009

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | Verify the remittance amounts made by Ceridian on your behalf during the year by comparing them with the reports from the appropriate government agency.<br><br>**Note:** Anything not included in your regular payroll processing in 2009 requires you to make the remittance payment to CRA/ Revenu Quebec directly. | |
| ☐ | 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.<br><br>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 |
| ☐ | **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 |
| ☐ | **If pension adjustments (PAs) are being calculated by an actuary**, ensure that they are available prior to processing your tax forms. See *Calculating Pension Adjustments (PAs)*, page 25. | |
| ☐ | **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. | |

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | Ensure that tax exemption status codes and amounts for employees that have other than the basic exemptions are updated with your first payroll of the new year. | |
| ☐ | Some deductions allow for a target feature where deductions automatically stop once the target is met. If you are using this feature, contact your Service Delivery Team for assistance. | |
| ☐ | 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. Contact your Service Delivery Team for assistance if you require a special report to review these figures. | |
| ☐ | 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. | |
| ☐ | **Your tax forms are automatically produced with your final run of the year, unless you inform Ceridian otherwise.** If you do not wish to produce your tax forms at this time, or you anticipate further adjustments, please contact your Service Delivery Team. | December 5 |
| ☐ | If you do not want Ceridian to file your tax forms by tape file with CRA/Revenu Quebec, complete the *Authorization for Non Tape Filing*, page 62 prior to your tax forms being produced. | December 5 |
| ☐ | **If you have employees in Quebec,** inform your Ceridian office of your total worldwide payroll amount for 2009 by completing and faxing the *Quebec Health Services Fund Information Form*, page 63 to your Service Delivery Team. | At least one week prior to processing your first pay of 2010 |
| ☐ | 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**. | |

# January - February 2010

| ☑ | **Action** | **Deadline** |
|---|---|---|
| ☐ | Please review Ceridian's important dates and deadlines detailing when adjustments must be received and tax forms must be processed. See *Processing After the Tape Deadline*, page 29 for more information. **If you are unable to meet any deadline, contact your Service Delivery Team**. | |
| ☐ | **If Ceridian is not filing your tax information with CRA and/or Revenu Quebec,** follow the instructions for *Non Tape Filer*, page 32. | |
| ☐ | Along with your tax forms, you receive a new set of year-end balancing reports.<br><br>**Note:** These year-end balancing reports are the same as those received with your last pay of the year, **unless** you made any adjustments between your last pay of 2009 and the processing of your tax forms. These changes are reflected in these reports.<br><br>Ensure that you have received:<br>• your new set of year-end balancing reports<br>• the correct number of tax forms<br>• a CD with your tax form information<br><br>Verify that the information reported in your tax forms is correct. If there are any discrepancies, contact your Service Delivery Team immediately. | |
| ☐ | **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. | |

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | **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 to you the rates at which to calculate your premiums owing. | February 26 for quarterly remitters<br>(validate annual remitter due dates on return) |
| ☐ | After verifying that your tax forms are correct, distribute them to your employees.<br>If you are a non-tape filer, submit your T4/RL summary and government copy of forms to CRA/Revenu Quebec.<br>**Note:** Failure to distribute tax forms to employees before these deadlines can result in penalties (fines) being levied by CRA/Revenu Quebec. | CRA: March 1<br>MRQ: February 26 |
| ☐ | **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 *Newfoundland and Labrador Health and Post-Secondary Education Tax (HAPSET)*, page 36. | |
| ☐ | **If you have employees in Quebec**, you are responsible for submitting the RL Summaries to Revenu Quebec, see *Submission of Tax Forms*, page 31. | February 26 |
| ☐ | **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 |
| ☐ | **If you have employees in provinces other than British Columbia and Ontario,** you are responsible for filing your provincial WCB reports and remittances (if applicable) for 2009. Your provincial WCB should communicate to you the rates at which to calculate your premiums owing. | March 1 |

## March 2010

| ☑ | Action | Deadline |
|---|---|---|
| ☐ | **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. See *Ontario Employer Health Tax (EHT)*, page 37. | March 15 |
| ☐ | **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 |
| ☐ | **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 to you the rates at which to calculate your premiums owing. | March 31 |
| ☐ | **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 *Manitoba Health and Post-Secondary Education Tax*, page 40. | 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

If you plan on running your first pay of the new year in December 2009, confirm with your Service Delivery Team that the new CRA/Revenu Quebec taxation tables are in place, as these payrolls are normally not processed before December 17.

**ACTION REQUIRED:** Contact your Service Delivery Team to determine if it is possible to process your 2010 payroll.

## Important Dates for Employers with Direct Deposits (EFTs)

In November, review a December calendar to ensure that your December and January payrolls are processed early enough to guarantee 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 |
| January 5, 2010 | December 30, 2009 (December 29, in Quebec) |
| January 6, 2010 | December 31, 2009 (December 30, in Quebec) |

| EFT Payment Date | Input to Ceridian |
|---|---|
| January 7, 2010 | January 4, 2010 |
| January 8, 2010 | January 5, 2010 |

Any payrolls processed outside of these recommended guidelines are done 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.

| 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) | 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 |
| Aboriginal Day (Northwest Territories only) | June 21, 2010 | Monday, June 21 |
| Discovery Day (Newfoundland and Labrador only) | June 21, 2010 | Monday, June 21 |

| Holiday | Date | Observed on |
|---|---|---|
| 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, you should 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, 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 Deficiency Report
- QPIP Deficiency Report
- Yearly Input Schedule
- 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.

With your last pay of the year, you receive the same set of reports, with the following differences:

- The Name, Address and S.I.N. Report is not included

**Note:** To commence your review earlier in the year, the above package of reports can be requested off cycle throughout the year. Contact your Service Delivery Team to request a package. (Additional service fees apply.)

# Reviewing Important Information Required by Ceridian

It is necessary to have the following information on file, where applicable. Review the relevant reports to ensure that all information listed below appears correctly. If any item(s) are missing or incorrect, forward them as soon as possible to your Ceridian office.

## Required Employee Information

- Current address, including 2-character province/territory symbol and postal code, see *Canada Post Province and Territory Symbols*, page 53.
- Social Insurance Number

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

## 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 Remittance Account 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
- Remittance Frequency changes
- Manitoba Remittance Number for Health and Education Tax
- 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
- 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 2009 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 the tax form slips, one for your employees and one for you, the employer.

> **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) tax forms must submit their forms electronically to CRA Monday March 1, 2010, or penalties could incur. If you are a tape filer and you plan for Ceridian to submit your forms electronically, please ensure you review Ceridian's Important Dates and Deadlines (see *Processing After the Tape Deadline*, page 29) 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, ensure you 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).

# Processing Your Final Pay of the Year

Ceridian produces tax forms with your last pay of 2009. Therefore, prior to your last pay run:

- all adjustments must have been communicated to Ceridian prior to your final input for 2009 cheque date
- reversals and manuals must have been entered (adjustments that add or subtract from the employee's year to dates and adjusts remittances accordingly)
- taxable benefits that did not process through the payroll must have been entered
- all names, addresses and SIN numbers must be correct
- any CPP/QPP, EI and QPIP deficiencies must have been corrected

If your payroll requires further corrections or adjustments before tax forms are produced, contact your Service Delivery Team to hold production of your tax forms.

## Dating Your Final Pay of the Year

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

## 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 5.

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

| Activity | Deadline |
|---|---|
| Attachment 1 – Authorization for | December 4, 2009 |

| | |
|---|---|
| Non Tape Filing | |

## 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<br>*Additional service charges may apply.* | February 12, 2010.<br>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<br>*Additional service charges may apply.* | February 19, 2010.<br>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 |

# IVR – Interactive Voice Response

If you did not process your tax forms with the final run of 2009, Ceridian makes the initiation of your tax forms (T4s, T4As, RL-1s, RL-2s) easy and convenient with Ceridian's IVR (Interactive Voice Response) service.

Using Ceridian's IVR service puts control in your hands. You are able to dial in to request your T4s/RL-1s and later call again to check on the status of your request.

**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 and payroll ID along with your PIN. If you do not have this information, please contact your Service Delivery Team.
5. Follow the voice prompts for **Tax Form Processing**.

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

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.

## T4/RL 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.

Your tax forms are automatically produced with your final run of the year, unless you inform Ceridian that you are not ready to have them run. If your payroll requires further adjustments before tax forms are to be produced, advise the Service Delivery Team that you will not process tax forms with your final run of the year.

## Tape Filer

If the most recent copy of your year-end balancing reports (those received with your actual tax forms) indicates that you are a **tape filer**, (Ceridian submits your employee tax information to CRA and Revenu Quebec electronically on your behalf; government copies are not printed or provided) review/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 even if Ceridian has sent your RL-1 information electronically. Employers filing with the Government of Quebec must submit the RL Summary to the address shown on the form. The 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:** Submit RL Summaries regardless of your tape filing status.

## Non Tape Filer

If the most recent copy of your year-end balancing 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) review/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 T4s and RL-1s Have Been Filed

If errors are identified after T4s and RL-1s have been filed electronically, follow these procedures.

## Issuing an Amended T4/T4A

Follow these steps if your forms have been released to employees and you are unable to retrieve the affected forms and/or have filed with CRA.

- 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 *Employers' Guide - Filing the T4 Slip and Summary*.

## Issuing an Amended RL-1/RL-2

Follow these steps if your forms have been released to employees and you are unable 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 have submitted your RL data electronically, 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.*

# Filing NR4 Tax Forms

An NR4 return must be filed if you are responsible for reporting and withholding Part XIII tax according to the *Income Tax Act*. This 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

You can now manage your own reprints using the CD supplied with your tax forms. Refer to the README file found on the CD for further instruction.

# 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 | *Quebec Health Services Fund Information Form*, page 63 showing total worldwide payroll amount for 2009. | 5 days prior to first pay of 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% x **S**), 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 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 by using your TOTAL worldwide payroll amount for 2009. For further details, see the back of the RL-1 Summary.

To inform your Ceridian office of your total worldwide payroll amount for 2009, complete and return by fax the *Quebec Health Services Fund Information Form*, page 63 at least **5 days prior to processing your first pay of 2010**.

## 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 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 Ceridian 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 64.

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 | | |
| 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 | | $5947.50 |
| 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/eht/

## Manitoba Health and Post-Secondary Education Tax

Subsection 5(3) of the Manitoba Health and Post-Secondary Education Tax Levy Act states:

"Every employer shall, before the last day of February immediately following the end of a year, file with the Minister a copy of the Employer's T4-T4A Summary for that year as required to be filed under the Income Tax Act (Canada)."

In accordance with the above, 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 - | 4.3% of accumulated remuneration exceeding |

| | |
|---|---|
| 2,500,000 | $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

# 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 |

# Year-End Adjustments After The First Pay Of The New Year

It is your responsibility to ensure that all year-end adjustments are properly submitted by contacting your Service Delivery Team. Note that these year-end adjustments only adjust the employee's tax forms. **Any remittances relating to statutory and provincial deductions and provincial health care levies are your responsibility.** Service fees do apply to year-end adjustment runs.

**Note:** Adjustments provided with regular payroll processing in 2009 may not be subject to additional service fees.

## Year-End Adjustment Runs (Y runs)

Year-end adjustment runs enable you to submit adjustments that affect your employees' 2009 T4/RL1 tax returns. Ceridian's system then processes this information, and sends reports using your usual delivery method. Other reports are available should you wish to have them; simply make your request known to your Service Delivery Team. They are able to tell you the cost and timeframe involved in getting them for you.

**Note:**
- The Payroll Funds Summary and the Executive Summary identify the output as belonging to a year-end adjustment run.
- T4s/RL-1s are not produced when a y-run is processed.
- Additional service fees apply

Multiple adjustment runs can be processed, but where possible, it is recommended that you gather all adjustments and process them at one time.

## 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 45 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 50000**
- 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 |
| 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 |

| Description | CRA Code | T4 Box | Action Required | Ceridian Code |
|---|---|---|---|---|
| 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 |
| 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 |

| Description | CRA Code | T4 Box | Action Required | Ceridian Code |
|---|---|---|---|---|
| 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 |
| 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 |

| Description | CRA Code | T4 Box | Action Required | Ceridian Code |
|---|---|---|---|---|
| Placement or employement 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 |

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

**A:** As per CRA, Box 24 – EI Insurable Earnings is left blank if:
- There are no insurable earnings
- Insurable earnings are the same as the employment income in Box 14
- Insurable earnings are over the maximum for the year

An amount is only printed in this box if an employee's insurable earnings are different from Box 14, Employment Income. Some payments are not insurable and thus would not be allocated to Box 24 (i.e. retiring allowances, WCB/wage-loss top-ups, SUB plan, some taxable benefits).

**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: How do I let Ceridian know when I am ready to run my tax forms?**

**A:** Your tax forms are automatically produced with your final run of the year, unless you inform Ceridian that you are not ready to have them run. If your payroll requires further adjustments before tax forms are produced, contact your Service Delivery Team.

**Q: Why is Ceridian's deadline for tape filing ahead of the 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 our internal validation procedures, this time is required to meet the processing deadlines set by CRA and Revenu Quebec.

**Q: Are you sending my tax information directly? Or, am I a tape filer?**

**A:** The upper left corner of each page of the 'Employee Totals' report indicates either 'TAPE FILER' or 'NON TAPE FILER'. If the most recent copy of your report reads 'TAPE FILER' then yes, Ceridian will send your information to CRA/Revenu Quebec 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 look at, contact the Service Delivery Team to let them know what your preference is and you will be set up that way. Check your reports when you receive them to ensure that the preference you expressed is what is in place.

**Note:** If you **do not** want Ceridian to file your T4s/RL-1s by tape-file with CRA/Revenu Quebec, complete the *Authorization for Non Tape Filing*, page 62 prior to your tax forms being produced.

**Q: Should I have received a T4 Summary from Ceridian?**

**A: For tape filers**: When tax forms are filed on tape, CRA does not require a Summary. The T4 recap report in your year-end package contains all of the information contained on the Summary. Because of this, Ceridian does not print actual summaries. Another reason is that in the past, customers have inadvertently sent the copy of the Summary, provided by Ceridian, resulting in calls from CRA looking for their tax forms, which had already been sent by Ceridian. If you require an actual Summary, CRA's fillable T4 and T4A Summaries can be completed at www.cra.gc.ca/fillable or a request for paper forms can be made 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**: As the vast majority of Ceridian customers file on tape-file and therefore the Summary is not required, Ceridian is not able to print them only for those customers who choose not to file electronically.
The information necessary to complete the Summary is found in the report package that is provided with your tax forms. CRA's fillable T4 and T4A Summaries can be completed at www.cra.gc.ca/fillable or a request for paper forms can be made at www.cra.gc.ca/forms or by calling 1-800-959-2221. CRA no longer sends paper summaries to employers via the mail.

**Q: I received a 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 that have a registered Quebec Provincial taxation number.

**Q: Where do I find the WCB assessable amounts by employee?**

**A:** In your Year-end Balancing Report at the employee level, the T4/T4A Employee Totals page.

**Q: I 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 the 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 reports.

# Appendix A

## Canada Post Province and Territory Symbols

| English Name | Symbol | French Name |
|---|---|---|
| Alberta | AB | Alberta |
| British Columbia | BC | Colombie-Britannique |
| Manitoba | MB | Manitoba |
| New Brunswick | NB | Nouveau-Brunswick |
| Newfoundland & Labrador | NL | Terre-Neuve & Labrador |
| Northwest Territories | NT | Territoires du Nord-Ouest |
| Nova Scotia | NS | Nouvelle-Ecosse |
| Nunavut | NU | Nunavut |
| Ontario | ON | Ontario |
| Prince Edward Island | PE | Île-du-Prince-Édouard |
| Quebec | QC | Quebec |
| Saskatchewan | SK | Saskatchewan |
| Yukon | YT | Yukon |

# Appendix B

## Province Codes

The PC Code controls the province or country that prints in Box 10 of the T4. The following is a list of valid province codes:

| PC CODE | PROVINCE | PC CODE | PROVINCE |
|---|---|---|---|
| 1 | Newfoundland and Labrador | 2 | Nova Scotia |
| 3 | New Brunswick | 4 | Quebec |
| 5 | Ontario | 6 | Manitoba |
| 7 | Saskatchewan | 8 | Alberta |
| 9 | British Columbia | N | Northwest Territories |
| P | Prince Edward Island | Y | Yukon |
| V | Nunavut | U | United States |
| O (alpha) | If an employee worked in a country other than Canada or the USA, or worked in Canada beyond the limits of a province or territory, on an offshore oil rig for example, this code enters ‘ZZ’ in Box 10. | | |
| X | For other jurisdictions, prints ‘ZZ’ in Box 10. | | |

# Appendix C

## 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 | Government Issued T4, T4A, RL-1 and RL-2 |
| Y run | 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.<br><br>T4s/RL-1s are not produced when a y-run is processed.<br><br>Please refer to the 'Year-End Adjustments' section for more detail. |

# Appendix D

## Attachments


- Attachment 1 – *Authorization for Non Tape Filing*, page 62
- Attachment 2 – *Quebec Health Services Fund Information Form*, page 63
- Attachment 3 - *Ontario Employer Health Tax Exemption Form*, page 64

# Authorization for Non Tape Filing

**Attention: Ceridian Service Delivery Team**

**Fax Number:** ____________________

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

I request that you **do not** file my Tax Forms on tape-file, for the following payroll number(s): ____________________

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**.

I will file my own tax forms for all subsequent years, unless I inform Ceridian otherwise.

Authorized Signature ____________________ Date ____________________

Customer name ____________________

# Quebec Health Services Fund Information Form / Formulaire a completer pour le Fonds des services de santé du Québec

Seulement pour les employeurs ayant des employés au Québec / For employers with Quebec employees only

***Veuillez remplir ce formulaire et le retourner à votre succursale Ceridian au moins cinq jours avant le traitement de votre première paie de 2010.***

***Complete this form and send it to your Ceridian branch at least five days before processing your first pay of 2010.***

Télécopieur / Fax : ____________________

Service à la clientèle / Customer Service : ________________________________________

FONDS DES SERVICES DE SANTÉ DU QUÉBEC (FSS)

QUEBEC HEALTH SERVICES FUND (HSF)

| | |
|---|---|
| Veuillez entrer votre masse salariale totale* de 2009 (incluant les avantages imposables)<br>______________________________ $ | Please enter total 2009 wages* (including taxable benefits)<br>______________________________ $ |

** la masse salariale mondiale versée en 2009 / total worldwide payroll amount for 2009*

Nom de la compagnie
Company Name ----------------------------------------

Signature autorisée
Authorized Signature ----------------------------------------

Numéro(s) employeur
Employer Number(s) ----------------------------------------

Date ----------------------------------------

# Ontario Employer Health Tax Exemption Form

CERIDIAN

## 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

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** | |
| **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:<br>Initials | Date Updated PPN 1 Hold:<br>Initials: | |