

## **Fact Sheet Tax Changes for 2019 & 2020**

- The **T1 General** now consists of eight pages instead of five. The schedule 1 is now part of the T1 General; consequently, all of the line numbers have changed.
- The **Basic Personal Amount** has increased to \$12,069 for 2019. In 2020, it has increased to \$12,298, and will be enhanced by \$931 for taxpayers with income below \$214,368. Claw back starts on income over \$150,474.
- **Canadian Journalism** organizations can now register as qualified donees, which will allow them to issue tax receipts for donations to their organizations.
- **Canada Pension Plan**
  - Rates increased in 2019 from 4.95% to 5.1% and the maximum annual employee and employer contribution increased from 2,593.8 to \$2,748.90 in 2019.
  - In 2020, taxpayers who are entitled to CPP will automatically be sent their pension when they turn 70; no application is required anymore.
- In 2020, the **Canada Training Credit** is introduced, it is non-taxable and accumulates at \$250 per year, to a maximum of \$5,000. The taxpayer must be between 25 and 65 and earn income of at least \$10,000 from employment, self-employment or taxable scholarships and have earnings less than \$147,667 in 2019.
- **Canada Workers Benefit**, formerly the Working Income Tax Benefit, increased to \$1,355 for single taxpayers and \$2,335 for couples and single parents.
- **Direct Deposit** information can no longer be updated on the tax return. The following options are available:
  - Online through “My Account”
  - Mobile app “MyCRA”
  - Through selected financial institutions (TD Canada Trust or Desjardin): online, phone or branch
  - By phone at 1-800-959-8281
  - By mail, fill out “Canada direct deposit enrolment form”
- The **EI Small Business Rebate** will be effective in 2020. Businesses that pay EI premiums in the amount of \$20,000 or less are eligible for this rebate.
- The **EI Training Support Benefit** is expected to start in 2020. It will cover up to four weeks paid leave at 55% of earnings while in training, when not receiving a paycheque. A minimum of 600 insurable hours is required. The benefit may be taken over a period of 4 years.
- **Home Buyers’ Plan** withdrawals increase from \$25,000 to \$35,000 for single taxpayers and \$70,000 for couples. Also, it applies to the purchase of a new, more accessible home for a disabled person.
- **Security Options** will have an annual cap of \$200,000 on stock options granted to employees. The details will be announced in 2020.
- **Zero Emission Vehicles (CCA class 54, 55)** purchased between March 19, 2019 to December 31, 2023, will have a first-year rate of 100% capital cost allowance.