



THE Tax Tipper

June 25, 2017

We take your taxes personally!

Issue 57

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Canada's 150th Anniversary Edition

President and Founder
 Neel Roberts
 PTC Canada
 Box 1347
 Vulcan, Alberta
 T0L 2B0

Phone 866-485-2683
 Fax 866-485-2761
taxes@ptccanada.com
<http://ptccanada.com>

Our Readers Respond

Read what Graham Sherman has to say about PTC Canada on page 4!

Check out our [testimonials page](#) and [media room](#).

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We [welcome your comments](#) on the **Tax Tipper!**

Dear Clients and Friends,

Summer's here, and it's time to get out and enjoy everything this wonderful land of ours has to offer. As I write, it's so hot in Phoenix, Arizona, that planes were grounded on the first day of summer. I've never seen this before, but apparently, if the temperature goes above 118 F (48 Celsius), the hot air isn't dense enough for aircraft to take off on the shorter runways. Just imagine if this trend continues into the summer!

While it rarely gets this hot north of the border, the 15+ hours of daylight keep us warm no matter where you are. I took my annual retreat to Lake Osoyoos last week, one of the warmest places in Canada. It's always a treat to take a dip in this refuge in the Okanagan Desert nestled among the snow-capped Rocky Mountains. This year I'll be hanging around the farm most of the time but will be using my free Parks Canada pass at Pacific Rim National Park while vacationing at Sproat Lake on Vancouver Island, Canada's region of perpetual summer.

Welcome aboard, all new clients, especially if this is your first Tax Tipper. I'm delighted with the feedback I've received since the **Tipper** was launched over 11 years ago in May 2006. All issues are on our website at www.ptccanada.com, which was started around 2000. That was "nouvelle" technology back then, and while most accountants engage with their clients in some way online, we were without doubt a forerunner. I'm not much of a social media person. I've had good luck with email and the website, and I plan to keep it that way. I've never had a security breach. That's because your confidentiality is too important to me.

Much is going on and I can't possibly get to everything. Let me start with a May 5, 2017, *National Post* article (not everything mainstream is fake news!) that really fascinated me: Who wants to be a billionaire? Not so fast—I meant a billionaire in 1916. In a nutshell, the author says that the average person nowadays lives better than a billionaire of 1916 (and that's in 1916 dollars!). In fact, the average citizen today is richer than John D. Rockefeller was a hundred years ago. Let me give you a few examples:

- Fewer than one-third of homes had electric lights.
- An estimated 18 percent of people aged 25 and older had completed high school.
- One in 10 babies died in the first year of life (compared to today's 1 in 168).
- Bad hips and knees required the sufferer to hobble along until they moved into a wheelchair.
- Tasty treats like Thai curry, chicken vindaloo or Vietnamese pho weren't available even in New York City.

I could go on and on. It's not that people had no ideas back in 1916. But when you start to grasp the plethora of changes that have benefitted humanity since then, there's no doubt we've made collective progress in the last hundred years.

So why do there seem to be so many setbacks and lack of opportunity for the average person, and why is our standard of living under attack? In my opinion, there are unquestionably sinister forces at work and a deliberate attempt to undermine innocent, productive people of their well-being. I don't

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mean to sound conspiratorial, but in a recent [radio show](#), [Dr. Michael Savage](#) talked about [yellow journalism](#), a term for sensational stories with little or no substance. Attributed mainly to William Randolph Hearst ([Hearst Communications](#)) in the late 1800s, yellow journalism was the beginning of the “fake news” business meant to dupe the public into an agenda. That’s what mainstream media has become and why it’s so hated today. Fast forward to today’s social media age, and it has transformed into an addictive data-collection machine where this agenda is used to build your [metadata footprint](#).

This is one of the reasons why I’ve stayed away from social media: its real motives are too suspect. In fact, in the U.S., [hackers have obtained tax information, including social security numbers](#), to sell to the highest bidder. As if we weren’t already drowning in taxes, cost-of-living increases, etc., now we have to worry about being hijacked online while [corporations find more ways to escape taxes](#), through havens, treaties and so on. While unemployment stays stubbornly high, the [artificial intelligence monster threatens to wipe out more than half of today’s jobs in 10 years](#). I think that projection is alarmist, but even 10% is a concern, considering that almost [a quarter of Americans have less than \\$1 of savings](#). It’s no wonder we’re losing hope fast.

So what can the average person do? Many feel helpless, but I think one can take small, progressive steps to avoid victimhood. I’ve been dealing with crisis cases for decades, and to me it’s second nature. Overall, there are two main problems. First is not getting the right perspective on how things really work, and second is not taking effective action that works in the long run. I’ve long been a believer in two movements that are developing fast to counter these trends.

First, you have to become your own bank. This is not about offering to store other people’s money, but about your own cash and other goods. Interestingly, I’m not on that survival bandwagon that has become a cult, with everybody and their brother trying to sell overpriced goods. Common sense tells us that you should have enough cash, essential goods, fuel, etc., to cover you for a few months. Despite the recent boom in [Crypto-currencies](#), I’m not a fan of them, as no one has any idea who’s running them and they can disappear as fast as they arrive. As many of you know, I’ve recommended [government silver currencies](#) for a few reasons, mainly because there’s always a buyer no matter what the economy does.

Second, you have to become your own boss to gain control of your destiny. I don’t care how good a job you have: it’s on

the endangered list. I was saddened by a call from a friend of mine whose husband had been let go after 40 years on the job. He’s in his early 60s, and it was a painful reality check. But let me tell you, there will be much more of this coming. With massive illegal migrants coming in and an unsustainable \$15-per-hour minimum wage, there will be a huge plunge in jobs. I’ve been predicting this for a long time, as wage costs before all these factors are too expensive for employers, and we are moving more and more into a [gig economy](#). What this means is you’ll have to bid for each job on an availability basis until you develop a reputation as the go-to person in that industry. No doubt it’ll be very hard in the beginning, but like anything else, it’s doable. Let’s face it, if millions of others have done it, so can you.

Lastly, you’ve got to be a purveyor of good data. We live in by far the richest age of information in the world’s history, and there’s no sign of that changing. Today, anybody with a computer and YouTube account is on their way to passing on good stuff. The mainstream media has been dead awhile and will totally disappear one day, with no one missing it. While not everybody has it in them to be a journalist, you merely have to be a broker or middle person if you’re not very innovative.

Let me introduce you to [Nicholas J. Fuentes](#) who, at 17, started his own website and has already been featured on some big [YouTubers](#). Mr. Fuentes is in Generation Z and the front-runner of the rising conservatism. Let’s face it. Today’s conservatism is pure junk, and most people wearing the label don’t even know what it is. Most are RINOs (Republican in Name Only) and should have stayed in the far left where they belong. Mr. Fuentes is quite perceptive that his generation is challenging the previous three generations’ narrative of calling good bad and bad good. Right on! He’s nailed the problem, and I have no doubt that by the next decade, this will come out like a flood.

Donald Trump has been a total contrary to the entire establishment because he’s not one of them. While many people have issues with him, and world leaders hate him, there’s no doubt he’s going to bring much-needed change to the world. One of his promises during his inauguration was the release of technologies that have been withheld from the world for too long. Interestingly, one of my own articles, [Secret space-program documents becoming public](#), was published in the mainstream media, basically confirming what Trump was saying. It’s about one of many programs that used taxpayer dollars to develop technologies that in some cases were over two generations ahead of what the markets had. This release

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of secrecy is going to finally finish off the tired, old, useless establishment for good and free so many people to pursue their dreams of good things.

Canadians who travel abroad have always had a good reputation, and you know how far that goes. People think highly of us, like the Swiss of the North. A recent article in Kingston's *Whig*, [Canuck cliché? Are Canadians really as nice as the rest of the world insist?](#) gives valid reasons for this worldview. Post-doctoral researcher Daniel Schmidtke and Ph.D. candidate Bryor Snefjella are trying to apply some science to it, with this finding: "Predominant Canadian words include *great*, *amazing*, and *awesome* while predominant American words include several curse words, along with *hate* and *damn*." I don't know how true this is, but there's no doubt

we are well thought of across the globe, and that came from generations of people determined to do what's right.

Let's hang on to that, no matter what. Regardless of politics, it is we, the everyday working person, who make this nation great, and I've been delighted to serve you all this time. With the celebration of our great country's birth, let's call that a great Canadian milestone we'll continue. On a better note, Happy 150th Canada Day. Enjoy the special sesquicentennial **Tipper** with your well-deserved summer, my fellow Canadians!



Neel Roberts
President and Founder

What's Happening

CRA Online Use at Record Highs

No surprise! 2017 will be a record year for online use of CRA services, and that is expected to continue into future years. There's been a 21% increase in new registrations for CRA's online service portals, and almost 90% of returns were filed online. This is staggering. Over 9 million Canadians received their refund by direct deposit. Approximately 70% of taxpayers getting a refund received it by direct deposit compared to 67% last year. We always keep you up to date with e-services as they become available. For further details, check out the [information bulletin](#) and [E-Services website](#), or contact CRA at 1-800-959-8281.



- allowing the taxpayer to file late, amended or revoked elections for alternative tax treatments
- extending the normal three-year period in which individuals and testamentary trusts are permitted to file an income tax return to claim a tax refund or to request an adjustment to an assessment issued for a previous tax year.

For further details, check out the [CRA web bulletin](#) or [Knowledge Bureau bulletin](#), or contact CRA at 1-800-959-8281.

Tax Relief Available for Those Affected by Natural Disasters

Whether it's this year's flood in Ontario and Quebec, or forest fires like the one in Fort McMurray last year, the CRA will grant tax relief to those affected by natural disasters. Allowances include

- cancelling or waiving penalties or interest accruing on late tax remittances or late filing of a return



2016 Tax Review Notices Are Out

CRA conducts its review (post-assessment) of current tax returns during the summer of the year in which the return is filed. If your [return is selected](#), you will receive a letter requesting the information CRA requires. It is *very important* to respond to this letter even if you need time to track down receipts, etc. CRA will usually grant an extension of time if the request is reasonable. However, if you do not respond to their letter, CRA will normally reassess you within 30 days, and you will be responsible for newly assessed balances owing plus interest. After that, you can use the [appeals process](#) to dispute the balance, but that can be more complicated than just responding in the first place.



New Farmer and Fisherman Rules for Small Business Deduction



If you're a corporate farmer or fisherman, new rules came into effect on March 21, 2016. Corporations owned by farmers and fishers selling to arm's-length agricultural or fisheries cooperatives will not lose their small business deduction as a result of income from those sales. The \$500,000 small business deduction must be shared by a group of associated corporations. The income of this group of associated corporations is called "specified corporate income." The proposals ensure that the sale of farm or fishing products to a farm or fishing cooperative is excluded from the definition of "specified corporate income." For further details, check out the [Knowledge Bureau bulletin](#), or contact CRA at 1-800-959-8281.

Diane Lebouthillier Suspends CRA Audits of Left-Wing NGO Allies

A recent article in the *Rebel*, entitled [Libranos return: Trudeau stops Canada Revenue audits of his friends](#), is more proof that the CRA is becoming more politicized. Ezra Levant, founder of the *Rebel*, is now the #1 news source online, and in two short years has become a powerful exposé of fake news. According to CBC, CRA was asked to *suspend all action in relation to the*

remaining audits and objections that were part of the Political Activities Audit Program, initiated in 2012. CBC reports that, "The suspension affects twelve audits, of which seven have resulted in an intention to revoke charitable status." In other words, it's not just audits that are underway that are called off. *They were finished and found tax cheating!* For further details, check out the [Rebel news video](#) and launch an [objection through your MP](#).

Tax Filing Deadline Come and Gone

The deadline for filing your 2016 personal returns this year was extended to Monday, May 1st, because April 30th fell on a Sunday. If you're self-employed it was Thursday, June 15, 2017. As both of these dates are long gone, your return is technically late if you owe money. If you are expecting a tax refund or [Personal GST Credits](#), you will not receive interest. Keep in mind that certain benefits like [Child Tax Credits](#) have a shelf life of 11 months, so if you have several years to file, you may be out of luck on the older ones. If you need to get caught up, call CRA at 1-800-959-8281 and find out how many years need to be filed. If you're really behind, like 20 years, CRA may only need the last 10, so confirm that with them. Also, have them send you all the T4s they have on their database for the appropriate years with carry-overs, RRSP limits, copy of last Notice of Assessment, etc., so you can get up to date properly!



Our Readers Respond!



I originally found Neel Roberts and PTC Canada through his advertisement stating he specialized in back taxes. I was behind on my taxes, so this seemed perfect! Neel not only prepared returns for the years I was

behind, but he went way above and beyond. He went back and found areas in my previously submitted tax returns that had opportunities for a greater return. I had been preparing my own tax returns, thinking I was saving money, but I now realize I was leaving a massive amount of money on the table. Neel is an incredibly personable individual, who drove to my house, sat down with my wife and me over coffee, and asked us all the necessary questions to help us the best way he could see possible.

With Neel's help, we received a total refund of over \$42,000. We didn't believe this was possible until we actually saw the deposit in our account. This amount of money was so unexpected and such a blessing at the most critical time of our lives. We were

in the middle of building a new business. This help from Neel was instrumental in helping me start my business.

Today I am co-owner of a successful microbrewery in Calgary and public speaker involved in inspiring small businesses. I repeatedly tell this story about how the PTC Canada system not only saved me from a crisis but made my dream come true. Neel is one of the few people I don't just refer to my friends and family. I look at an introduction to Neel as more of a *gift* to my friends and family!

Graham Sherman
Co-Founder & [Public Speaker](#)
Tool Shed Brewing Company
toolshedbrewing.com

Note: Graham's story sounds sensational, but it's typical of what we do in turning a client's situation around. Stop by his business in Calgary NE and say hello. He offers all **Tax Tipper** readers free samples of his craft!

Solicitor-Client Privilege and My Back Taxes

Real People with Real Questions About Real Situations



Dear Neel,
I was looking for someone to deal with my late tax issues and noticed law firms offering “solicitor-client privilege,” which accounting firms don’t. What’s the advantage of this and is it worth paying for?

Lisa D.

most private information is hackable and the hacking can always be blamed on someone else. I have never been asked about privilege in the 20 years I’ve been in this business. That’s because the priority in any relationship is trust.

I’d never try to sell anybody on solicitor-client privilege, and any firm emphasizing this is suspicious. There are more than enough feedback forums, websites, etc., available online, and if the firm has been in business long enough, anyone can find out if they’re trustworthy. Maybe it’s old-fashioned, but the best recommendation is still a reference from someone you know. Many accounting firms build their businesses that way. It’s best to ask around before deciding. Good luck!

Dear Lisa,

Solicitor-client privilege is a common law principle that has become a substantive rule for the protection of the client in any lawyer-client relationship. What it means is that any communication between you and your lawyer is protected and cannot be disclosed unless you give permission.

If Wikileaks has taught us anything, it’s this: there’s very little that’s secret anymore. The recent Vault 7 leaks prove that

Are You *Just Asking* tax questions?

Neel can *Just Answer* them.



Did You Know?

... that Canadians really are tough?

Meanwhile in Canada			
CANADIAN TEMPERATURE CONVERSION CHART			
°F	°C	International	Canada
50	10	Folks in the UK turn on the heat	Canadians turn off the air conditioning
40	4.4	Australians put on their winter coats	Canadians sunbathe
35	1.6	Italian cars won't start	Canadians drive with the windows down
32	0	California prepares for apocalypse	Canadians have the last BBQ of the season
0	-17.9	All public transport, schools and services shut down in Spain	Canadians put on their winter tires
-40	-40	No one leaves their home in China	Canadians have an outdoor winter Carnival
-60	-51	Mt. St. Helens freezes	Canadian Girl Guides sell cookies door to door
-100	-73	Santa abandons the North Pole	Canadians pull down their ear flaps
-173	-114	Ethyl alcohol freezes	Canadians get frustrated because the keg won't thaw
-460	-273	Absolute zero – all atomic motion stops	Canadians have a second bowl of poutine
-500	-295	Hell freezes over	The Toronto Maple Leafs win the Stanley Cup

Courtesy of <https://9gag.com/>

It's a Photo Finish!

150th Anniversary Fireworks!



Courtesy of [Yahoo Canada](#)

Whatever you're doing for the upcoming Canada Day weekend, there's lots going on, and to celebrate our nation's 150th Anniversary, Parks Canada is offering a [complimentary pass](#) to anyone who applies. While I live near one of the most legendary parks, [Banff National Park](#), I plan to visit [Long Beach on the Pacific Rim](#) of Vancouver Island on the August long weekend. For further information, visit the [Parks Canada website](#) or contact them at 1-888-773-8888. Also, check out the [Canada 150th Anniversary webpage](#), as celebrations started on Thursday, June 21st.

[Send us your fascinating photo or story.](#)

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The **Tax Tipper** is professionally finished by Joyce Gram and Elizabeth Kendler of Gram Editing Services.

www.gramediting.com Email: email@joycegram.com