



THE Tax Tipper

June 28, 2010

We take your taxes personally!

Issue 22

Inside

What's Happening	2-4
Just Asking ... Just Answering	4
Did You Know?	5
It's a Photo Finish	5

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

Good day, Neel. I thank you for PTC Canada's help and your professionalism. The pleasure was all mine in meeting you, and the speed with which you filed my taxes was very impressive.

Rod Cameron
 Can Pages Sales
 Calgary, Alberta

We welcome your comments on the **Tax Tipper!**

Check out our [newsroom](#). We make press now and then!

Dear Clients and Friends,

Don't you love it when summer's finally here? I can't wait for my annual retreat to Osoyoos Lake, BC, where I make it a beginning-of-summer ritual to float on the water while drinking in the mountain and desert scenery (with a cool bevy in hand, of course!). Last year, when I took my spanking new 2010 Camaro along, it was a rare sight for many people, as it was one of the first ones off the Oshawa assembly line. I'm not sure what your plans are for the next few months, but we Canadians have limited time for this type of enjoyment, so soak it up while you can. If this is your first **Tax Tipper**, welcome, and remember, you can always download [previous editions](#) from our website.

This was another record tax season. That makes 13 years in a row, so thanks to all for making that happen – again! What's more, many of you are now using our website, www.ptccanada.com, to do all your taxes from start to finish. The website has been up for 10 years now, and was introduced at a time when electronic services were rare and doing taxes online was unheard of. In 2000, CRA started playing with the idea of online services, but even then I foresaw that most people would be online by the end of the decade. It is almost to the point where you will not have any other option. For example, this was the last year you could submit T4s manually. From now on, it must be done online. By the end of this decade, non-electronic services will be practically obsolete, including personal signatures, payments and even meetings. Why? Because not only is it more practical, but the accuracy of transactions is much better, thereby improving the overall efficacy and integrity of the system.

Today, over 70% of PTC Canada's business is done online, compared to 0% in 1998. Rest assured, you are with a business that tries to be a forerunner of e-services. That is comforting, considering that we live in an age where obsolescence raises its ugly head out of nowhere. One of the commitments I have made to my clients is not only to be up-to-date on changes in the tax industry, but also to continuously improve the delivery of services. Last year I said that we service over 1,000 clients, but this year we're pushing 2,000, thanks to our nonstop, double-digit growth since 1998. That is amazing by any standard, and now, with the way PTC Canada is set up, I see no reason why this growth won't continue. Today, Google is by far the #1 method that people use to find us, and you know how well they're doing. In fact, they are so proficient at sending us business that the numbers coming through Google will soon surpass our client list coming from all other advertising, references and sources. Needless to say, I am pleased with these results and optimistic about the future. Those of you who have been with me since day one, or shortly after 1998, can appreciate the features now available from your desktop and mobile device. Our website offers all kinds of free information while being incredibly user-friendly, so why not start using it today?

Continued on page 2

On a final note, this is also the 5th anniversary of the **Tax Tipper**, and I am very grateful for your participation. When I started **The Tipper** in the summer of 2006, my goal was to keep my clients informed about developments in the tax world. Realizing that taxes are not everybody's bag, I try to keep the newsletter simple and useful. Before I send you off for the summer, when many of us will be doing a lot of driving, here's an item that one of my clients was kind enough to share.

Don't Miss That Sign!

Sitting on the side of the highway waiting to catch speeding drivers, a police officer sees a car puttering along at 22 KPH. Says he to himself, "This driver is just as dangerous as a speeder!" So he turns on his lights and pulls the driver over.

Approaching the car, he notices that there are five old ladies—two in the front seat and three in the back—wide-eyed and white as ghosts.

The driver, obviously confused, says to him, "Officer, I don't understand. I was doing exactly the speed limit! What seems to be the problem?"

"Ma'am," the officer replies, "you weren't speeding, but you should know that driving slower than the speed limit can also be a danger to other drivers."

"Slower than the speed limit? No, sir, I was doing the speed limit exactly. Twenty-two kilometres an hour!" the old woman says a bit proudly. The police officer, trying to contain a chuckle, explains to her that 22 is the highway number, not the speed limit.

A bit embarrassed, the woman grins and thanks the officer for pointing out her error.

"But before I let you go, ma'am, I have to ask, Is everyone in this car OK? These women seem awfully shaken, and they haven't made a peep this whole time."

"Oh, they'll be all right in a minute, officer. We just got off Highway 189."

Happy Canada Day. Enjoy the latest **Tax Tipper** with your well-deserved summer, my fellow Canadians!



Neel Roberts
President and Founder

What's Happening

Tax Filing Deadline Come and Gone

The deadline for filing personal returns was April 30, and if you're self-employed it was June 15, 2010. 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. Sometimes, 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!



2009 Tax Review Notices Are Out

CRA conducts their review (post-assessment) of current tax returns during the summer of the year in which they are filed. If your [return is selected](#), you will receive a letter requesting the information they require. It is essential that you respond to this letter even if you need time to track down receipts, etc. CRA can usually grant time extensions 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.



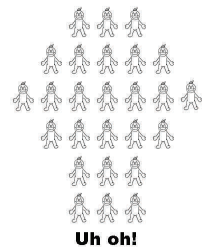
Want a Collective Voice About Your Tax Dollars?

Have you ever wished you had more say in how your tax dollars are spent, or in accountability in government spending? It is a common concern that I (or anybody in my field) really can't do much about. However, you may have heard of the [Canadian Taxpayers Federation](#) who, for over 20 years, have been an advocate for both working people and businesses in regard to our tax dollars. They are non-partisan and self-supporting, so whether you want to get fully involved or just check them out, I suggest you subscribe to their free newsletter.



Suspect a Ponzi Scheme? Check It Out!

Ever since the 2008 meltdown, it seems that Ponzi and pyramid schemes are cropping up like weeds. The originators of these are so crafty that regulators find it nearly impossible to catch up with them, and when they finally do, the casualties have exploded while the perpetrators have disappeared to start another one. I am by no means a specialist in this; our industry has been more than touched by these the last couple of years. [Robert Fitzpatrick](#), a specialist in analyzing these so-called "business opportunities," has set up a free website called [Pyramid Scheme Alert](#), which offers free and objective advice on these scams. If you suspect a con, you can contact him at no charge and get an objective opinion on investment opportunities, MLMs and more. I also suggest that you get their [free newsletter](#). When I got my first one back in April, I was impressed with the wealth of free, useful information I was able to pass on to prevent others from getting burned. While most sites are American, there is a Canadian site called [Crime Busters Now](#) that may also help. And of course, the federal government arm is [Canada's Office of Consumer Affairs \(OCA\)](#), if you want to launch an investigation. Also check out [www.fraudcast.ca](#), which is focused for Canadians. You can also access the RCMP fraud prevention website better known as [www.phonebusters.com](#). Those of you who have known me long enough know that my motto has always been, "If it sounds too good or it smells, run the other way as fast as your legs will carry you." Today, I have become even more fervent in this!



Canada Day Means HST is Here in Ontario and BC

For those of us in Ontario and BC, our national holiday is the inauguration of 13% HST for Ontario and 12% for BC. Starting July 1, most vendors will be required to charge this to replace the current GST and PST. For some folks like farmers, it's actually good news because of the larger refund they will receive on qualified purchases. However, critics like [HST in Canada](#) say that the cost of goods will increase overall, especially if the goods were PST-exempt in the past, such as professional fees. For further information check out [CRA's HST for Ontario and BC website](#), or contact the business line at 1-800-959-5525!



Taxes Are Canadians' Fastest Growing Expense

Despite the recent recession and [announced tax breaks](#), taxes continue to be one of Canada's fastest growing expenses, according to the [Fraser Institute](#). [The Canadian Consumer Tax Index 2010](#), which calculates the total tax bill of the average Canadian family, found that taxes have increased by a whopping 1,624 percent since 1961. In contrast, expenditures on housing increased by 1,198 percent, food by 559 percent, and clothing by 526 percent from 1961 to 2009. [Check out the article](#) for details or [contact the organization](#).



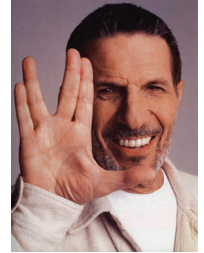
CRA Continues to Pursue Non-Filers

CRA continues to track down those who haven't filed an overdue tax return. Last year, in the first six months alone, the agency collected over \$63,000,000 in fines, overdue taxes, etc. Check out the [news bulletin](#) for details. If you're in this category, download our [Get Started Now](#) form and see if you qualify for a "tax amnesty." No matter what your situation, at least get it looked at by a professional who deals with these matters on a regular basis!



Leonard Nimoy (aka Spock) Makes Final Appearance in Vulcan, Alberta

In my last few newsletters, I made a point of inviting all Star Trek fans to visit my hometown of Vulcan, Alberta, on Friday, April 23, 2010, to meet the original Mr. Spock, aka Leonard Nimoy. For those of you who took me up on the offer, it turned out to be worth the trip, as he recently [announced his retirement](#) in promoting Spock. "After 45 years, I'm glad to pass on the torch and do my photography full-time with no regrets," Nimoy said. While he has officially severed himself from the legendary TV-movie series, you can still see all the memorabilia he left behind at our [Vulcan Tourism](#) centre, open all year round for no cost at all. For further information contact Dayna Dickens or Erin Melcher at 1-403-485-2994 and tell them I sent you!



Just Asking ... Just Answering

Pushing the Envelope — What Accountants Can and Cannot Do

Real People with Real Questions About Real Situations



Dear Neel,
I have three rental properties and seem to pay a lot of taxes. My accountant is pretty "by the book," and I'm not sure I'm getting all the deductions that I should be. My properties run very smoothly, and I have small mortgages and no vacancies. Should I look around for another tax professional? I've seen ads for ones who are into aggressive tax breaks, but I read in one of your brochures that I should look around if I'm not satisfied.

Val J.

Dear Val,
I don't doubt that I recommended that you look around if you're not satisfied with your current accountant, but, for your own good, you have to be fair in your decision. When I looked at the information you sent me, I didn't see any problems with the work prepared and I agree that your

operations run very well. I suggest you check out our [Rental Property Tax Booklet](#) if you want more detail on what may be available. However, when it comes to aggressive tax planning, I am generally against it. The CRA recently launched a campaign to intensely scrutinize [various schemes including](#) "aggressive tax planning," and it's best to stay away from these. Unfortunately, most organizations offering this type of service turn out to be fly-by-nighters, and you'll end up holding the bag if CRA finds you in violation. Check out [CRA's Rental Income Guide](#). I also recommend [Make Sure It's Deductible](#) by Evelyn Jacks, which you can use as a yardstick to see if those offering aggressive planning measure up. Good Luck!

Are You *Just Asking* tax questions?
Neel can *Just Answer* them.



It's a Photo Finish! Fireworks Over the Falls!



Courtesy [Niagara Parks](#)

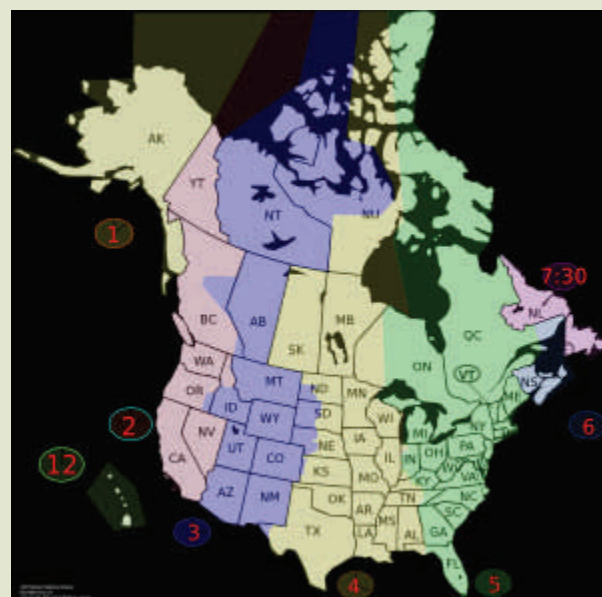
When you think of flames and water, no doubt you assume that these are opposite things. But when it comes to fireworks over our famous Niagara Falls, the combination is impressive, to say the least. Especially when the falls are lit up at night, this is one of the most spectacular sights in our great nation. Whether you'll be setting off your own fireworks or attending a fireworks event this Canada Day, I wish you a day of relaxation as you commemorate our nation's 143rd birthday. If you miss the fireworks, here's the next best thing—[Live Fireworks Over the Falls](#)—put on by Ontario's [Pizza Pizza](#) to celebrate their 40th anniversary. Enjoy!

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

Did You Know?

Canada is six time zones wide? From East to West, they are Newfoundland, Atlantic, Eastern, Central, Mountain and Pacific. There is some truth to the old saying that "It's bedtime somewhere in Canada." One of the most profound displays I ever saw of our time zones was a person proclaiming to be a Biblical prophet carrying a placard that said, "The world will end at midnight," which didn't shake too many people up until he turned around and said, "12:30 in Newfoundland." Now, if that didn't give away his phoniness, he totally forgot that he was in downtown Toronto, which threw both times out!

Got an interesting fact? [Email it so us!](#)



All materials are the exclusive property of PTC Canada and are for information purposes only. Individuals and entities should seek personal advice from qualified professionals before taking further action, as PTC Canada and its associates assume no liability whatsoever for this resource.

[Click here to unsubscribe to this newsletter](#)

The Tax Tipper is professionally finished by Joyce Gram of Gram Editing Services, your newsletter pro.

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