Learning About Tax with Intuit ProFile

2020

Instructor's Handbook

Purpose of this Handbook

This guide is designed to accompany structured and guided ProFile training as provided by recognized learning institutions. It also serves as a companion document to the PowerPoint presentation files to be used by teaching professionals. This document is, therefore, focused in its scope and it is not intended as a self-study training guide.

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling
Return Software

Professional Tax Software Training

intuit profile

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Table of Contents

Introduction

Intuit ProFile Tax software is reliable and easy-to-use, and it offers sophisticated features that help tax preparers experience a more productive tax season. The following paragraphs summarize the key components of Intuit ProFile Professional Tax software

ProFile T1 imports and converts data created by competing software products. Whether you carry files forward individually or in batches, you will find the process quick and convenient. Using ProFile`s WYSIWYG (what you see is what you get) forms, you can view and edit federal T1 and Québec TP1 forms in either French or English. You can also print all tax forms in either language at the click of a button.

ProFile T2 is designed for professional preparation of corporate tax returns in all provinces and territories. ProFile T2 includes:

- Federal T2 returns, including T2 RSI (for 2006-2009 and earlier) and Corporation Internet Filing
- Provincial corporate tax returns for Alberta (including AT1 RSI), for Ontario returns with taxation years ending prior to January 1, 2009 (including CT23 disk filing) and for Quebec (CO-17).
- Provincial capital tax returns for Manitoba, Saskatchewan and British Columbia

ProFile T3 prepares Trust income tax returns and supporting schedules, including T3 and T5 slips that the trust receives. Simply enter slip information on intuitive income-reporting screens and ProFile T3 automatically transfers the amounts to the appropriate forms. ProFile T3 also integrates business and rental income statements. In addition to T3 slips, the software allows you to prepare NR4 slips for non-resident taxpayers (including the NR4 summary).

ProFile FX (Forms Expert) gives you more than 80 of the most commonly-used CRA forms which supplement the form-sets in Intuit`s other tax applications. Here are a few highlights of ProFile FX:

- Customizable options help you complete and file the forms you need.
- Automatic form selection facilitates form printing.
- Audit and review features help pinpoint potential errors
- Forms flexibility lets you print facsimile forms on plain paper or directly onto pre-printed CRA forms. ProFile FX also prepares magnetic media files for T4, T4A, T5, T5018 and NR4 slips, as well as for the RL1, RL2, RL3 and RL4.
- Import identification from an existing ProFile T1 or T2 data file minimizes potential data entry errors.

Benefits of Using ProFile

ProFile is powerful, efficient and secure tax software that helps you get your work done fast and efficiently. Here's how you benefit by using Profile:

- With phone, email or in-product live chat support, you have year-round access to knowledgeable Canadian technical experts
- With its comprehensive set of forms and schedules, ProFile lets you handle just about every tax scenario in any jurisdiction, including Québec
- With a built-in auditor that runs up to 2,800 diagnostic checks of your tax returns, ProFile has your back
- Flexible Licensing means you can install ProFile on more than one personal computer without having to pay additional licensing fees
- Work with QuickBooks? So does ProFile! There's no need for manual data entry because you can now export data from QuickBooks directly into ProFile

Plus, with ProFile you enjoy a consistent level of advanced features that include:

- Customizable client correspondence
- Database queries and reporting
- Online tools to quickly and easily stay in touch with your clients

Chapter 1

All About Taxation

Learning Objectives

At this chapter's end students will understand:

- The history of taxation
- How tax dollars are raised and disbursed
- The role of the Canda Revenue Agency
- A taxpayer's filing options
- Taxpayer responsibilities
- How to get information to help you file a tax return
- How to access and use CRA electronic services

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 1: What are Taxes?

Taxes are a mandatory payment made by individuals and corporations to government. Tax is levied upon various transactions that include income, property, and sales. Taxes are used to support the government, and the programs and services it provides.

Different levels of government collect tax. For example, in Canada individuals pay:

- federal taxes used for programs such as National Defence, Old Age Security, Canada child tax benefit, and transfers to provinces and territories
- provincial and territorial taxes used for services such as bridges and highways, education, hospitals, and wildlife conservation, and
- municipal taxes for services such as police, ambulance and fire services, libraries, parks and playgrounds, public transportation, and garbage and recycling collection

Without a tax system, government would not have the revenue it needs to provide key services. Citizens support the tax system by paying their fair share of taxes. In return, they benefit from the programs and services provided by the government.

How are your tax dollars spent?

Many of the benefits you enjoy today are made possible through taxes. The government collects taxes to pay for the facilities, services, and programs that it provides. Canada's tax system contributes to programs and disbursements that include:

- roads
- public utilities
- education
- health care
- economic development
- cultural activities
- defence
- law enforcement, and
- other programs and services

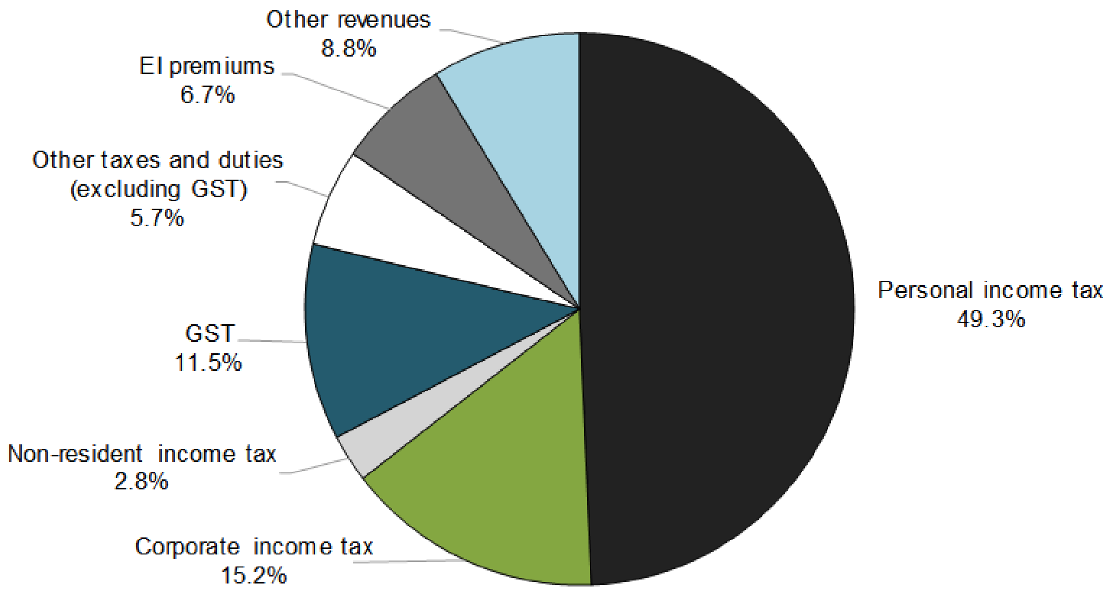
Tax revenue also helps redistribute wealth to benefit lower-income families, students, seniors, and people with disabilities. Tax revenue funds social programs such as:

- old age security
- employment insurance
- Canada child benefit
- universal child care benefit, and
- working income tax benefit

The tax system also supports businesses and boosts the economy in other ways.

Here is the Canadian government’s distribution of expenditures for the 2018-2019 fiscal year.

Composition of Revenues for 2018–19



Note: Numbers may not add to 100% due to rounding.
Source: *Public Accounts of Canada*.

More information on government expenditures for 2018-2019 is contained in the Annual Financial Report of the Government of Canada. https://www.fin.gc.ca/afr-rfa/2019/report-rapport-eng.asp#_Toc525903642

Characteristics of a tax system

A tax system is defined by six characteristics:

1. the source (who pays the tax)
2. the tax base
3. the rates to be applied to the base
4. general exemptions
5. general deductions, and
6. other measures, such as how tax is to be paid

These characteristics determine how much revenue is produced, how fair the tax system is, and its ability to produce economic growth.

A tax system needs to benefit all, and it should be flexible, so the government can use it to achieve specific social and economic objectives. Finally, the process for administering the tax system has to be practical, efficient and fair.

In Canada, the federal government follows these guidelines when it develops new tax legislation:

- **Fairness -** the tax system needs to ensure that all taxpayers share the tax burden equally. People with similar financial circumstances should receive the same tax treatment. In other words, all high-income earners whether they are individuals or corporations, should pay their fair share of tax. Also, similar products should be subject to the same rate of sales tax
- **Stability -** the federal government needs a stable and dependable source of tax revenue, so it can manage the country's economy
- **Canadian priorities -** the tax system helps meet the national/provincial/territorial and economic needs that are priorities for most Canadians
- **Consultation -** the federal government is committed to consulting Canadians before making final legislative proposals for tax amendments

Canada's tax system has evolved over many years to accommodate the needs of an increasingly complex society. However, the guiding principle has always been the same: our elected Parliament must have ultimate control over tax legislation.

Canada's tax system is based on the self-assessment principle, which means that taxpayers complete their tax return each year to report their income and to calculate whether they owe tax or receive a refund. It is considered the most economical and efficient way to collect income tax.

An abridged history of tax

Many people assume that taxes are a recent development and that our ancestors did not have to pay them. This, however, is not the case.

Of course, in the past, people did not always pay with money. Instead, most paid their tax bill with goods they produced or raised, such as grain, fish, minerals, or animals.

History of taxes in the world

Tax as we know it today, existed in various forms in different societies throughout civilization. Kings, queens, chiefs, rulers, and people in authority were responsible for imposing and collecting taxes from the people they ruled. What was taxed, when it was taxed, and how much tax was imposed varied from society to society.

The French and Latin of the 13th century were credited with the first use of a word similar to tax. The French had *Taxer* and the Latin used *Taxare* to describe the following tasks: to estimate, to assess, or to access repeatedly.

Canadian taxation before Confederation

The colonial governments collected taxes and sent them to the two mother countries, England and France. The colonial governments usually collected revenue by charging customs duties. In 1650, Louis XIV of France imposed the first recorded tax in Canadian history—an export tax of 50% on beaver pelts and 10% on moose hides that were leaving his colonies.

In 1867 *The British North America Act* was passed, allowing the Canadian government to raise money by taxation. Over the next 50 years, the federal government used only indirect taxes such as customs duties and excise taxes to raise the money it needed. Direct taxation was only levied in the four Canadian provinces of Ontario, Quebec, Nova Scotia, and New Brunswick.

The Fathers of Confederation divided the governmental responsibilities of this new country between the federal and provincial governments. The most expensive areas of responsibility—railways, roads, bridges, and harbours –were the responsibility of the federal government. The provincial governments were responsible for education, health, and welfare.

Canadian taxation after Confederation

On August 4, 1914 Britain declared war on Germany and, as a British colony, Canada joined Britain in the Great War. The pressures of financing World War I soon brought major changes to the Canadian tax system.

In 1916 the Canadian government used a new method of direct taxation by imposing a corporation tax known as the business profit war tax. It affected corporations only if their profits were more than a certain percentage of their invested capital. Although this was not income tax as we know it today, it was a milestone in the history of Canadian taxation.

It was in 1917 that the federal government, led by Sir Robert L. Borden, introduced the *Income War Tax Act*. "I have placed no time limit upon this measure . . . a year or two after the war is over, the measure should be definitely reviewed," stated Sir Thomas White, Minister of Finance.

In July 1917, the federal government imposed a general tax on corporate and personal income that was collected by the Department of Finance.

Other key changes to the Canadian tax system included:

1927 - The Department of National Revenue was created.

1952 - For the first time, the Department of National Revenue became involved in an area other than income tax when it began to collect old age security tax on personal and corporate income. The department assessed this tax under the *Old Age Security Act*.

January 1, 1991 - The federal government replaced the federal sales tax with the goods and services tax (GST).

May 2007 - The Government of Canada introduced the Taxpayer Bill of Rights, which outlines what a taxpayer can expect from the CRA.

Common Canadian taxes

In Canada, there are various taxes, tariffs, and duties. In this section, we will briefly explain the following common Canadian tax and salary deductions:

- income tax;
- employment insurance (EI) premiums;
- Canada Pension Plan (CPP) contributions;
- provincial sales taxes (PST); and
- goods and services tax/harmonized sales tax (GST/HST).

Source deductions

All individuals pay income tax to the federal, provincial, and territorial governments. The amount of income tax is based on the taxable income (total earnings minus allowable deductions) earned during the tax year.

Income tax is collected in various ways. The most common method, commonly called *Source Deductions*, sees employers deduct income tax from each employee's pay cheque and remit it directly to the Canada Revenue Agency on the employee's behalf.

If an employee did not have enough tax deducted through source deductions, she may have tax owing when she files her tax return. Individuals who regularly have a balance owing may have to pay their income taxes by instalments.

Employment insurance (EI) provides temporary financial assistance to unemployed Canadians who, through no fault of their own, have lost their job. EI, therefore, assists them while they look for work or upgrade their skills. Canadians who are sick, pregnant, or caring for a newborn or adopted child, as well as those who must care for a family member who is seriously ill with a significant risk of death, may also be assisted by EI.

Like income tax, EI premiums are deducted at source by an employer from an employee's wages. In addition to the amount deducted on an employee's pay cheque, employers also contribute to the EI pool, usually at a rate of 1.4 times the amount deducted from all employees.

The **Canada Pension Plan (CPP)** provides contributors with a stipulated amount when they lose income because of retirement, death, or disability. In the event of death, the plan provides benefits to the contributor's survivors. With very few exceptions, every employed person in Canada over the age of 18 pays into the Canada Pension Plan. CPP, as with income tax and employment insurance, is also deducted by an employer at source. In addition, employers also contribute to CPP at a rate equal to the amount deducted from all employees. For employees in Quebec, the employer deducts Quebec Pension Plan (QPP) contributions instead of CPP contributions.

Refunds

It can happen that an individual is entitled to a refund of the taxes that were deducted at source. Refunds can be triggered if an individual:

- had too much tax withheld during the year
- paid more tax instalments than necessary, or
- is entitled to claim more refundable tax credits than the total taxes paid. Examples of these credits include:
    - Canada Pension Plan (CPP) overpayment;
    - employment insurance (EI) overpayment;
    - working income tax benefit (WITB); and
    - provincial or territorial credits, which vary depending on the province or territory where you live.

In addition to getting a refund, individuals may also want to file an income tax return to receive certain credits and benefits paid throughout the year, or to report amounts that can reduce the amount of tax that must be paid in the future.

Other taxes

Provincial sales tax (PST) is a tax that most provinces levy on the sale of goods and services. PST is generally added to the sales price of an item being purchased. The items that are taxed and the tax rate vary from province to province.

Goods and services tax (**GST**) is a federal tax that is charged on the sale of most goods and services in Canada at a consistent rate of 5%. It is important to note that the federal government, though, does not tax essentials such as groceries, prescription drugs, residential rent, health care and dental care.

In some provinces, the GST is combined with the PST and the two are collected together at a combined rate. This is known as **harmonized sales tax (HST)**.

About the Canada Revenue Agency (CRA)

The CRA’s mission is to administer taxation and related programs, and to ensure compliance on behalf of governments across Canada, thereby contributing to the ongoing economic and social well-being of Canadians. It does this by:

- collecting taxes and administering tax laws for the federal government and most provinces and territories
- delivering credit and benefit programs to Canadians such as:
  - Canada child benefit (CCB)
  - goods and services tax/harmonized sales tax (GST/HST) credit, and
  - working income tax benefit (WITB)
- collecting Canada Pension Plan (CPP) contributions and employment insurance (EI) premiums, and
- administering Canada's international tax agreements with other countries

In carrying out its mission, the CRA affects the lives of many Canadians on a daily basis.

Getting information from the CRA

The CRA offers all of its services, (including Internet, telephone, and correspondence services), to Canadians in both official languages.

CRA Web site

The CRA Web site https://www.canada.ca/en/services/taxes/income-tax.html is a valuable resource if you need tax information, or information on programs and services.

The best way to navigate the site is to start in the section for Individuals. Menus throughout this section offer information sorted by topic or client group (such as information for students or employees).

Forms and publications

CRA guides, forms, pamphlets, interpretation bulletins, information circulars, and other publications, provide details on tax topics and can help you to understand the tax system. To get forms and publications, go to https://www.canada.ca/en/revenue-agency/services/forms-publications.html or call **1-800-959-8281**.
If you are blind or partially sighted, you can get publications in braille, large print, e-text, or MP3 by going to www.cra.gc.ca/alternate. You can also get publications and personalized correspondence in these formats by calling **1-800-959-8281**.

Here are some examples of the programs administered by the Canada Revenue Agency (CRA):

Goods and services tax/harmonized sales tax (GST/HST) credit

The GST/HST credit is a tax-free quarterly payment that helps individuals and families with low or modest incomes offset all or part of the GST or HST that they pay.

If you turn 19 before April 1, 2020, you can apply for this credit on your 2019 income tax and benefit return. You have to file a return to apply, even if you have no income.

Examples of CRA programs

Canada child benefit (CCB)

The government’s 2016 budget introduced the Canada Child Benefit, a key initiative of the Government to strengthen the middle class and help those working to join it. There is no need to apply if you already receive child benefits, but you and your spouse or common law partner have to file a tax return every year to continue to receive it.

The Canada Child Benefit is:
simple — most families receive a single payment every month
tax-free — families don't have to pay taxes on payments received when they file their tax returns
targeted to those who need it most — low and middle-income families get higher payments, and those with the highest incomes (generally over $150,000) receive less than under the previous system
generous — on average, families benefitting from the CCB receive about $6,800 in CCB payments annually.

- **Find out if you are eligible for benefits and credits**

	Married or common-law with children under 18 years old	**Single with children under 18 years old**	**Married or common-law with no children**	**Single and 19 or older with no children**
Canada child benefit	Yes	Yes	No	No
Goods and services tax/harmonized sales tax (GST/HST) credit	Yes	Yes	Yes	Yes
Provincial and territorial benefits and credits	Yes	Yes	Yes	Yes

Tuition amounts

The tuition, education, and textbook amount is a non-refundable tax credit available to students to reduce the amount of income tax they have to pay.

If you do not have to pay tax, you can carry forward or transfer all or part of your unused tuition, education, and textbook amounts. To carry forward the credit to use in a future year, you must file a tax return and attach a completed Schedule 11.

Registered retirement savings plans (RRSPs)

Money that you contribute to an RRSP can be used to reduce the amount of tax you have to pay.
The amount of RRSP contributions that you can deduct on your tax return is determined by your RRSP deduction limit. This is often called your "contribution room".

The RRSP deduction limit is calculated based on the income you report on your tax return and on the carry-forward of unused amounts from previous years.

You may want to file a tax return to begin building up your RRSP contribution room and have a greater deduction limit available for use in future years.

CRA electronic services

The CRA's electronic services are quick, easy and secure, and they allow you to view, change and manage your personal tax information. Some of the most widely used services are:

Child and family benefits calculators – Estimate the amount of CCB, GST/HST credit and other provincial and territorial benefits that you may be entitled to receive.

Direct deposit – You can have your income tax refund, CCB, and GST/HST credit deposited directly into your account at your financial institution in Canada.

Electronic payments – Make your payment online using the CRA's My Payment service or using your financial institution's telephone or Internet banking services.

My Account – This is a secure, convenient, and time-saving way to access and manage your tax and benefit information online, seven days a week. If you are not registered with My Account but need information right away, use Quick Access to get fast, easy, and secure access to some of your information.

Tax Information Phone Service (TIPS) – For personal and general tax information by telephone, use the automated service, TIPS, by calling **1-800-267-6999**.

How the CRA gets information

The CRA not only gets information from your tax return, but from other sources as well. Other individuals and organizations have a responsibility to report payments and send deductions to the CRA. They include:

- employers;
- financial institutions;
- other organizations that pay interest or dividends; and
- those making payments to non-residents of Canada.

Compliance with tax laws

The CRA is responsible for collecting taxes owed and for discouraging tax avoidance. To do this, CRA may carry out a more detailed post review after your tax return has been assessed.

Review of your tax return

Each year, the CRA conducts a number of review activities that promote awareness of, and compliance with, the laws it administers. These reviews are an important part of maintaining the integrity of and Canadians' confidence in the Canadian tax system.

Three of CRA review programs are the:

- Pre-assessment review program

- Processing review program, and
- Matching program

Under these programs, CRA compares the information on a tax return to that provided by employers or financial institutions. By reviewing a number of deductions and credits on the return, CRA ensure that various income amounts have been correctly reported.

If the CRA makes changes to your return after a notice of assessment has been sent, they will send you a notice of reassessment that explains any changes.

Filing a Tax Return

If you earned income during the year you have to complete an income tax return and send it to the CRA. Generally, income tax returns are due by April 30, and the CRA begins processing returns in mid-February.

The *Income Tax and Benefit* return is the form you use to report income and to apply for benefits such as the Canada child tax benefit (CCTB), the goods and services tax / harmonized sales tax (GST/HST) credit, and the working income tax benefit (WITB).

The *T1 General*, *Income Tax and Benefit Return* covers all tax situations. It is available by going to https://www.canada.ca/en/revenue-agency/services/forms-publications.html

Filing options

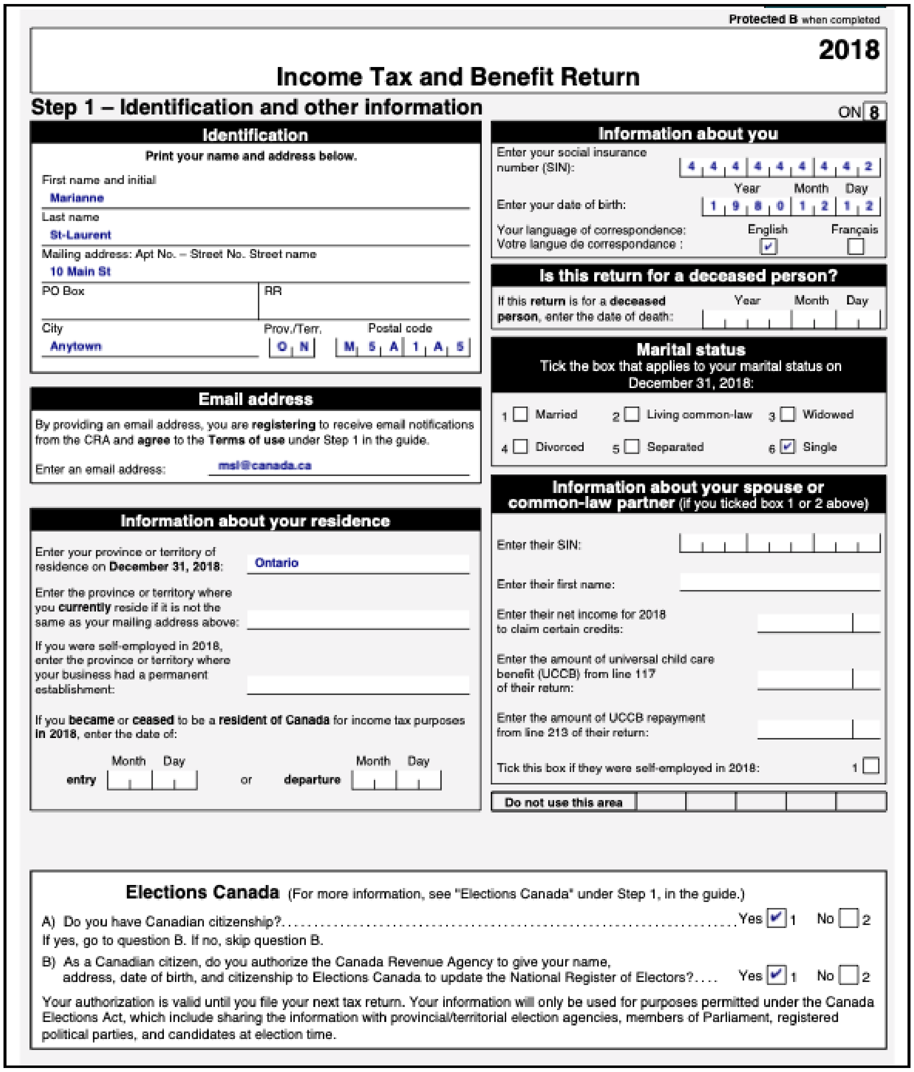
The CRA encourages all Canadians to file their taxes electronically. Electronic filing helps to reduce costs, achieve greater accuracy and faster processing, and it also is environmentally friendly. The CRA's electronic tax-filing services are known as NETFILE and EFILE.

NETFILE is a fast, easy and secure service that allows you to send your return directly to the CRA from mid-February to the end of November using the Internet. Internet-filed returns must be prepared using one of the commercial tax preparation software packages or Web applications certified by the CRA to meet its system requirements. Intuit’s TurboTax is an example of a CRA-approved software package.

EFILE is an automated system that allows registered electronic tax-filing service providers (professional accountants and tax preparers) to send income tax information to the CRA electronically. To use this service, an individual must take her documents to a tax preparation service provider who will prepare the electronic return, using software such as Intuit’s ProFile, and send it to CRA under its EFILE system.

Using CRA’s *T1 General, Income Tax and Return* form, individual taxpayers can also prepare their own tax return and mail it to their CRA tax centre. Because it is a manual process, calculating the correct amounts on the tax return can be a complex process, and the probability of omissions and errors is very high.

Here is the first page of CRA’s *T1 General, Income Tax and Return* as it would appear if it were hand-written. We will explore this form in more detail in Chapter 4.



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2018

Income Tax and Benefit Return

Step 1 – Identification and other information

ON 8

Identification

Print your name and address below.

First name and initial: Marianne

Last name: St-Laurent

Mailing address: Apt No. – Street No. Street name: 10 Main St

PO Box:

RR:

City: Anytown

Prov./Terr.: ON

Postal code: M5A 1A5

Email address

By providing an email address, you are **registering** to receive email notifications from the CRA and **agree** to the **Terms of use** under Step 1 in the guide.

Enter an email address: msl@canada.ca

Information about your residence

Enter your province or territory of residence on **December 31, 2018**: Ontario

Enter the province or territory where you **currently** reside if it is not the same as your mailing address above:

If you were self-employed in 2018, enter the province or territory where your business had a permanent establishment:

If you **became** or **ceased** to be a **resident of Canada** for income tax purposes **in 2018**, enter the date of:

entry Month Day or **departure** Month Day

Information about you

Enter your social insurance number (SIN): 444 444 442

Enter your date of birth: Year 1980 Month 12 Day 12

Your language of correspondence: / Votre langue de correspondance : English ☑ Français ☐

Is this return for a deceased person?

If this **return** is for a **deceased person**, enter the date of death: Year Month Day

Marital status

Tick the box that applies to your marital status on December 31, 2018:

1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed

4 ☐ Divorced 5 ☐ Separated 6 ☑ Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Enter their SIN:

Enter their first name:

Enter their net income for 2018 to claim certain credits:

Enter the amount of universal child care benefit (UCCB) from line 117 of their return:

Enter the amount of UCCB repayment from line 213 of their return:

Tick this box if they were self-employed in 2018: 1 ☐

Do not use this area

Elections Canada (For more information, see "Elections Canada" under Step 1, in the guide.)

A) Do you have Canadian citizenship?.. Yes ☑ 1 No ☐ 2

If yes, go to question B. If no, skip question B.

B) As a Canadian citizen, do you authorize the Canada Revenue Agency to give your name, address, date of birth, and citizenship to Elections Canada to update the National Register of Electors?.... Yes ☑ 1 No ☐ 2

Your authorization is valid until you file your next tax return. Your information will only be used for purposes permitted under the Canada Elections Act, which include sharing the information with provincial/territorial election agencies, members of Parliament, registered political parties, and candidates at election time.

After you file

It usually takes about four to six weeks to process paper returns and two weeks to process returns filed using NETFILE and EFILE.

After the CRA processes a tax return, the agency will send you a notice of assessment showing any changes or corrections made (such as identifying and correcting a math error). The notice will indicate that you either are entitled to a refund or that you have a balance owing.

If you overpaid your taxes during the tax year, the CRA will issue a refund cheque attached to your notice of assessment, or it will directly deposit the funds into your account at a financial institution in Canada.

On the other hand, if you have a balance owing because you paid less taxes than you should have, and you did not attach the payment to your return when it was filed, the notice of assessment will contain instructions on how to pay the balance owing to avoid any interest charges.

Taxpayer Roles and Responsibilities

As a taxpayer, you have certain obligations. You are responsible for:

- filing an income tax and benefit return by the deadline
- paying the correct amount of tax
- giving the CRA the necessary information to assess your return
- giving the CRA up-to-date information, in order to receive accurate benefits, and to avoid unnecessary delays in sending the benefits, and
- getting help when necessary

Self-assessment

Earlier in this chapter, we learned that Canada has a self-assessment tax system. This means that taxpayers complete their tax return to report their annual income and to calculate whether they owe tax or are entitled to receive a refund.

Under the self-assessment system, Canadian residents and non-residents with Canadian income are responsible for making sure they have paid their taxes according to the *Income Tax Act* (the Act). Income and deductions are listed on the income tax and benefit return so both the taxpayer and the CRA can calculate the taxes the taxpayer has to pay.

In this way, taxpayers can check to make sure they are receiving fair and equal treatment under the Act. At the same time, the CRA can properly administer the tax laws.

Chapter 1 Quiz

Question 1: True or False: Taxes are a new concept and have only been collected since 1950

Correct answer is False

Question 2: The tax revenue collected by the government is used to:

A. Transfer funds amongst the provinces
B. Pay interest on the public debt
C. Pay for programs such as national defence
D. All the above

Correct answer is D

Question 3: True or False: Goods and services tax (GST) is applied to all goods and services sold in Canada

Correct answer is False

Question 4: True or False: If you are 18 years old or over and working, you may have to make contributions to the Canada Pension Plan

Correct answer is True

Question 5: True or False: The Canada Revenue Agency is responsible for creating all of the tax laws in Canada

Correct answer is False

Question 6: True or False: If you do not owe income tax, you do not have to file a tax return

Correct answer is False

Question 7: The various types of taxes include which of the following?

A. Income tax
B. Provincial sales tax
C. Federal sales tax
D. All the above

Correct answer is D

Question 8: True or False: The term *Source Deductions* is used to describe amounts that employers deduct from their employees' pay cheques

Correct answer is True

Question 9: The Canada Revenue Agency's mission is to:

A. Collect taxes and administer tax laws on behalf of the federal government
B. Deliver credit and benefits programs such GST/HST credits
C. Collect Canada Pension Plan (CPP) and Employment Insurance (EI) premiums from taxpayers
D. All the above

Correct answer is D

Question 10: As a taxpayer, your role and responsibilities include:

A. Filing an income tax return
B. Giving CRA the necessary information so that it can accurately assess your tax return
C. Use a self-assessment method to report and remit the correct amount of tax
D. All the above

Correct answer is D

Chapter 2

Installation & Set Up

Learning Objectives

At this chapter's end students will understand:

- How to install and activate ProFile
- How to manage ProFile licenses
- How to set up EFILE credentials
- How to use ProFile's Options menu

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 2 Installation and Set-Up

A Proper Setup

With its multifaceted installation options and its depth of features, it is important to fully grasp the various ways you can install and set up ProFile. The options discussed in this chapter range from a set-up for a one-person tax office to a large-scale set-up for a team of tax preparers. No matter the scenario, the objective remains the same: maximizing efficiency and understanding the needs of the tax preparer(s) who will be using ProFile.

Before diving into the various installation options, it is important to note the following specifications and system requirements:

ProFile Specifications

- Internet connectivity is required for licensing and auto-update
- Windows servers software is not supported
- Network/workstation install UNC path is not supported
- .NET 4.5.2 installation & registration are required
- Apple products are not supported

System Requirements

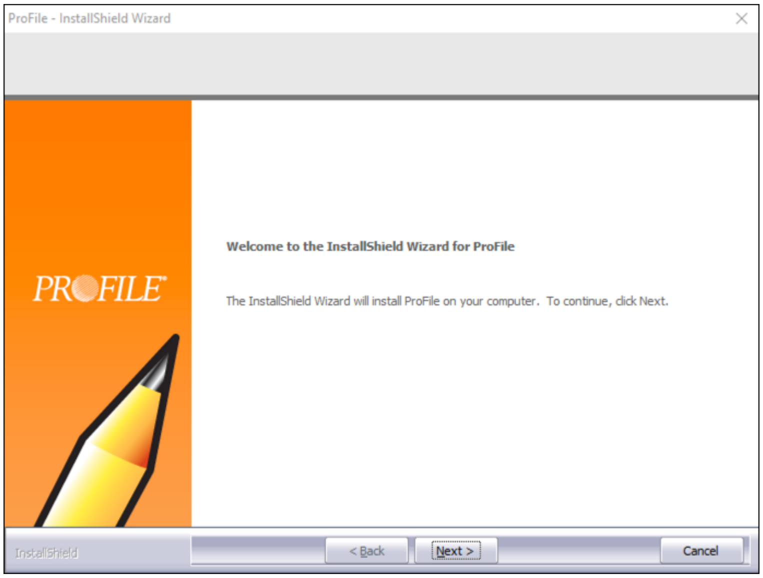
- Processor: 1GHz or faster processor
- OS: Windows 10™ (recommended), Windows 8.1 ™
- Memory: 4 GB or higher
- Hard Drive: 3 GB for installation
- Printer: Windows compatible
- Display: 1024 X 768 minimum resolution; 16 bit or higher colour
- Internet: IE 11 or higher and high-speed connection
- Other: eReview feature requires a MAPI email client and a PDF reader application (for example: Adobe PDF Reader®), Microsoft .NET framework 4.5.2

SINGLE-USER INSTALLATION

This sequence of instructions explains how to install ProFile on the local (C:\) drive of your personal computer:

- Start by visiting ProFile's website (profile.intuit.ca) and download the gpsetup.exe file

- Double click *gpsetup.exe* and follow the installation prompts

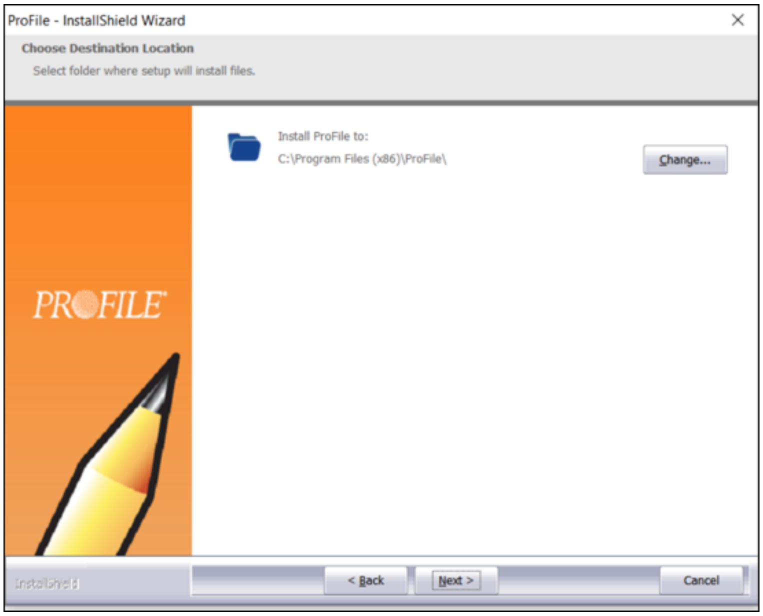


ProFile - InstallShield Wizard

Welcome to the InstallShield Wizard for ProFile

The InstallShield Wizard will install ProFile on your computer. To continue, click Next.

- During installation, make sure that you choose the Program Files folder of your local drive (usually drive C:\) as the file destination
- Follow the prompts to complete the installation



ProFile - InstallShield Wizard

Choose Destination Location

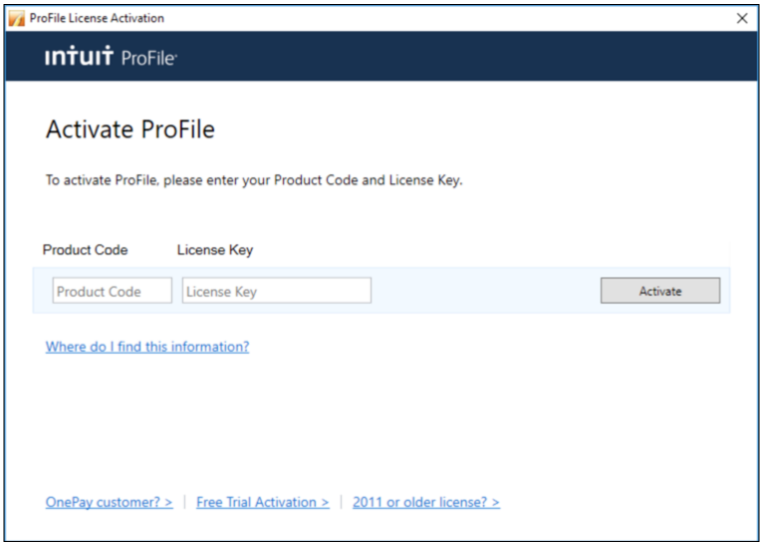
Select folder where setup will install files.

Install ProFile to:
C:\Program Files (x86)\ProFile\

ProFile activation

Once installed, you activate ProFile by entering your license information.

- Launch ProFile
- In the window that opens, enter your software Product Code and License Key



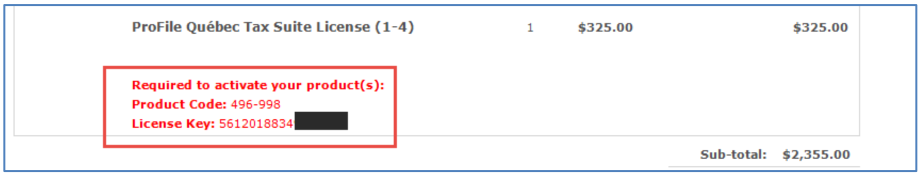
Activate ProFile

To activate ProFile, please enter your Product Code and License Key.

Finding your licensing information

Read on if you're not sure where to find the licensing information required for the window above.

- After purchasing ProFile, you will receive an emailed receipt containing the product information to be entered in this window
- If you purchased ProFile through Intuit's Web Store, you will find the codes at the very bottom of the receipt

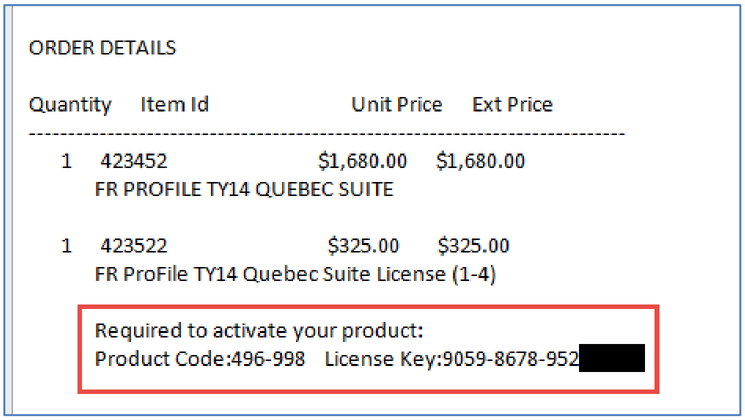


ProFile Québec Tax Suite License (1-4)	1	$325.00	$325.00

Required to activate your product(s):
Product Code: 496-998
License Key: 5612018834[redacted]

Sub-total: **$2,355.00**

If you placed your order by telephone, the codes will appear in the Order Details section

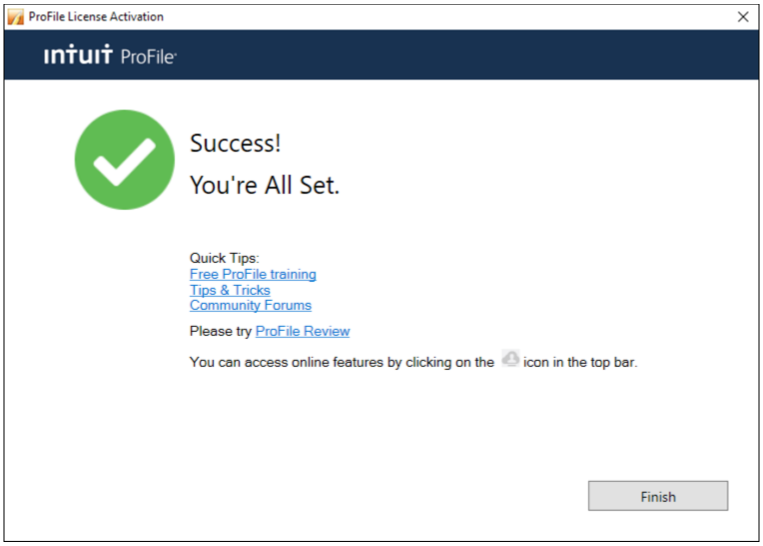


ORDER DETAILS

```
Quantity    Item Id                    Unit Price    Ext Price
------------------------------------------------------------------------
    1     423452                 $1,680.00    $1,680.00
        FR PROFILE TY14 QUEBEC SUITE

    1     423522                   $325.00      $325.00
        FR ProFile TY14 Quebec Suite License (1-4)
```

Required to activate your product:
Product Code:496-998   License Key:9059-8678-952[redacted]

- After entering the license and activating the software, a green checkmark will appear indicating that the product is ready to go.



Success!

You're All Set.

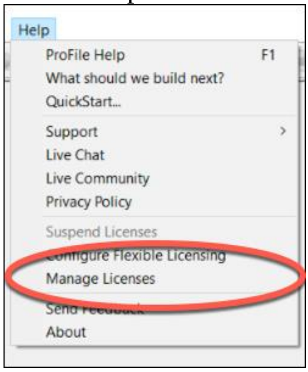
Quick Tips:
Free ProFile training
Tips & Tricks
Community Forums

Please try ProFile Review

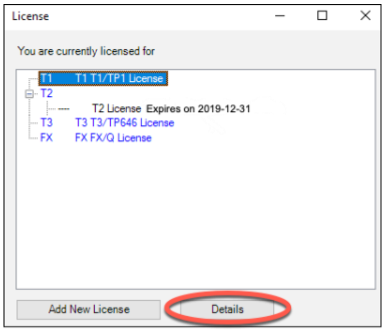
You can access online features by clicking on the icon in the top bar.

Managing Your Licences

- Keeping track of your ProFile licenses is an easy yet important part of the installation and set-up process. Start by clicking *Help* > *Manage Licenses*



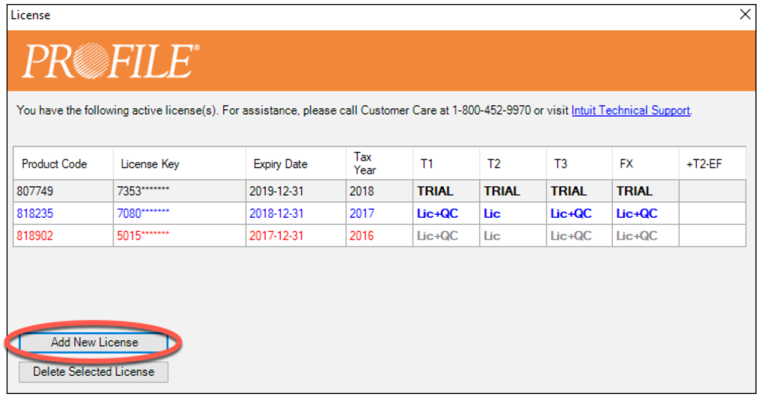
- Click on *Details*



You are currently licensed for

T1 T1 T1/TP1 License
T2
T2 License Expires on 2019-12-31
T3 T3 T3/TP646 License
FX FX FX/Q License

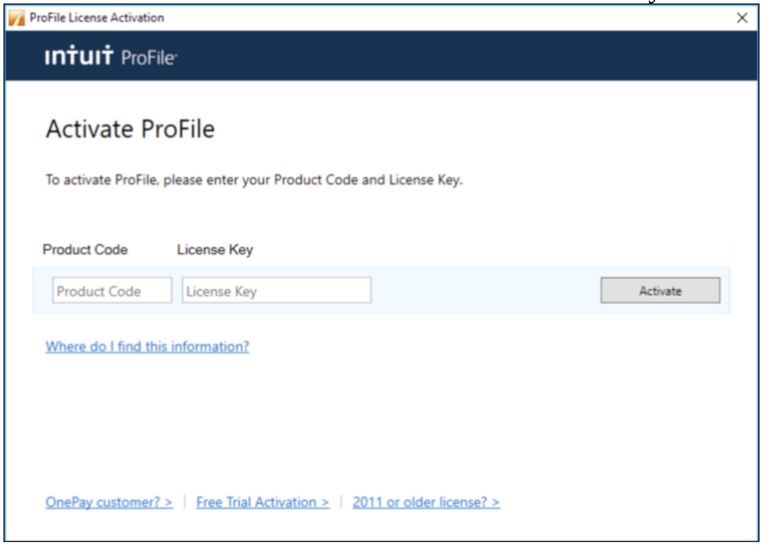
- If you purchased additional licenses or modules (T2, T3, etc.) click on *Add New License*



You have the following active license(s). For assistance, please call Customer Care at 1-800-452-9970 or visit Intuit Technical Support.

Product Code	License Key	Expiry Date	Tax Year	T1	T2	T3	FX	+T2-EF
807749	7353*******	2019-12-31	2018	TRIAL	TRIAL	TRIAL	TRIAL	
818235	7080*******	2018-12-31	2017	Lic+QC	Lic	Lic+QC	Lic+QC	
818902	5015*******	2017-12-31	2016	Lic+QC	Lic	Lic+QC	Lic+QC	

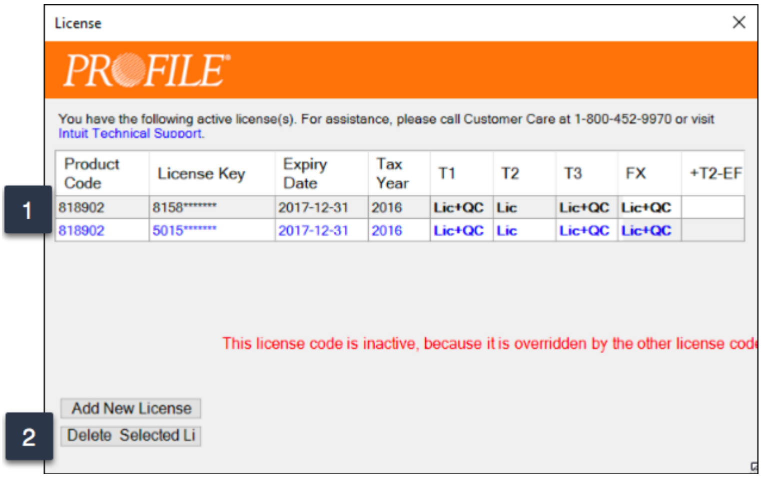
- Enter the new Product Code and License Key



Activate ProFile

To activate ProFile, please enter your Product Code and License Key.

- To remove licenses—those that are old or outdated, for example—return to the License window, select the license to remove 1
- Click on *Delete Selected License* 2



You have the following active license(s). For assistance, please call Customer Care at 1-800-452-9970 or visit Intuit Technical Support.

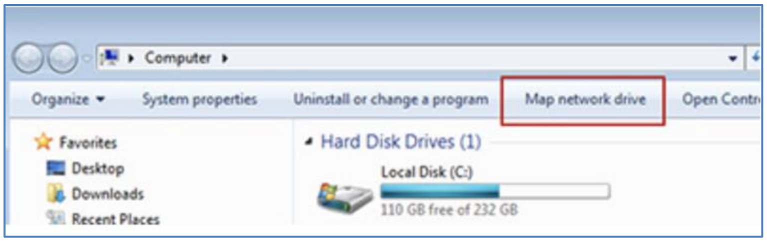
Product Code	License Key	Expiry Date	Tax Year	T1	T2	T3	FX	+T2-EF
818902	8158*******	2017-12-31	2016	Lic+QC	Lic	Lic+QC	Lic+QC	
818902	5015*******	2017-12-31	2016	Lic+QC	Lic	Lic+QC	Lic+QC	

This license code is inactive, because it is overridden by the other license cod

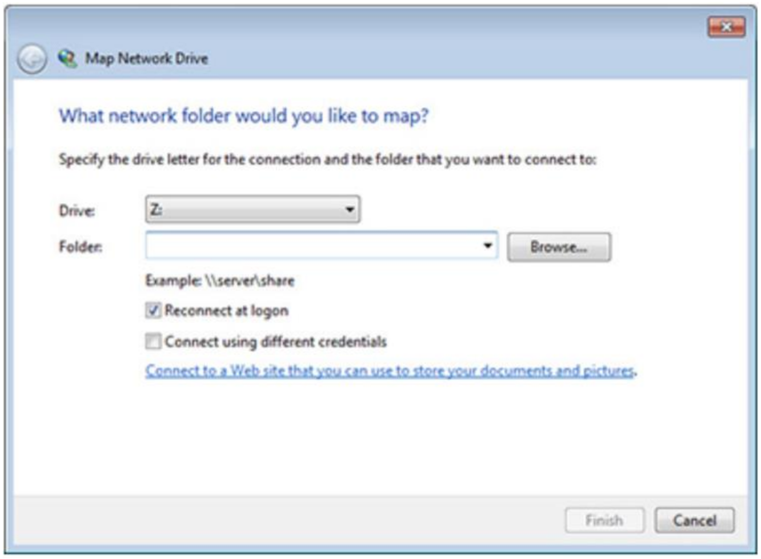
PROFILE WORKSTATION INSTALLATION

In a network environment, where an office has multiple tax preparers, you may not want to install ProFile on each individual computer. In other words, you'll want a workstation installation. Here's how to do it:

- Ensure that your network is properly setup and configured. You may require an IT professional or Network Administrator for guidance on how to best proceed with this setup
- Perform a full installation of ProFile on the server and restart the server
- From the workstation, map the drive in which ProFile was installed by following these steps:
- Click on *Computer*, then choose *Map network drive*



- Enter the address of the server by browsing to the target location (example: G:\my-server)



What network folder would you like to map?

Specify the drive letter for the connection and the folder that you want to connect to:

Drive: Z:

Folder:

Example: \\server\share

☑ Reconnect at logon

☐ Connect using different credentials

Connect to a Web site that you can use to store your documents and pictures.

- In the mapped network folder where ProFile was installed, right-click on *Workstation Install* and select *Run as administrator*
- Follow the installation wizard
- When completed, a *ProFile Workstation* icon will appear on the workstation's desktop

Configuring Your Workstation Licenses

There are two ways to configure workstation licenses. The first method is to configure the license codes for all users. Modify the startup.ini file that is installed on your network server where ProFile is installed. The startup.ini file has the following format:

- [License]
- ProductCode=
- Code=
- Name=

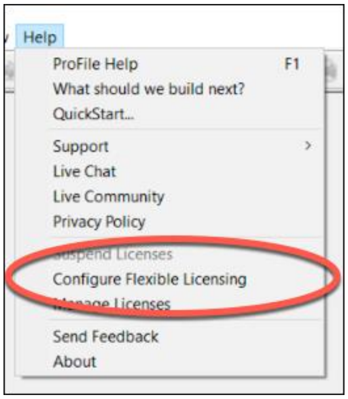
To have a common code used by all client computers, enter the ProFile product code after **ProductCode=** and enter the license key after **Code=**

- The second method is used when your system administrator wants to limit individual users to specific modules.
- Under this method every user has their own access code (instead of everyone using the same centralized code). It is recommended to leave the startup.init file in the location where ProFile is installed
- After you update the registry and complete the installation process, you are now configured to use ProFile. To run ProFile next time, double-click the *ProFile* icon that was created on your desktop or select *ProFile* from the Start menu.

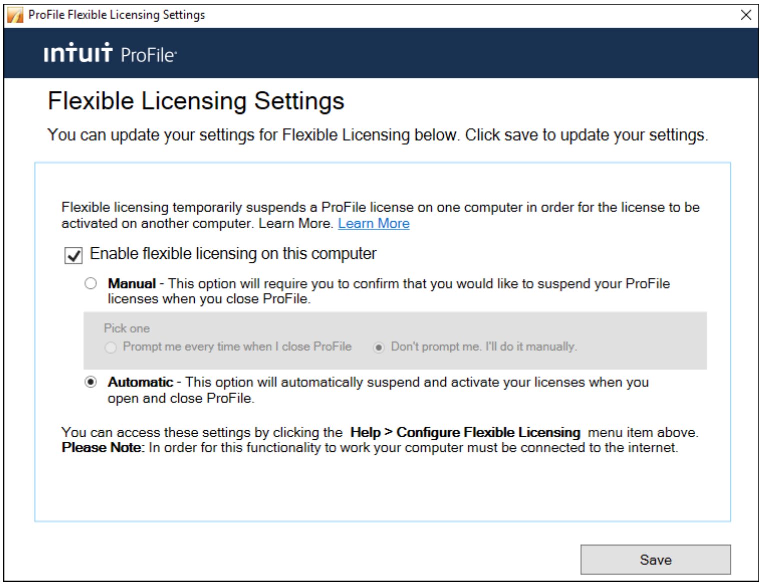
PROFILE FLEXIBLE LICENSING

If you have more multiple computers and need to access ProFile from any one of them, then Flexible Licensing is for you. Flexible Licensing temporarily suspends a ProFile license on one computer and activates that same license on another computer. With Flexible Licensing, there’s no need to constantly delete the license on one machine and then enter it manually on another machine.

- To enable this feature, click the *Help* menu and then select *Configure Flexible Licensing*



- Click *Enable flexible licensing on this computer* then select the mode of your choice. You can choose a *Manual* mode that requires you to confirm you would like to suspend the license on a given computer, or you can choose an *Automatic* mode that will suspend and activate the licenses for you. We recommend choosing *Automatic* mode
- After choosing your option, click *Save*



Flexible Licensing Settings

You can update your settings for Flexible Licensing below. Click save to update your settings.

Flexible licensing temporarily suspends a ProFile license on one computer in order for the license to be activated on another computer. Learn More. Learn More

☑ Enable flexible licensing on this computer

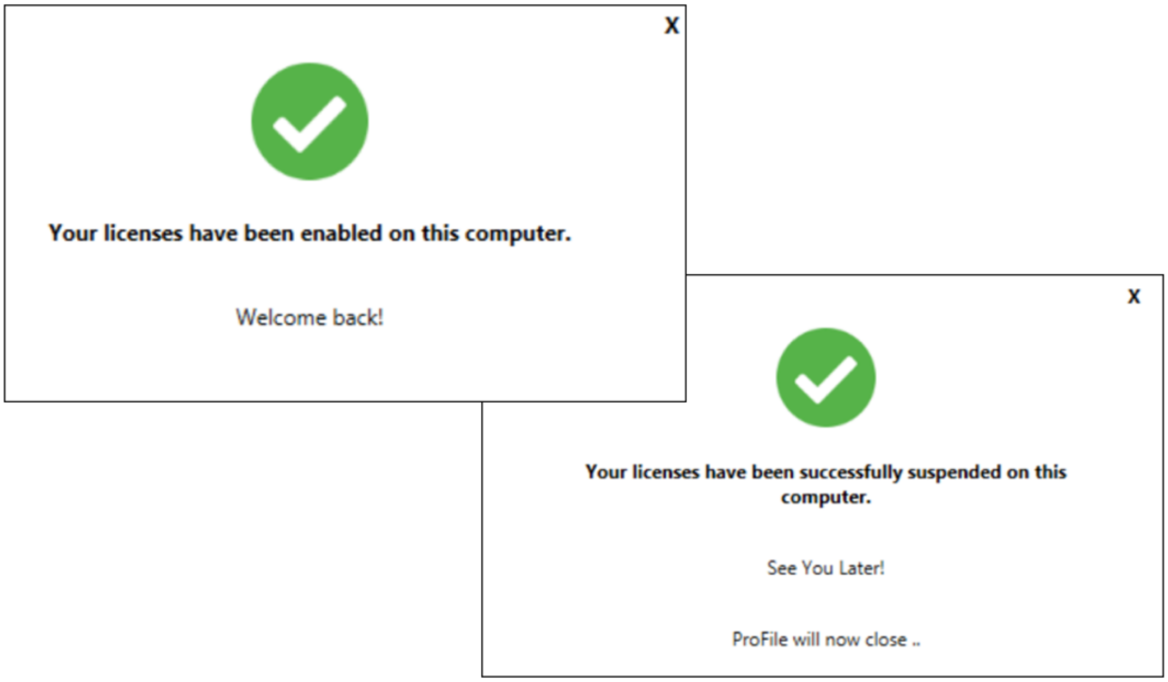
○ **Manual** - This option will require you to confirm that you would like to suspend your ProFile licenses when you close ProFile.

Pick one
○ Prompt me every time when I close ProFile ● Don't prompt me. I'll do it manually.

● **Automatic** - This option will automatically suspend and activate your licenses when you open and close ProFile.

You can access these settings by clicking the **Help > Configure Flexible Licensing** menu item above.
Please Note: In order for this functionality to work your computer must be connected to the internet.

- In automatic mode, ProFile will confirm your computer's license status whenever you log in and out of the application



Your licenses have been enabled on this computer.

Welcome back!

Your licenses have been successfully suspended on this computer.

See You Later!

ProFile will now close ..

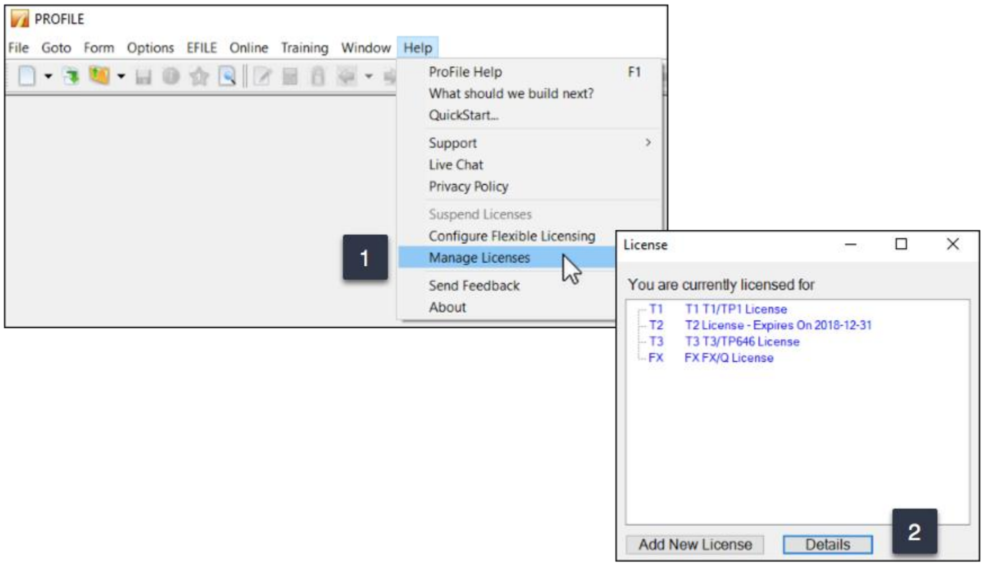
Maximum license warnings

When activating a ProFile license, you may see this warning: *ProFile has been activated the maximum number of times permitted for this license.* This message appears either because a license is being used more times than there are *units* available for use, or because it was not removed from an older machine before being transferred to a new one.

What’s a unit? If you purchased one license, you will receive an extra license unit for an unforeseen situation that may trigger the need to reactivate your license. This means you have two units available. If you then try to activate your license on more than two computers, you will receive the “Maximum activation error” message described above.

To correct this issue, try deleting a license from an unused computer before activating it on a new machine.

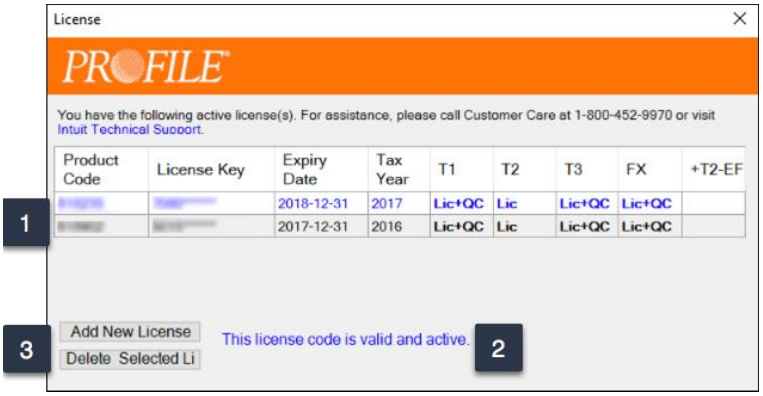
- On the old machine, open ProFile and click *Help* > *Manage License* 1
- Click on *Details* 2



You are currently licensed for

- T1 T1 T1/TP1 License
- T2 T2 License - Expires On 2018-12-31
- T3 T3 T3/TP646 License
- FX FX FX/Q License

- Click the license you’d like to delete. ProFile displays a message that the license is valid and active 1
- So that you can enter it on the new machine, make note of this license 2
- Click on *Delete selected license* to deactivate ProFile on the old machine 3
- You can now activate the license on your new computer



You have the following active license(s). For assistance, please call Customer Care at 1-800-452-9970 or visit Intuit Technical Support.

Product Code	License Key	Expiry Date	Tax Year	T1	T2	T3	FX	+T2-EF
[redacted]	[redacted]	2018-12-31	2017	Lic+QC	Lic	Lic+QC	Lic+QC	
[redacted]	[redacted]	2017-12-31	2016	Lic+QC	Lic	Lic+QC	Lic+QC	

This license code is valid and active.

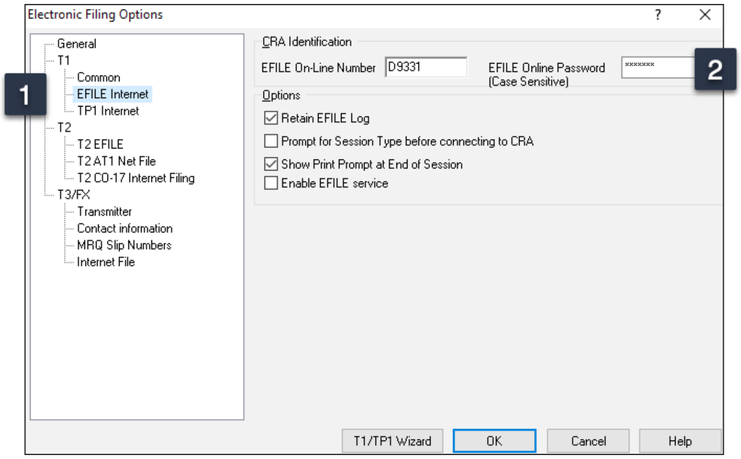
A Basic Setup

In this section, you will learn how to quickly set up the minimum number of options that are required to get ProFile up and running. Once these options are enabled, you can immediately begin working in ProFile. Later in this chapter, we will describe how to delve into more advanced and more sophisticated options.

EFILE Options

Every professional tax preparer receives bespoke EFILE credentials from CRA. It is important, therefore, to enter and save those credentials in ProFile. Follow these steps to record your credentials:

- Click *EFILE > Options*
- In the left-hand window, click *EFILE Internet* 1
- Enter your On-line Number and EFILE password as provided to you by CRA 2



CRA Identification

EFILE On-Line Number: D9331

EFILE Online Password (Case Sensitive): *******

Options

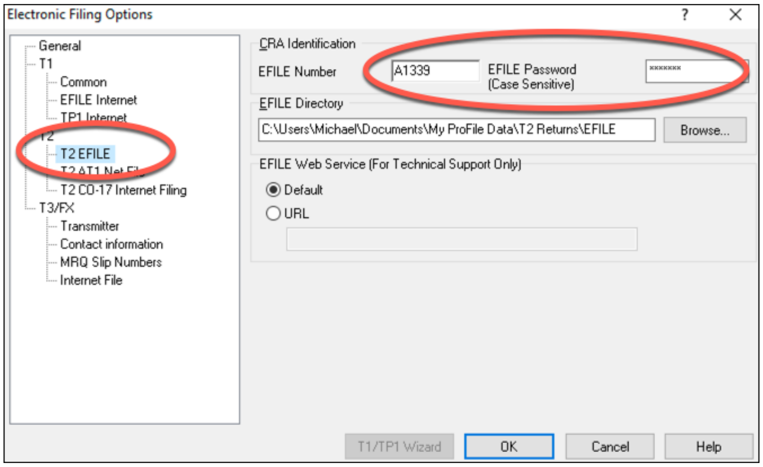
☑ Retain EFILE Log

☐ Prompt for Session Type before connecting to CRA

☑ Show Print Prompt at End of Session

☐ Enable EFILE service

- In the same window, select *T2 EFILE* and you should see your credential appear there as well



CRA Identification

EFILE Number: A1339

EFILE Password (Case Sensitive): *******

EFILE Directory: C:\Users\Michael\Documents\My ProFile Data\T2 Returns\EFILE

EFILE Web Service (For Technical Support Only)

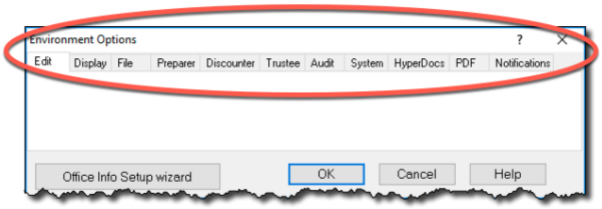
● Default

○ URL

Environment Options

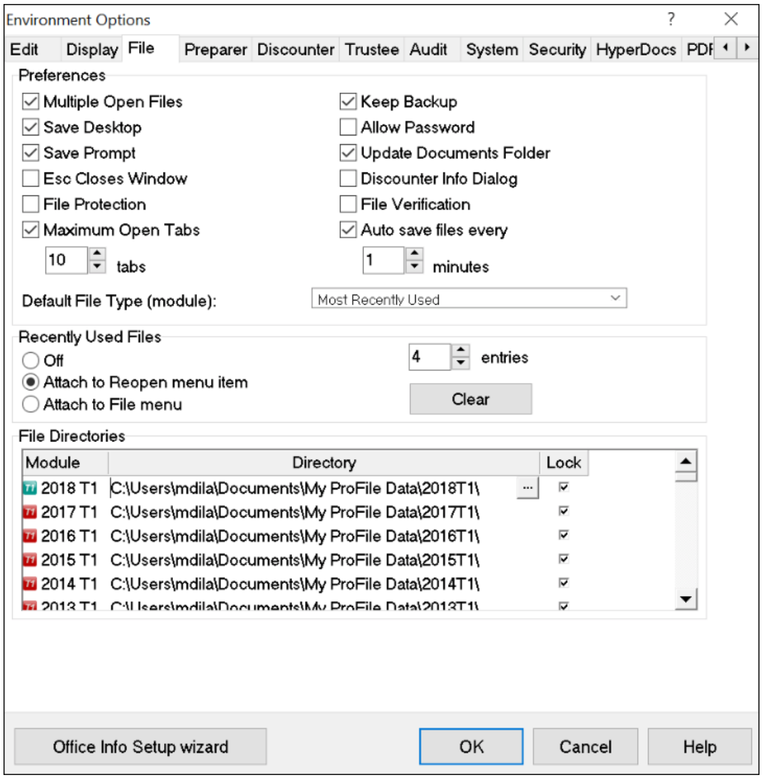
Under the *Options* menu, you will find a host of ProFile preferences. While all preferences are arguably important, there are some that are considered mandatory. Here, therefore, are the options you should set under a basic scenario.

It's important to note that if you're unsure about the functionality of any option, click the Question Mark icon at the top right of the *Environment* window and then click on any function. ProFile will then display tab-specific, context-sensitive help that will guide you in configuring your settings.



File Tab

- Click *Options* > *Environment* and then select the *File* tab.
- Under the *File* tab, ProFile lets you set and/or confirm the default location for all your tax files. By default, Profile creates a general folder called *My ProFile Data* and, within that folder, ProFile establishes sub-folders to store files for each specific tax year and module (for T1, T3 and FX files). Unless you have specific file-location requirements (a server environment, for example), you should accept ProFile's default folder settings.



Preferences

☑ Multiple Open Files
☑ Save Desktop
☑ Save Prompt
☐ Esc Closes Window
☐ File Protection
☑ Maximum Open Tabs
10 tabs

☑ Keep Backup
☐ Allow Password
☑ Update Documents Folder
☐ Discounter Info Dialog
☐ File Verification
☑ Auto save files every
1 minutes

Default File Type (module): Most Recently Used

Recently Used Files

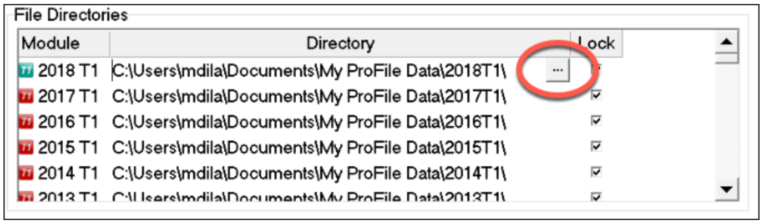
○ Off
● Attach to Reopen menu item
○ Attach to File menu

4 entries

File Directories

Module	Directory	Lock
2018 T1	C:\Users\mdila\Documents\My ProFile Data\2018T1\	☑
2017 T1	C:\Users\mdila\Documents\My ProFile Data\2017T1\	☑
2016 T1	C:\Users\mdila\Documents\My ProFile Data\2016T1\	☑
2015 T1	C:\Users\mdila\Documents\My ProFile Data\2015T1\	☑
2014 T1	C:\Users\mdila\Documents\My ProFile Data\2014T1\	☑
2013 T1	C:\Users\mdila\Documents\My ProFile Data\2013T1\	☑

- To change a folder's default location, just click the ... menu for each module and tax year



File Directories

Module	Directory	Lock
2018 T1	C:\Users\mdila\Documents\My ProFile Data\2018T1\	
2017 T1	C:\Users\mdila\Documents\My ProFile Data\2017T1\	☑
2016 T1	C:\Users\mdila\Documents\My ProFile Data\2016T1\	☑
2015 T1	C:\Users\mdila\Documents\My ProFile Data\2015T1\	☑
2014 T1	C:\Users\mdila\Documents\My ProFile Data\2014T1\	☑

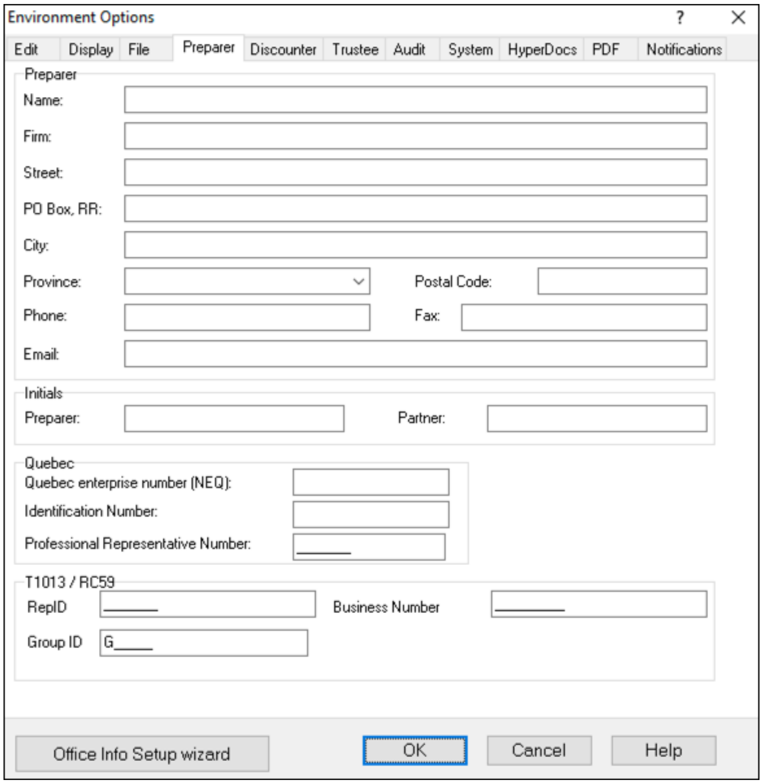
Clicking the "Lock" checkbox to the right of each folder location ensures that ProFile always saves files to that location, and always looks in that location when opening files.

In addition to selecting the file location for all your tax files, you also choose, under the *File* tab, usability preferences such as the ability to concurrently display multiple tax files; allow password protection and display a list of recently used files.

Preparer Tab

The *Preparer* tab of the *Options > Environment* window, allows tax preparers to enter their firm's address and contact information, as well as their Business Number and Rep or Group ID as determined by CRA. From the Preparer tab, you can also:

- Keep track of the workflow by entering preparer and partner initials
- Enter Québec preparer credentials



Professional Representative Number: ______

RepID: ______

Business Number: _______

Group ID: G____

Next steps

After setting up the basic options just described, you can jump ahead to Chapter 3 and begin working in ProFile. A prudent tax preparer, though, might want to explore the more advanced preferences discussed in the next section.

An Advanced Setup

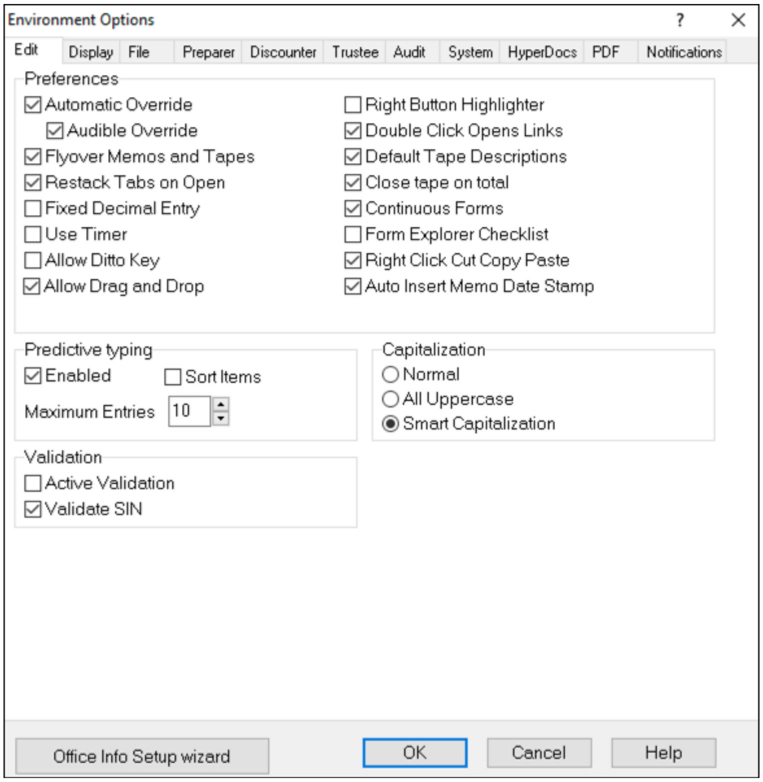
This section described the more advanced features and preferences that you might want to consider when personalizing ProFile. These options help streamline the workflow and save time during a busy and hectic tax season.

Note that the following preferences are all accessed via the *Options* > *Environment* menu.

Edit Tab

The *Edit* tab lets you set preferences that enable fixed decimals data-entry (ProFile automatically places the decimal point to the left of the last two digits entered in a field). Here you can also ask ProFile to capitalize every word on a tax return or just the first letter in every word. From this tab you can also:

- Manually override a calculated value on the tab return
- Use the Ditto key to quickly copy and paste the same information in adjacent fields
- Allow data to be dragged and dropped from one field to the next
- Ensure that every Social Insurance Number entered in ProFile is valid
- Double-click on a field in a tax return to jump to a related field
- Right-click to enable Cut, Copy and Paste



Preferences

☑ Automatic Override
  ☑ Audible Override
☑ Flyover Memos and Tapes
☑ Restack Tabs on Open
☐ Fixed Decimal Entry
☐ Use Timer
☐ Allow Ditto Key
☑ Allow Drag and Drop

☐ Right Button Highlighter
☑ Double Click Opens Links
☑ Default Tape Descriptions
☑ Close tape on total
☑ Continuous Forms
☐ Form Explorer Checklist
☑ Right Click Cut Copy Paste
☑ Auto Insert Memo Date Stamp

Predictive typing

☑ Enabled ☐ Sort Items
Maximum Entries 10

Capitalization

○ Normal
○ All Uppercase
● Smart Capitalization

Validation

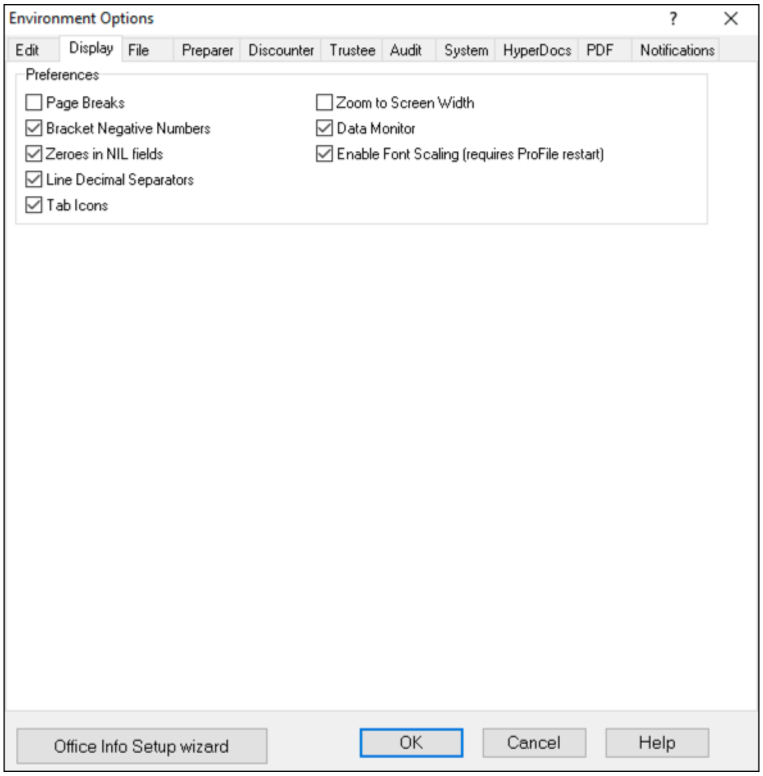
☐ Active Validation
☑ Validate SIN

Display Tab

The display tab lets you personalize your on-screen views. From the Display tab, you can:

- Enable on-screen page breaks
- Use brackets for negative numbers
- Display zeroes for all NIL values

- Automatically zoom the displayed tax file to full screen width



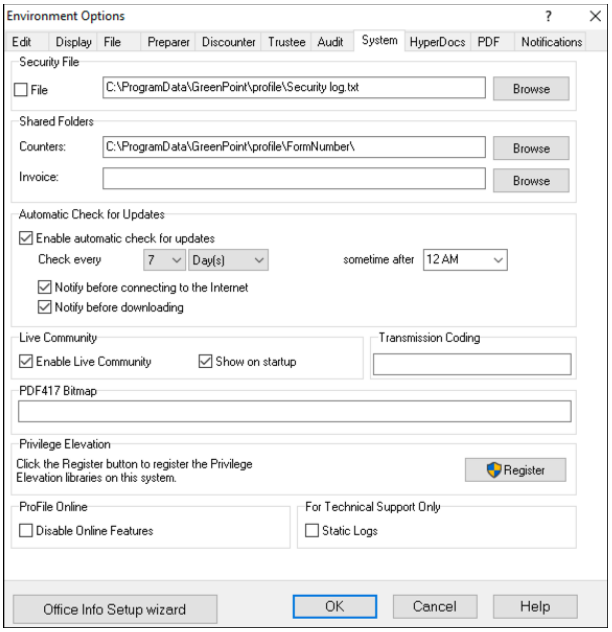
Preferences

☐ Page Breaks
☑ Bracket Negative Numbers
☑ Zeroes in NIL fields
☑ Line Decimal Separators
☑ Tab Icons
☐ Zoom to Screen Width
☑ Data Monitor
☑ Enable Font Scaling (requires ProFile restart)

System Tab

To ensure that you always have the most recent release, click the *Systems* tab and review the Automatic Update settings. Here can establish the frequency in which ProFile checks for updates and you can also indicate whether you want ProFile to notify you before downloading and installing an update. Form the System tab, you can also:

- Enable ProFile’s forum-like Live Community
- Enable or disable ProFile’s online features



Security File

☐ File C:\ProgramData\GreenPoint\profile\Security log.txt

Shared Folders

Counters: C:\ProgramData\GreenPoint\profile\FormNumber\

Invoice:

Automatic Check for Updates

☑ Enable automatic check for updates

Check every 7 Day(s) sometime after 12 AM

☑ Notify before connecting to the Internet

☑ Notify before downloading

Live Community

☑ Enable Live Community ☑ Show on startup

Transmission Coding

PDF417 Bitmap

Privilege Elevation

Click the Register button to register the Privilege Elevation libraries on this system.

ProFile Online

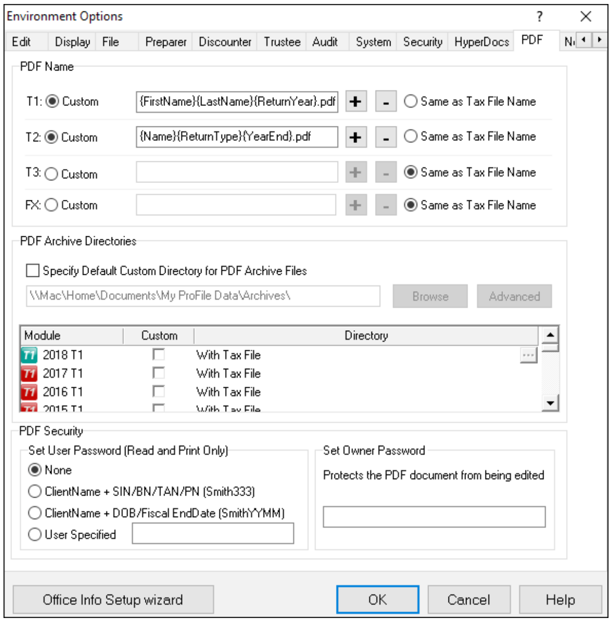
☐ Disable Online Features

For Technical Support Only

☐ Static Logs

PDF Tab

You can use the PDF tab of the Environment Options to set personalized parameters for your client’s PDF files. Here, you can also set file-naming conventions, as well as file location and password protection for all your PDF tax returns.



PDF Name

T1: ● Custom {FirstName}{LastName}{ReturnYear}.pdf ○ Same as Tax File Name

T2: ● Custom {Name}{ReturnType}{YearEnd}.pdf ○ Same as Tax File Name

T3: ○ Custom ● Same as Tax File Name

FX: ○ Custom ● Same as Tax File Name

PDF Archive Directories

☐ Specify Default Custom Directory for PDF Archive Files

\\Mac\Home\Documents\My ProFile Data\Archives\

Module	Custom	Directory
T1 2018 T1	☐	With Tax File
T1 2017 T1	☐	With Tax File
T1 2016 T1	☐	With Tax File
T1 2015 T1	☐	With Tax File

PDF Security

Set User Password (Read and Print Only)

● None

○ ClientName + SIN/BN/TAN/PN (Smith333)

○ ClientName + DOB/Fiscal EndDate (SmithYYMM)

○ User Specified

Set Owner Password

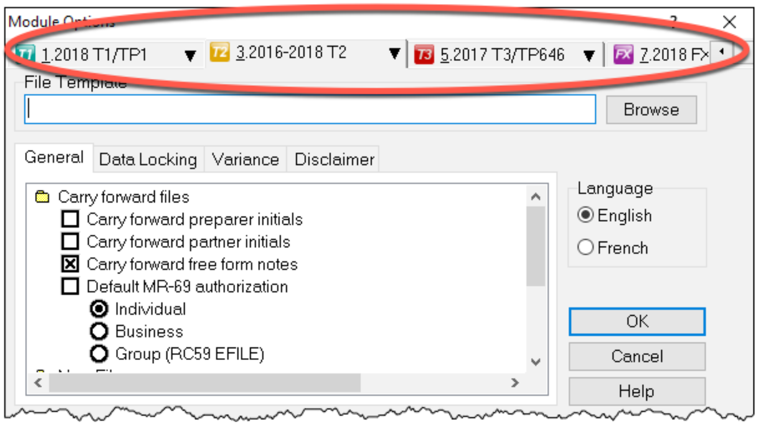
Protects the PDF document from being edited

Other Environment Settings

The Options->Environment window features other tabs including settings for establishing Discounter and Trustee credentials, and for enabling more advanced features such as Audit and HyperDocs settings. We will revisit some of these settings later.

Options>Module

ProFile’s Module options let you fine-tune the way ProFile works with each individual tax year and module (T1, T2, T3 and FX). This granular level of detail lets you determine the tax settings that ProFile will choose on new files, and on files you are carrying forward from a previous year. In this window, you can also establish your language preference, and you can set variance thresholds for comparing a client’s current and previous year’s tax file. The paragraphs below describe the Module options you should immediately set.



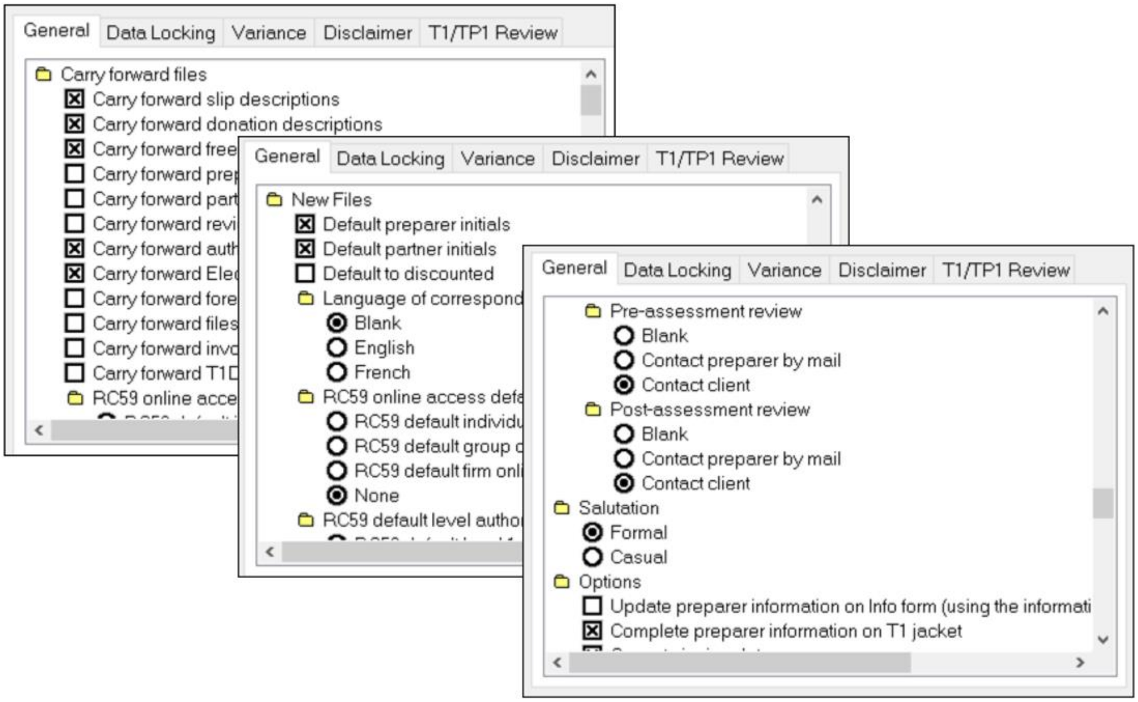
Carry forward files
- ☐ Carry forward preparer initials
- ☐ Carry forward partner initials
- ☒ Carry forward free form notes
- ☐ Default MR-69 authorization
  - ● Individual
  - ○ Business
  - ○ Group (RC59 EFILE)

Language
- ● English
- ○ French

General Tab

Scroll down this window to set defaults for new and carried-forward file. These defaults include RC 59 and T1013 authorization levels, pre and post-assessment review settings, and slip descriptions for carried-forward files. In this window, you can also:

- Carry forward Elections Canada and foreign property questions, and T1DD information
- Set defaults for language of correspondence and preparer information
- Set client letter and invoice defaults
- Establish naming conventions for your tax files
- Choose form colours for client and spouse tax returns



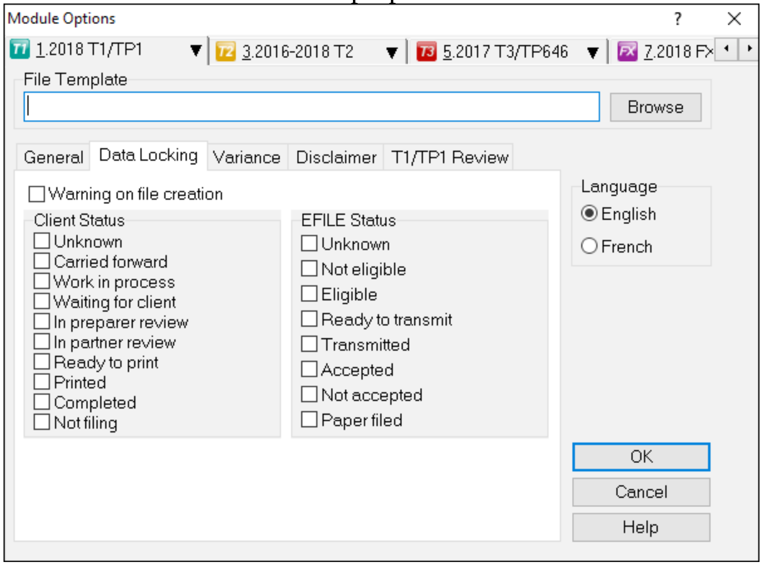
Carry forward files
☒ Carry forward slip descriptions
☒ Carry forward donation descriptions
☒ Carry forward free
☐ Carry forward prep
☐ Carry forward part
☐ Carry forward revi
☒ Carry forward auth
☒ Carry forward Elec
☐ Carry forward fore
☐ Carry forward files
☐ Carry forward invo
☐ Carry forward T1D
RC59 online acce

New Files
☒ Default preparer initials
☒ Default partner initials
☐ Default to discounted
Language of correspond
● Blank
○ English
○ French
RC59 online access defa
○ RC59 default individu
○ RC59 default group c
○ RC59 default firm onli
● None
RC59 default level autho

Pre-assessment review
○ Blank
○ Contact preparer by mail
● Contact client
Post-assessment review
○ Blank
○ Contact preparer by mail
● Contact client
Salutation
● Formal
○ Casual
Options
☐ Update preparer information on Info form (using the informati
☒ Complete preparer information on T1 jacket

Data Locking Tab

This tab lets you enable a warning that prevents you from accidentally creating a tax file. You can also lock a file—and prevent additional data entry—once the Client and EFILE status that you indicate in this window is selected on a tax file. For example, if you click the *Completed* checkbox in the Client Status column, then ProFile will lock a tax file once a tax preparer indicates that the tax file has been completed.



File Template

☐ Warning on file creation

Client Status
☐ Unknown
☐ Carried forward
☐ Work in process
☐ Waiting for client
☐ In preparer review
☐ In partner review
☐ Ready to print
☐ Printed
☐ Completed
☐ Not filing

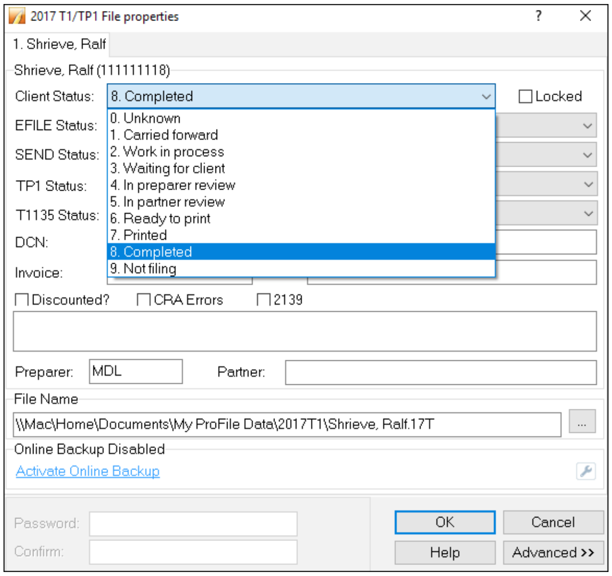
EFILE Status
☐ Unknown
☐ Not eligible
☐ Eligible
☐ Ready to transmit
☐ Transmitted
☐ Accepted
☐ Not accepted
☐ Paper filed

Language
● English
○ French

Setting a client status

- To set a file's Client Status, open a tax file and then go to *File > Properties.*
- Click the *Client Status* dropdown and select the desired status

- Note the checkbox, to the right of the Client Status dropdown, that lets you toggle file locking on and off.



2017 T1/TP1 File properties

1. Shrieve, Ralf

Shrieve, Ralf (111111118)

Client Status: 8. Completed ☐ Locked

☐ Discounted? ☐ CRA Errors ☐ 2139

Preparer: MDL Partner:

File Name

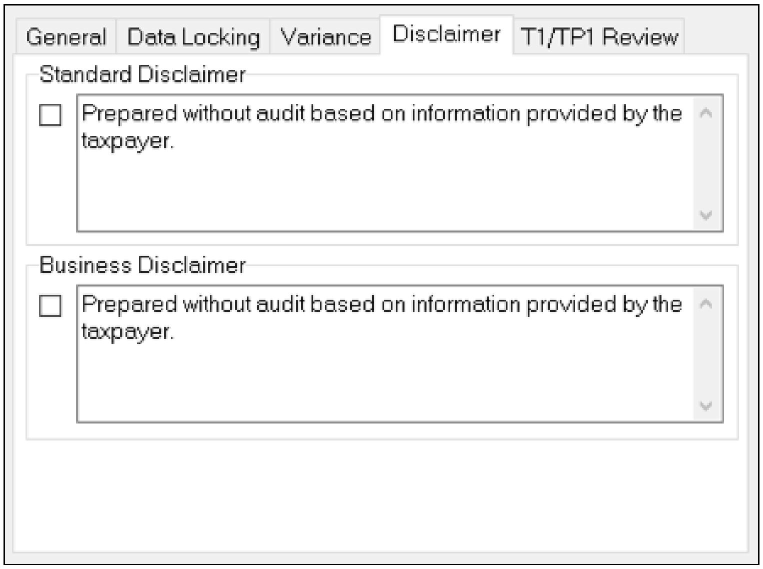
\\Mac\Home\Documents\My ProFile Data\2017T1\Shrieve, Ralf.17T

Online Backup Disabled

Disclaimer Tab

You may want to add a standard business disclaimer to your tax files to alert readers about your involvement with that tax return. ProFile lets you set two different disclaimers.

- A general disclaimer, which will appear on the last page of the tax jacket, for the tax return as a whole
- A business disclaimer that will appear on business-type forms such as the T2125 schedule for self-employed individuals



Standard Disclaimer

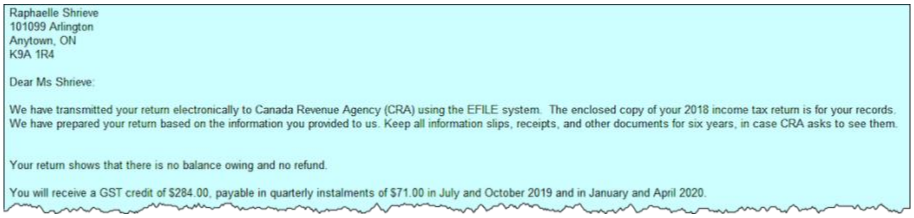
☐ Prepared without audit based on information provided by the taxpayer.

Business Disclaimer

☐ Prepared without audit based on information provided by the taxpayer.

Options > Templates

ProFile includes pre-formatted letters that you can print as part of your client's T1 package. Here is an excerpt of one such letter.



Raphaelle Shrieve
101099 Arlington
Anytown, ON
K9A 1R4

Dear Ms Shrieve:

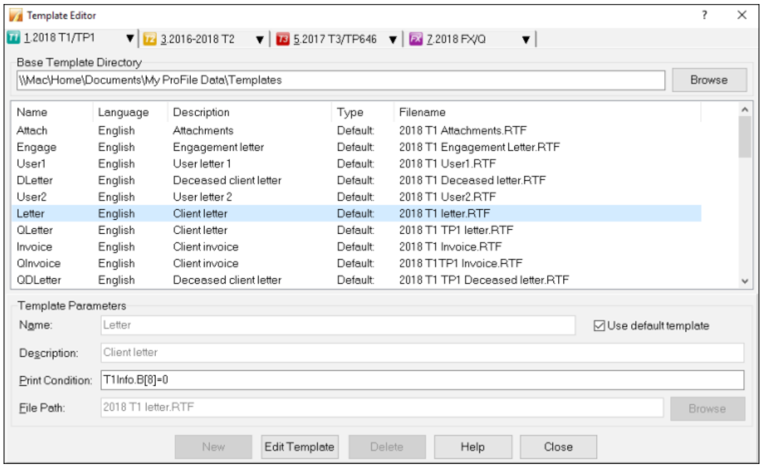
We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2018 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows that there is no balance owing and no refund.

You will receive a GST credit of $284.00, payable in quarterly instalments of $71.00 in July and October 2019 and in January and April 2020.

All of ProFile's preformatted letters are saved in a templates subfolder within the *My ProFile Data* folder. To view and edit any template, follow these steps:

- Click on *Options>Templates*
- Find and double-click the desired template, for example, *Letter*



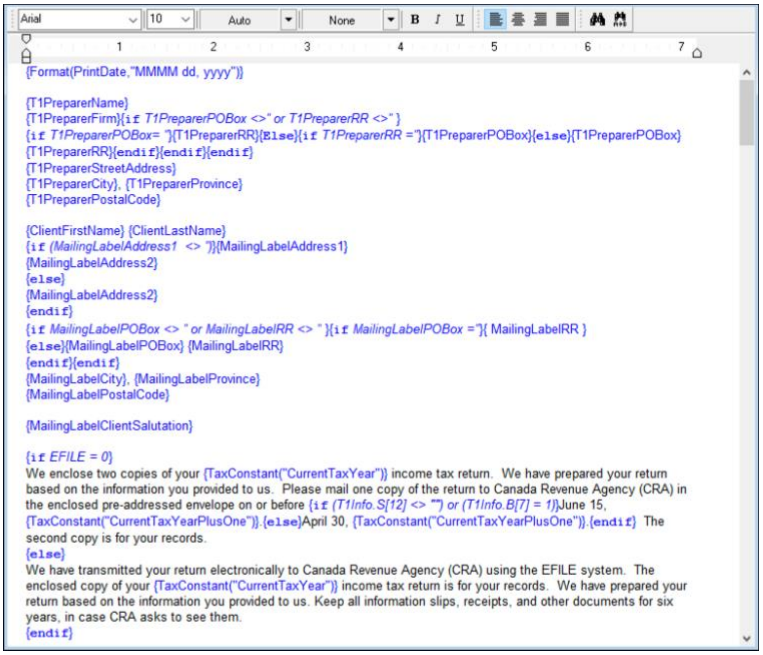
Base Template Directory
\\Mac\Home\Documents\My ProFile Data\Templates

Name	Language	Description	Type	Filename
Attach	English	Attachments	Default:	2018 T1 Attachments.RTF
Engage	English	Engagement letter	Default:	2018 T1 Engagement Letter.RTF
User1	English	User letter 1	Default:	2018 T1 User1.RTF
DLetter	English	Deceased client letter	Default:	2018 T1 Deceased letter.RTF
User2	English	User letter 2	Default:	2018 T1 User2.RTF
Letter	English	Client letter	Default:	2018 T1 letter.RTF
QLetter	English	Client letter	Default:	2018 T1 TP1 letter.RTF
Invoice	English	Client invoice	Default:	2018 T1 Invoice.RTF
QInvoice	English	Client invoice	Default:	2018 T1TP1 Invoice.RTF
QDLetter	English	Deceased client letter	Default:	2018 T1 TP1 Deceased letter.RTF

Template Parameters
Name: Letter ☑ Use default template
Description: Client letter
Print Condition: T1Info.B[8]=0
File Path: 2018 T1 letter.RTF

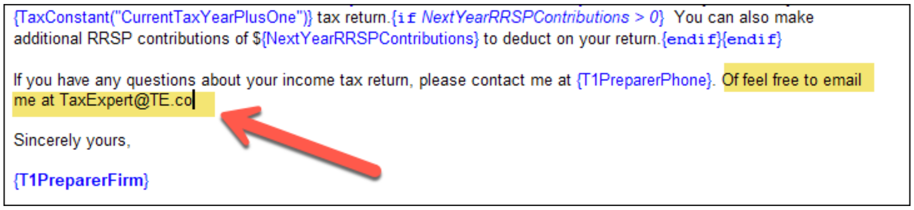
The Letter template will open in a new window and it will display text in two different colours;

- Text appearing in blue signifies data that flows from ProFile data fields. Let's call this type of information *Field Codes*
- Blue *Field Codes* can only be inserted or removed; they cannot be edited from within the template
- Black font represents free-form text—much like the text you enter with a word processor
- Black text can be edited or deleted, and you can also add any additional text to the template



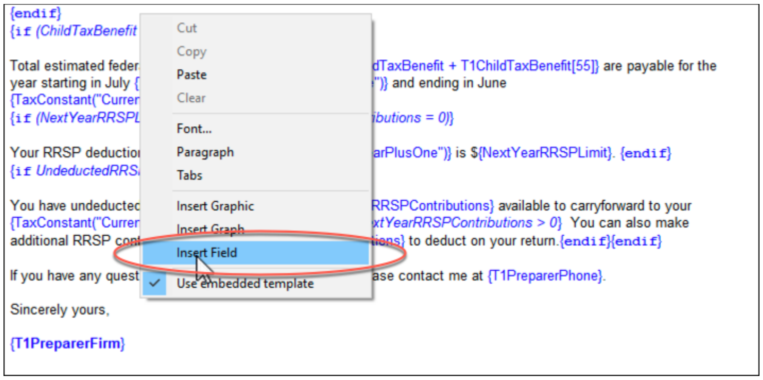
```
{Format(PrintDate,"MMMM dd, yyyy")}

{T1PreparerName}
{T1PreparerFirm}{if T1PreparerPOBox <>" or T1PreparerRR <>" }
{if T1PreparerPOBox= "}{T1PreparerRR}{Else}{if T1PreparerRR ="}{T1PreparerPOBox}{else}{T1PreparerPOBox}
{T1PreparerRR}{endif}{endif}{endif}
{T1PreparerStreetAddress}
{T1PreparerCity}, {T1PreparerProvince}
{T1PreparerPostalCode}

{ClientFirstName} {ClientLastName}
{if (MailingLabelAddress1  <> "}}{MailingLabelAddress1}
{MailingLabelAddress2}
{else}
{MailingLabelAddress2}
{endif}
{if MailingLabelPOBox <> " or MailingLabelRR <> " }{if MailingLabelPOBox ="}{ MailingLabelRR }
{else}{MailingLabelPOBox} {MailingLabelRR}
{endif}{endif}
{MailingLabelCity}, {MailingLabelProvince}
{MailingLabelPostalCode}

{MailingLabelClientSalutation}

{if EFILE = 0}
We enclose two copies of your {TaxConstant("CurrentTaxYear")} income tax return.  We have prepared your return
based on the information you provided to us.  Please mail one copy of the return to Canada Revenue Agency (CRA) in
the enclosed pre-addressed envelope on or before {if (T1Info.S[12] <> "") or (T1Info.B[7] = 1)}June 15,
{TaxConstant("CurrentTaxYearPlusOne")}.{else}April 30, {TaxConstant("CurrentTaxYearPlusOne")}.{endif}  The
second copy is for your records.
{else}
We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system.  The
enclosed copy of your {TaxConstant("CurrentTaxYear")} income tax return is for your records.  We have prepared your
return based on the information you provided to us. Keep all information slips, receipts, and other documents for six
years, in case CRA asks to see them.
{endif}
```

- To add text (black font), place your cursor in the desired area and begin typing



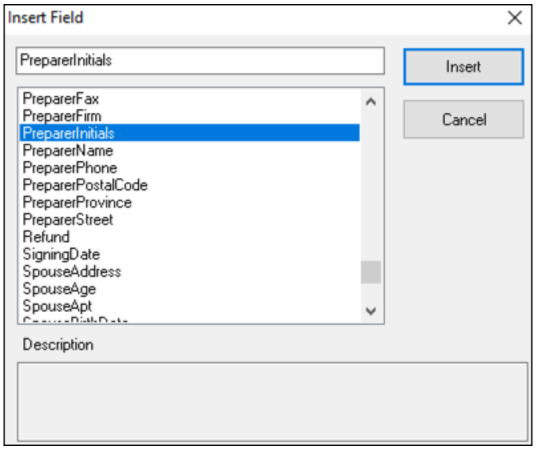
```
{TaxConstant("CurrentTaxYearPlusOne")} tax return.{if NextYearRRSPContributions > 0}  You can also make
additional RRSP contributions of ${NextYearRRSPContributions} to deduct on your return.{endif}{endif}

If you have any questions about your income tax return, please contact me at {T1PreparerPhone}. Of feel free to email
me at TaxExpert@TE.co

Sincerely yours,

{T1PreparerFirm}
```

- To add Field Text, right-click the template at the desired input area
- Click *Insert Field*



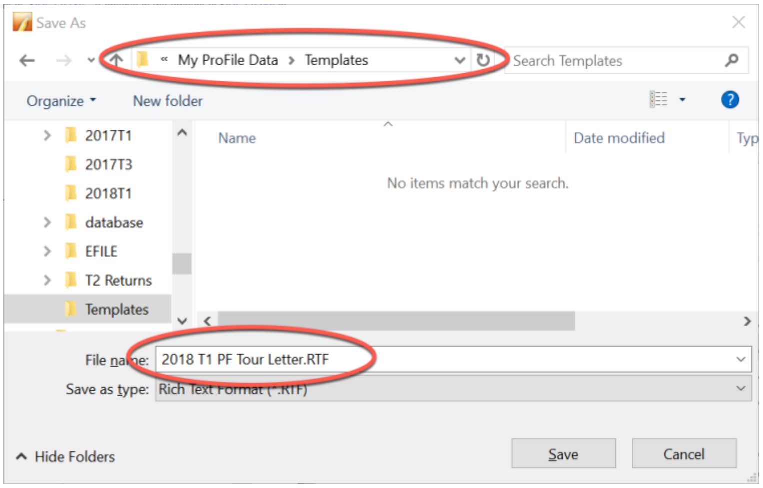
```
{endif}
{if (ChildTaxBenefit

Total estimated feder                              dTaxBenefit + T1ChildTaxBenefit[55]} are payable for the
year starting in July {                            "}} and ending in June
{TaxConstant("Curren
{if (NextYearRRSPL                                 ibutions = 0)}

Your RRSP deductio                                 arPlusOne")} is ${NextYearRRSPLimit}. {endif}
{if UndeductedRRS

You have undeducted                                RRSPContributions} available to carryforward to your
{TaxConstant("Curren                               xtYearRRSPContributions > 0)}  You can also make
additional RRSP cont                               ions} to deduct on your return.{endif}{endif}

If you have any quest                              ase contact me at {T1PreparerPhone}.

Sincerely yours,

{T1PreparerFirm}
```

- Then, from the *Insert Field* list, choose the desired field and click *Insert*



PreparerInitials

- Click *File* > *Save* to save your changes
- And select the location (letter template folder) and enter a file name

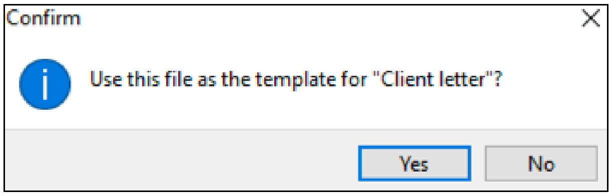


No items match your search.

File name: 2018 T1 PF Tour Letter.RTF

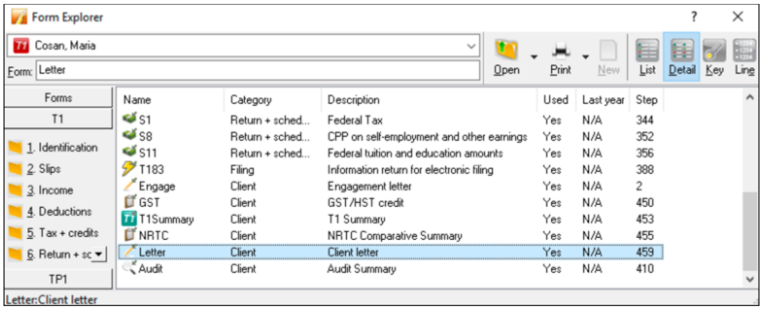
Save as type: Rich Text Format (*.RTF)

- Click *Yes* to confirm that you want to use this form as the default



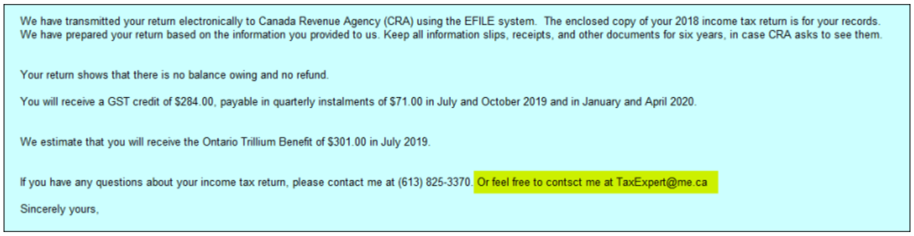
Use this file as the template for "Client letter"?

- To view the finished product, use the *Form Explorer* to find and open the client's *Letter*



Name	Category	Description	Used	Last year	Step
S1	Return + sched...	Federal Tax	Yes	N/A	344
S8	Return + sched...	CPP on self-employment and other earnings	Yes	N/A	352
S11	Return + sched...	Federal tuition and education amounts	Yes	N/A	356
T183	Filing	Information return for electronic filing	Yes	N/A	388
Engage	Client	Engagement letter	Yes	N/A	2
GST	Client	GST/HST credit	Yes	N/A	450
T1Summary	Client	T1 Summary	Yes	N/A	453
NRTC	Client	NRTC Comparative Summary	Yes	N/A	455
Letter	Client	Client letter	Yes	N/A	459
Audit	Client	Audit Summary	Yes	N/A	410

- You can now preview the changes you made to the *Letter* template



We have transmitted your return electronically to Canada Revenue Agency (CRA) using the EFILE system. The enclosed copy of your 2018 income tax return is for your records. We have prepared your return based on the information you provided to us. Keep all information slips, receipts, and other documents for six years, in case CRA asks to see them.

Your return shows that there is no balance owing and no refund.

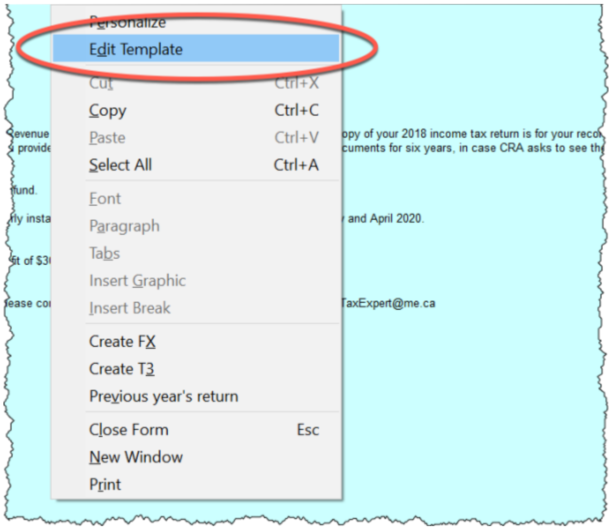
You will receive a GST credit of $284.00, payable in quarterly instalments of $71.00 in July and October 2019 and in January and April 2020.

We estimate that you will receive the Ontario Trillium Benefit of $301.00 in July 2019.

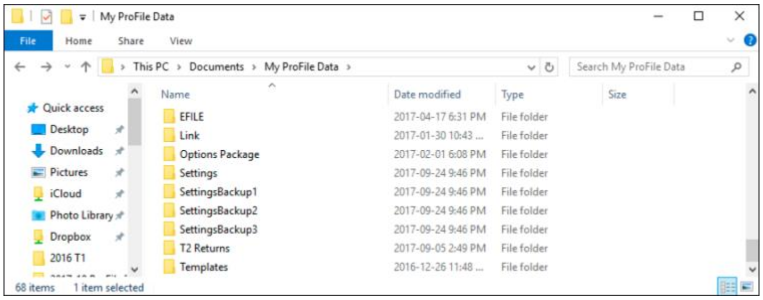
If you have any questions about your income tax return, please contact me at (613) 825-3370. Or feel free to contsct me at TaxExpert@me.ca

Sincerely yours,

- If you'd like to make additional changes, right-click the form and select *Edit Template*



In addition to tax and template files, ProFile stores other types of files in the My Profile Data folder. These other files include EFILE logs, backups, and certain settings file.



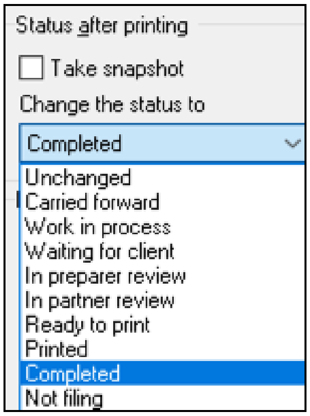
Name	Date modified	Type	Size
EFILE	2017-04-17 6:31 PM	File folder	
Link	2017-01-30 10:43 ...	File folder	
Options Package	2017-02-01 6:08 PM	File folder	
Settings	2017-09-24 9:46 PM	File folder	
SettingsBackup1	2017-09-24 9:46 PM	File folder	
SettingsBackup2	2017-09-24 9:46 PM	File folder	
SettingsBackup3	2017-09-24 9:46 PM	File folder	
T2 Returns	2017-09-05 2:49 PM	File folder	
Templates	2016-12-26 11:48 ...	File folder	

68 items 1 item selected

Options>Form Selection

ProFile has a powerful set of tools for enabling print settings. This feature lets you determine the tax forms to send to your clients. For example, rather than printing a complete tax return for each of your clients (which can run many pages) you might want to print a tax summary with just a few selected schedules. Here's how to configure your print settings:

- From the *Options* > *Form Selection* menu, choose the module and tax year 1
- Choose the print job for the type of the tax return you are preparing for your client—the most common print job being T1 EFILE 2
- After printing a return, ProFile lets you choose a default status. For example, once printed, you might want to set the status of all tax returns to *Completed*. The window below displays the available types of file status 3

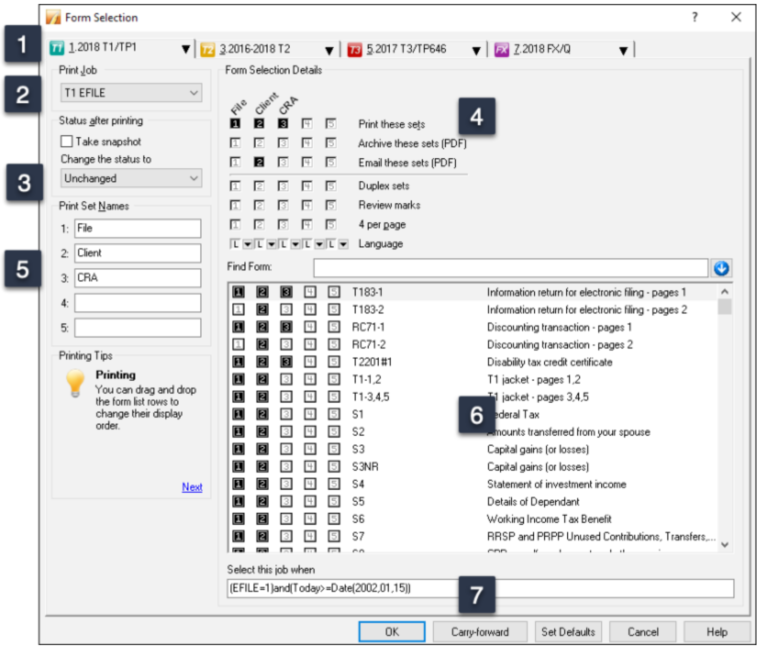

Status after printing

☐ Take snapshot

Change the status to

Completed

- Under *Form Selection Details*, you can choose the specific print set you'd like to prepare. For example, for each tax return, you can choose to print a copy for your files, your clients and for CRA. It's here that you can also determine options such as duplex printing or four forms per page. You can also set your PDF options here. 4
- You can rename the prints sets, or add more print sets as well. To do either, just type the desired form names under Print Set Names 5
- Scroll through the *Form* window to select (or deselect) the forms you would like to save or send to your clients 6
- Click *Carry-forward* to assign last year's print settings to the current year 7



Print Job: T1 EFILE

Change the status to: Unchanged

Print Set Names:
1: File
2: Client
3: CRA
4:
5:

T183-1	Information return for electronic filing - pages 1
T183-2	Information return for electronic filing - pages 2
RC71-1	Discounting transaction - pages 1
RC71-2	Discounting transaction - pages 2
T2201#1	Disability tax credit certificate
T1-1,2	T1 jacket - pages 1,2
T1-3,4,5	T1 jacket - pages 3,4,5
S1	ederal Tax
S2	mounts transferred from your spouse
S3	Capital gains (or losses)
S3NR	Capital gains (or losses)
S4	Statement of investment income
S5	Details of Dependant
S6	Working Income Tax Benefit
S7	RRSP and PRPP Unused Contributions, Transfers,...

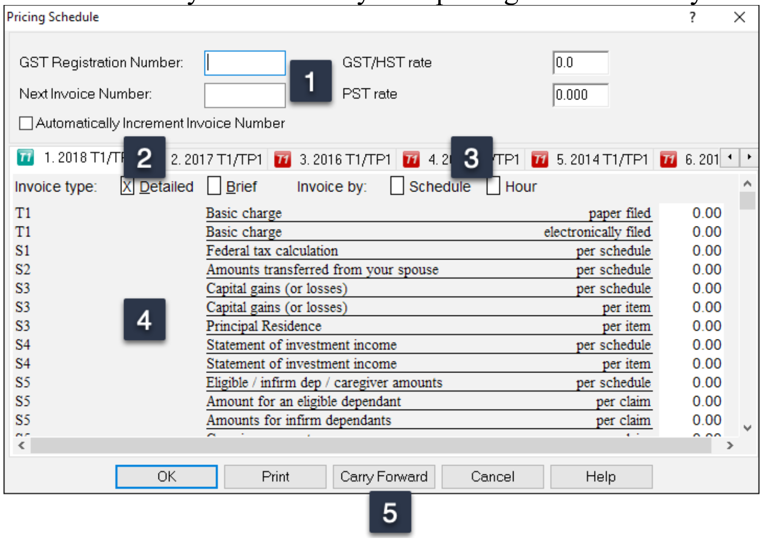
Select this job when: (EFILE=1)and(Today>=Date(2002,01,15))

Options>Pricing

Tax practitioners likely bill out their work by the hour or by the return. In either case, with its *Pricing Schedules*, ProFile lets you choose one method, or both.

In the Pricing Schedule window below, you can:

- Record your GST Registration Number and tax rates and you can set your invoice numbering sequence 1
- Indicate whether you want to provide a detail or summary invoice to your clients 2
- Choose whether to bill by tax schedule or by the hour 3
- Establish your per-schedule pricing 4
- Carry forward last year's pricing to the current year 5

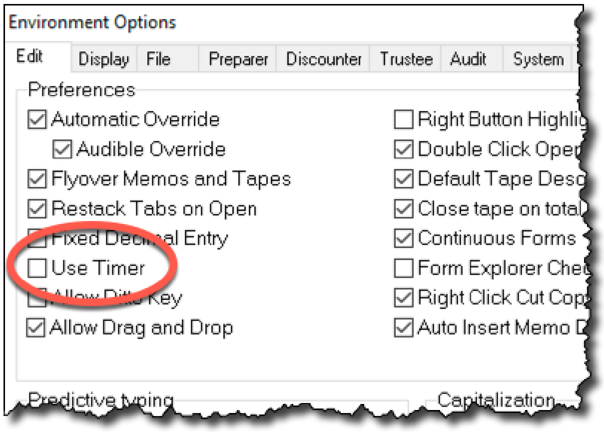


GST Registration Number:
GST/HST rate: 0.0
Next Invoice Number:
PST rate: 0.000
☐ Automatically Increment Invoice Number

Invoice type: ☒ Detailed ☐ Brief
Invoice by: ☐ Schedule ☐ Hour

T1	Basic charge	paper filed	0.00
T1	Basic charge	electronically filed	0.00
S1	Federal tax calculation	per schedule	0.00
S2	Amounts transferred from your spouse	per schedule	0.00
S3	Capital gains (or losses)	per schedule	0.00
S3	Capital gains (or losses)	per item	0.00
S3	Principal Residence	per item	0.00
S4	Statement of investment income	per schedule	0.00
S4	Statement of investment income	per item	0.00
S5	Eligible / infirm dep / caregiver amounts	per schedule	0.00
S5	Amount for an eligible dependant	per claim	0.00
S5	Amounts for infirm dependants	per claim	0.00

If you bill for your time, you can keep track of billable hours with ProFile's built-in timer. You'll find the Timer checkbox on the Edit tab of the Environment option.



Preferences

☑ Automatic Override
☑ Audible Override
☑ Flyover Memos and Tapes
☑ Restack Tabs on Open
☐ Fixed Decimal Entry
☐ Use Timer
☐ Allow Ditto Key
☑ Allow Drag and Drop
☐ Right Button Highlig
☑ Double Click Ope
☑ Default Tape Desc
☑ Close tape on total
☑ Continuous Forms
☐ Form Explorer Chec
☑ Right Click Cut Cop
☑ Auto Insert Memo D

Predictive typing

Capitalization

Saving your Settings

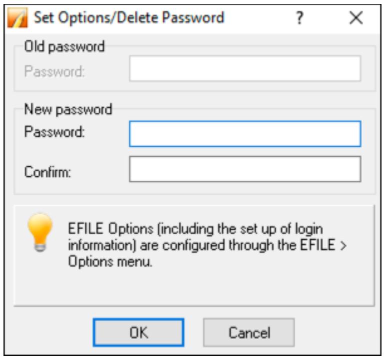
Personalizing all of ProFile's options and settings might take hours. Which may lead you to ask the following questions:

- Do I need to do this on every computer in my office?
- Do I have to repeat all these steps every time I install a new instance of ProFile?
- Do I need to repeat these steps if I purchase a new computer?
- How do I prevent someone from making changes to my personalized settings?

Fortunately, the answer to the first three questions is an emphatic "No," and, in the next few paragraphs, you'll learn how to save your settings for future ProFile installations, or share them with other users in your office. First, though, let's show you how you can prevent anyone from making unauthorized changes to your settings.

Options>Password

- To protect your option settings, simply enter and confirm your options password.



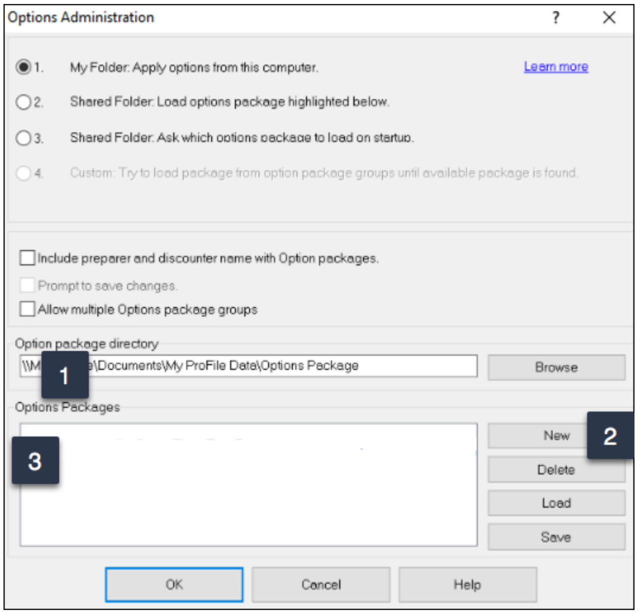
EFILE Options (including the set up of login information) are configured through the EFILE > Options menu.

It's important to safely record and store your options password as the ProFile support team may not be successful in helping you retrieve it.

Options>Administration

ProFile lets you save the global settings (those described just above) in a folder that's separate from the program files. This means if you upgrade or replace your computer, or if you reinstall ProFile, you can easily re-establish your customized options. In addition, in a network environment, multiple users can point to one uniform options package that specifies settings such as file location and tax preparer information.

- To view where ProFile stores your global settings, click *Options* and select *Options Administration.*
- The window below tells you your settings will be stored in an *Options Package* subfolder that's located within the *My ProFile Data* folder 1
- To save your customized settings in the *Options Package* subfolder, click *New.* 2 Any new setting will appear in the *Options Package* area 3



Options Administration

● 1. My Folder: Apply options from this computer.

○ 2. Shared Folder: Load options package highlighted below.

○ 3. Shared Folder: Ask which options package to load on startup.

○ 4. Custom: Try to load package from option package groups until available package is found.

☐ Include preparer and discounter name with Option packages.

☐ Prompt to save changes.

☐ Allow multiple Options package groups

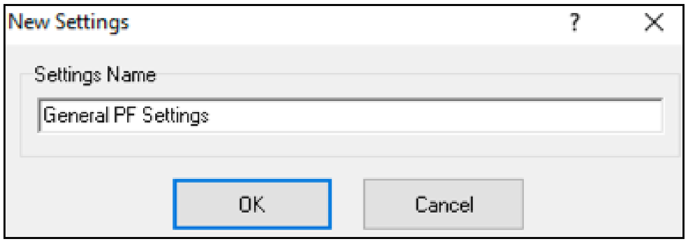
Option package directory

\\M

\Documents\My ProFile Data\Options Package

Options Packages

- After clicking *New*, enter a name for your customized settings, and click *OK*
- Your settings are now saved in ProFile’s Options Package subfolder



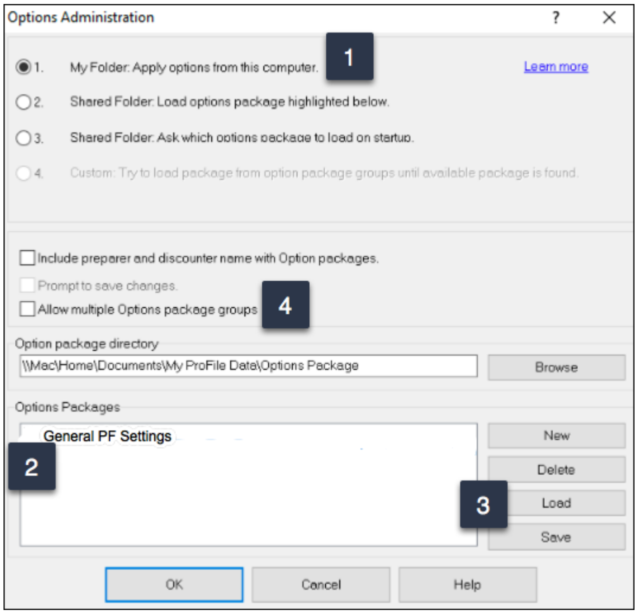
New Settings

Settings Name

General PF Settings

Should you, in the future, need to reinstall ProFile, or if you add a new user or computer, return to *Options>Administration* and then:

- Select the applicable radio button (in this example, an office of a sole tax preparer) 1
- Highlight the Options Package 2
- Click *Load*, and ProFile will apply your settings 3
- Note that you can optionally click the *Multiple Options* checkbox to create more than one package 4



Options Administration

● 1. My Folder: Apply options from this computer.

○ 2. Shared Folder: Load options package highlighted below.

○ 3. Shared Folder: Ask which options package to load on startup.

○ 4. Custom: Try to load package from option package groups until available package is found.

☐ Include preparer and discounter name with Option packages.

☐ Prompt to save changes.

☐ Allow multiple Options package groups

Option package directory

\\Mac\Home\Documents\My ProFile Data\Options Package

Options Packages

General PF Settings

Chapter 2 Quiz

Question 1: True or False: You can install ProFile for a single-user or in a multi-user environment

Correct answer is True

Question 2: ProFile's Flexible licensing lets you:

A. Allow up to ten simultaneous ProFile users
B. Keep ProFile running in the background
C. Ensure that multiple users have access to their files
D. Install ProFile on multiple computers for non-concurrent usage

Correct answer is D

Question 3: ProFile's *Environment* options has features that include:

A. A file tab to indicate the location of saved tax files
B. A tax preparer tab to record names, addresses and other contact information
C. A systems tab to enable Live Community and other online features
D. All of the above

Correct answer is D

Question 4: True or False: You can EFILE tax returns without setting any EFILE Options

Correct answer is FALSE

Question 5: True or False: There is an option to lock a tax file and thereby prevent further changes

Correct answer is True

Question 6: What is the key difference between Environment and Module options?

A. Environment options are used by a tax preparer, Module by a systems administrator
B. There is no key difference between the two options
C. Unlike Environment options, Module options are module and year specific
D. None of the above

Correct answer is C

Question 7: True or False: ProFile cannot create PDFs of a tax file.

Correct answer is False

Question 8: True or False: ProFile has an option that lets you invoice your clients

Correct answer is True

Question 9: The ability to save all your option settings is found by clicking:

A. File > Save Tax Settings
B. Settings > Options
C. Options > Administration
D. None of the above

Correct answer is C

Question 10: True or False: To prevent unauthorized changes to your settings, ProFile lets you create an options password.

Correct answer is True

Chapter 3

A Tour of ProFile

Learning Objectives

At this chapter's end students will understand:

- How to navigate in ProFile
- How to set various display options
- How to use ProFile's auditor
- How to decipher font colours and field symbols
- How to enter data
- How to use memos and tapes
- How to work with the Form Explorer

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 3: A Tour of ProFile

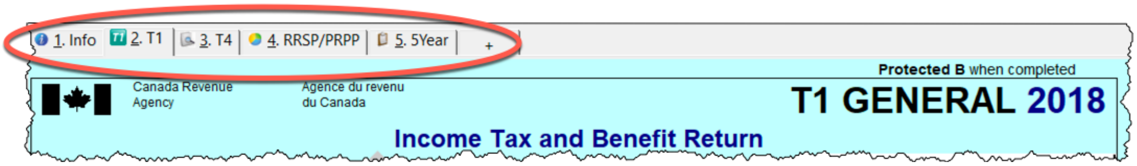
NAVIGATING IN PROFILE

Tabs, Menus and Tools

It’s easy to find your way around ProFile. No matter the type of return you work with, you will always see the same ProFile user interface—commonly known as MAUI (Multiple Access User Interface). This means that, no matter the type of return you are preparing, ProFile’s uniform set of menus, toolbars and tabs make navigation a snap.

Tabs

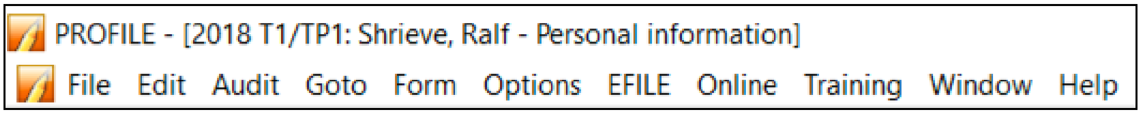
Every time you create a tax return, ProFile displays a tab for each open form. You’ll see the tabs just above the form you’re currently working in, and you can navigate to any open form by clicking its tab.



You have the option to display the form name and icon on each tab, or just form name itself. Go to the Display tab of the Options>Environment window to choose your preferred setting.

The Menu Bar

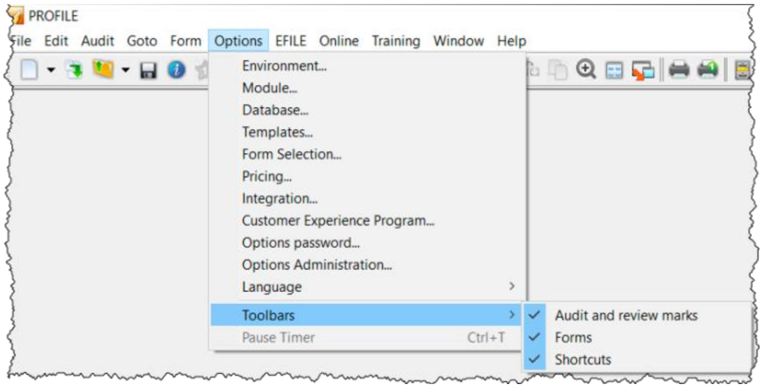
As with all software applications, you can use the *Menu Bar* to navigate in ProFile. With its extensive set of menu commands, you can, for example, create or open tax files, setup preferences, arrange windows, and jump to specific areas of a tax file.



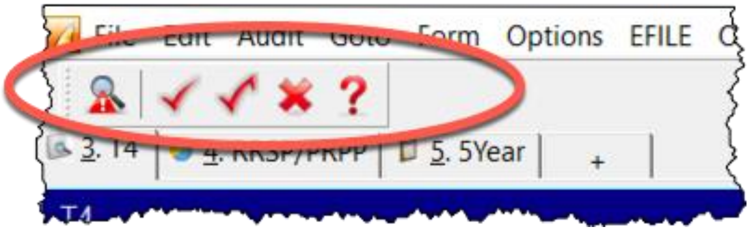
The Toolbars

Toolbars are a set of icons that let you quickly and easily move around in ProFile. There are three configurable toolbars that you can enable (or disable) in ProFile.

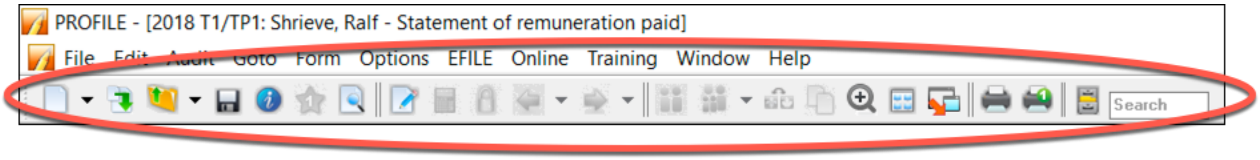
- You can view the three toolbars by clicking *Options>Toolbars*
- The three toolbars are: Audit and review marks, Forms and Shortcuts



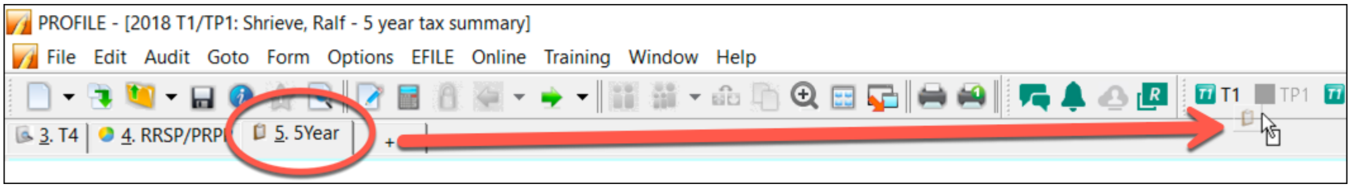
- The *Audit and review marks* toolbar lets a partner or preparer approve or request changes to any line on a tax return. We'll discuss review marks a little later in this chapter.



- The *Shortcuts* toolbar features icons that let you, quickly jump to a specific area. With shortcuts, you can, for example, create or carry-forward tax files, find tax forms, toggle between spousal returns; print single schedules or complete returns; open additional forms; and view file properties

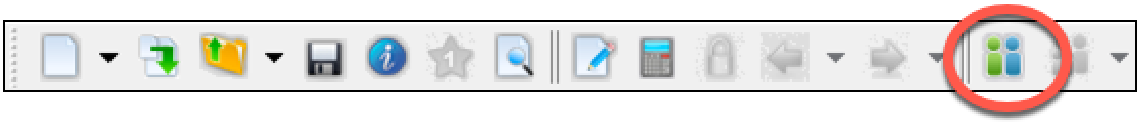


- The *Forms* toolbar, or JumpBar, is a customizable area on the toolbar that lets you add a favourite form—making it "stick"—and rendering it available in any tax file. Once you add a form to the JumpBar, it becomes a mouse click away on every tax return that you open.
- To add a form to the JumpBar, click and hold the form's tab, and then drag it over to the JumpBar

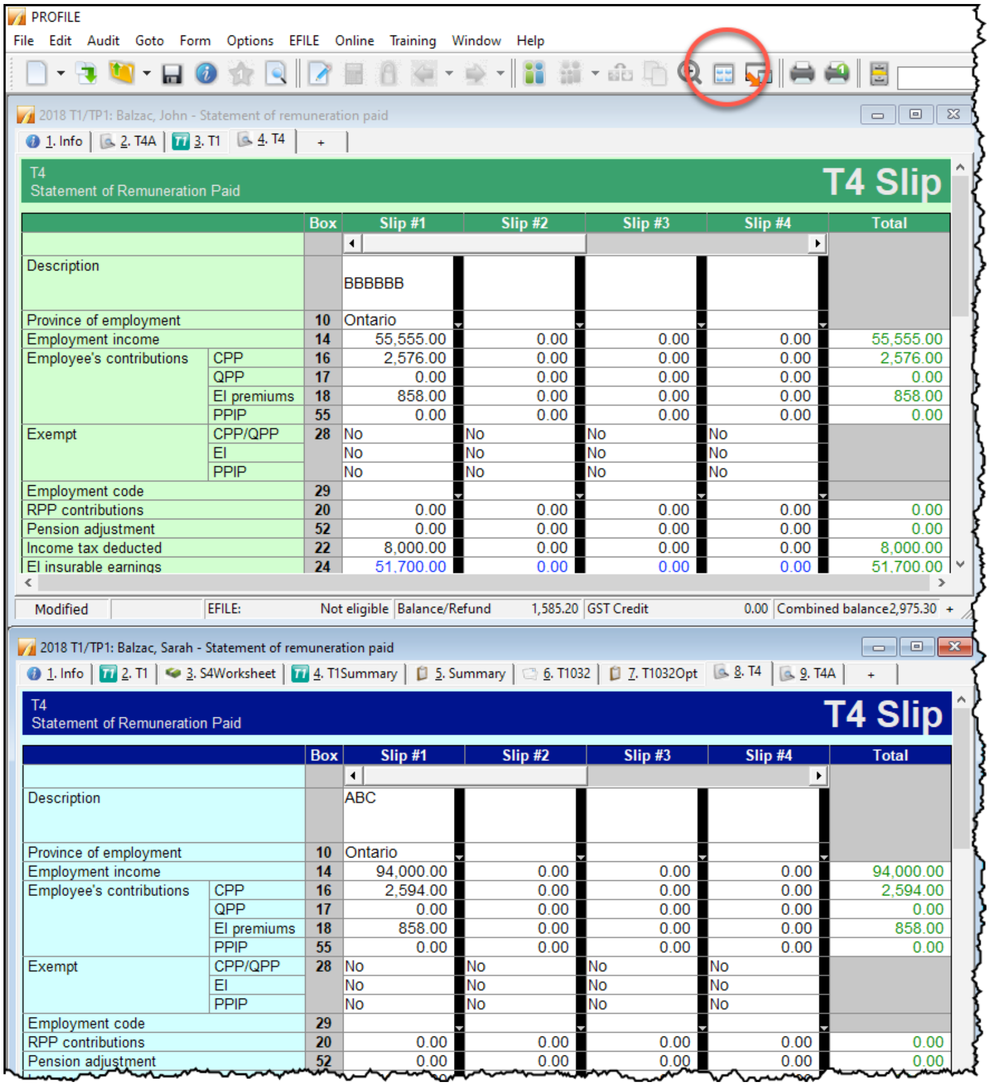


Display Options

On the toolbar below, the *Spousal* icon indicates that two tax files are open (one for each spouse). Clicking that icon will toggle between the spouses' returns and display each one on your monitor in turn.



- If you prefer viewing both spouses' files at the same time, click the *Tile* icon to view each tax file, tiled horizontally one above the other



2018 T1/TP1: Balzac, John - Statement of remuneration paid

T4
Statement of Remuneration Paid

T4 Slip

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			BBBBBB				
Province of employment		10	Ontario				
Employment income		14	55,555.00	0.00	0.00	0.00	55,555.00
Employee's contributions	CPP	16	2,576.00	0.00	0.00	0.00	2,576.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	8,000.00	0.00	0.00	0.00	8,000.00
EI insurable earnings		24	51,700.00	0.00	0.00	0.00	51,700.00

Modified | EFILE: Not eligible | Balance/Refund 1,585.20 | GST Credit 0.00 | Combined balance2,975.30 +

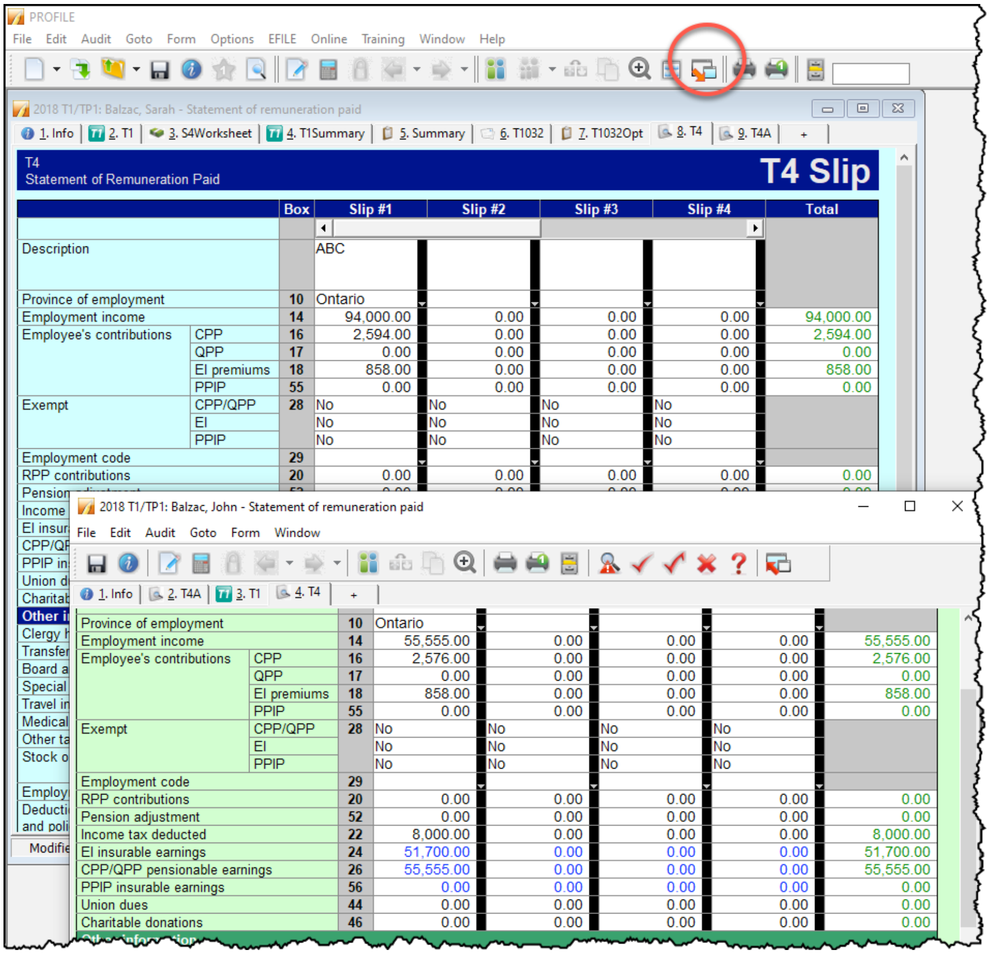
2018 T1/TP1: Balzac, Sarah - Statement of remuneration paid

T4
Statement of Remuneration Paid

T4 Slip

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ABC				
Province of employment		10	Ontario				
Employment income		14	94,000.00	0.00	0.00	0.00	94,000.00
Employee's contributions	CPP	16	2,594.00	0.00	0.00	0.00	2,594.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00

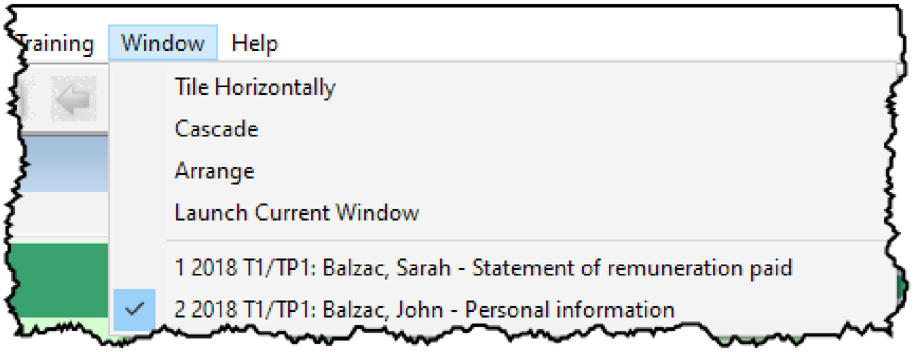
- If you use multiple monitors, you can display one file on each screen, Click the *Launch* icon to create a floating window for the second file, and then then drag it over to your second monitor



		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ABC				
Province of employment		10	Ontario				
Employment income		14	94,000.00	0.00	0.00	0.00	94,000.00
Employee's contributions	CPP	16	2,594.00	0.00	0.00	0.00	2,594.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00

Province of employment		10	Ontario				
Employment income		14	55,555.00	0.00	0.00	0.00	55,555.00
Employee's contributions	CPP	16	2,576.00	0.00	0.00	0.00	2,576.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	8,000.00	0.00	0.00	0.00	8,000.00
EI insurable earnings		24	51,700.00	0.00	0.00	0.00	51,700.00
CPP/QPP pensionable earnings		26	55,555.00	0.00	0.00	0.00	55,555.00
PPIP insurable earnings		56	0.00	0.00	0.00	0.00	0.00
Union dues		44	0.00	0.00	0.00	0.00	0.00
Charitable donations		46	0.00	0.00	0.00	0.00	0.00

- You can also use the *Windows* menu to cascade, tile or manually arrange your open windows



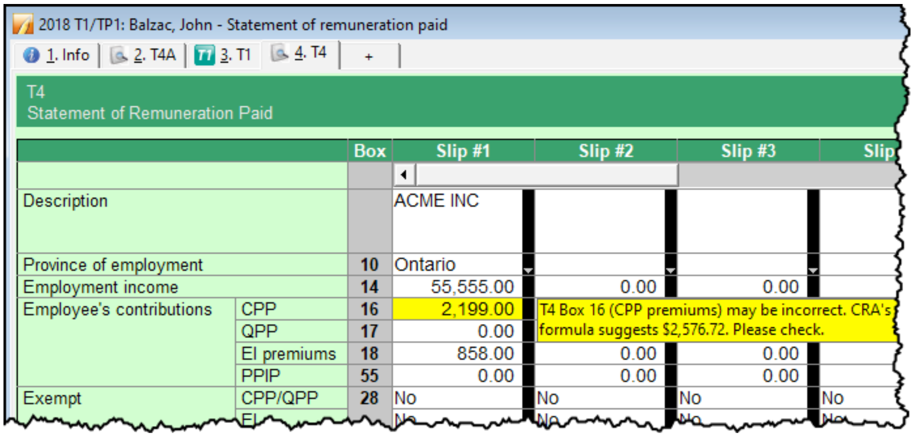
The Auditor

ProFile comes with a comprehensive auditor that constantly scans a tax file and alerts you to missing or erroneous information. ProFile's auditor also makes suggestions for optimizing a tax return, and it reminds you about memos you may have entered, amounts you may have calculated, or review marks that you annotated on a tax return. ProFile, in fact has two types of auditors. Let's look at each one.

The Passive Auditor

As you work on a tax file, the *Passive Auditor* constantly scans the return and, when it detects a potential error, highlights that area of the tax file with a yellow background. When you move your cursor over that yellow field, the passive auditor opens a context-sensitive message. Here is an example of a passive audit message:

- In the example below, ProFile's *Passive Auditor* highlights Box 16 of an individual's T4 slip. When hovering your mouse over that field, an audit message opens and cautions you that the entered CPP amount differs from CRA's suggested value, the auditor suggests that you verify the highlighted amount



2018 T1/TP1: Balzac, John - Statement of remuneration paid

T4
Statement of Remuneration Paid

		Box	Slip #1	Slip #2	Slip #3	Slip
Description			ACME INC			
Province of employment		10	Ontario			
Employment income		14	55,555.00	0.00	0.00	
Employee's contributions	CPP	16	2,199.00			
	QPP	17	0.00			
	EI premiums	18	858.00	0.00	0.00	
	PPIP	55	0.00	0.00	0.00	
Exempt	CPP/QPP	28	No	No	No	No

T4 Box 16 (CPP premiums) may be incorrect. CRA's formula suggests $2,576.72. Please check.

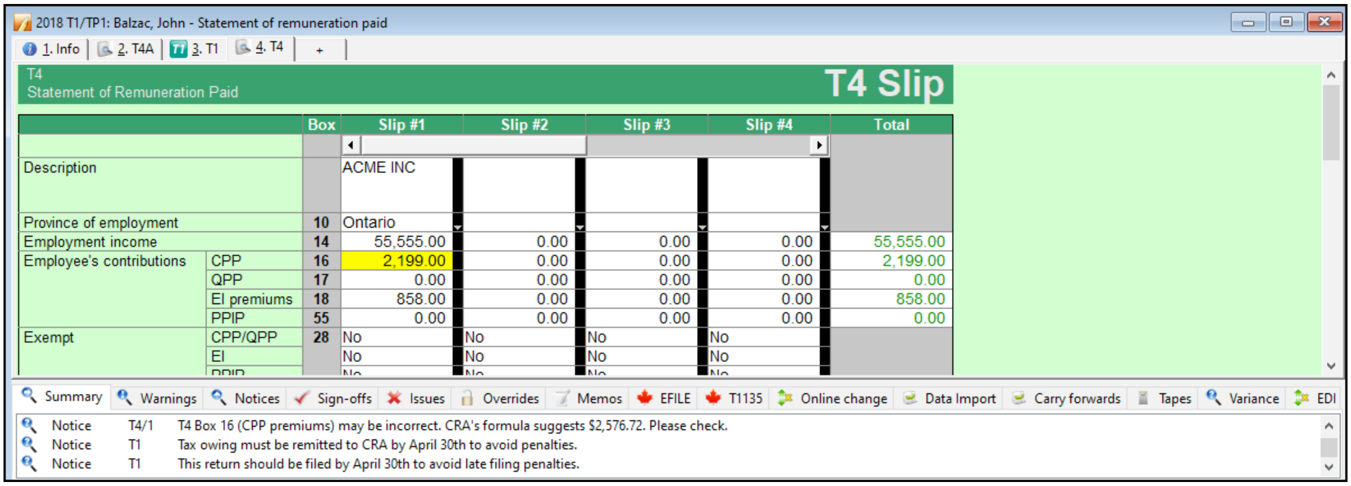
Other examples of ProFile's *Passive Audit* messages include:

- Missing data that is necessary for filing
- Missing EFILE information
- Amounts on tax slips that fall outside the tolerance range (as in the CPP example above)
- Opportunities for additional claims (for example, the taxpayer is eligible for a disability amount)
- Claims that may be more beneficial on a spouse's return
- Filing requirements specific to a return (taxpayer subject to minimum tax)
- Suggestions to reduce a claim (excessive RRSP deduction or unnecessary CCA claim)
- Planning opportunities
- Other forms or elections that may be necessary but have not been included in the tax file

The Active Auditor

The *Active Auditor* displays a list of audit messages that apply to the current tax file. These include passive audit messages mentioned above, as well as notices or processing errors, EFILE messages, fields with memos or calculations attached, overridden fields, or fields with review marks attached.

To display the *Active Auditor*, click its toolbar icon or just press *F9* on your keyboard, and the *Active Auditor* displays at the bottom of your screen.



		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ACME INC				
Province of employment		10	Ontario				
Employment income		14	55,555.00	0.00	0.00	0.00	55,555.00
Employee's contributions	CPP	16	2,199.00	0.00	0.00	0.00	2,199.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	

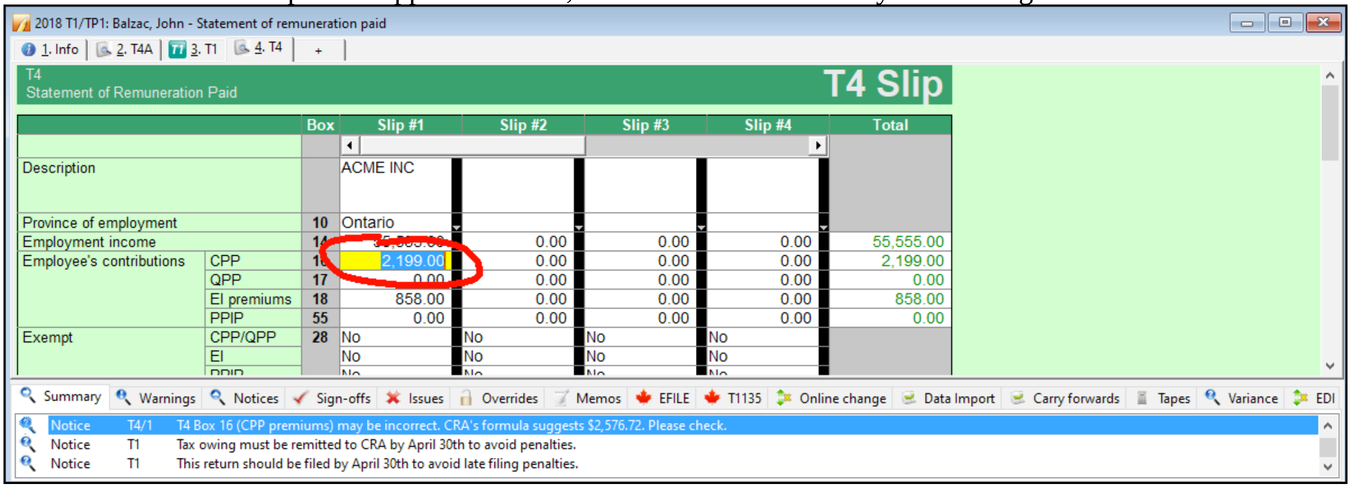
Notice	T4/1	T4 Box 16 (CPP premiums) may be incorrect. CRA's formula suggests $2,576.72. Please check.
Notice	T1	Tax owing must be remitted to CRA by April 30th to avoid penalties.
Notice	T1	This return should be filed by April 30th to avoid late filing penalties.

Note the tabs in the audit window. These tabs include:

- *Warnings* that indicate potential processing problems, including messages about data may have been overlooked
- *Notices* that alert you to important dates or deadlines. Notices also alert you to amounts that fall outside a calculated range
- *Sign-offs* which display *Review Marks* that a partner or tax preparer added to the tax return
- *Issues* for any field that has a correction or question review mark attached to it
- *Overrides* that alert you to a change that you made to a field's calculated amount
- *Memos* to remind you that you attached a note to a field in the tax file
- *EFILE* warnings to prevent you from EFILING a tax file. In addition, any messages originating from CRA, after an EFILE was processed, will appear here.
- *Carry forward* that lists all the data brought forward from a prior year's return
- *Tapes* that highlight a field where ProFile's calculator was used
- *Variance* that highlights any changes made after you took a snapshot of the tax return
- *Data Import* that lists taxpayer data imported using CRA's Auto-fill My Return
- *Summary* which consolidates all messages from the other tabs.

Acting on audit messages

- To act on an audit message, double click the message.
- ProFile will open the applicable form, circle the item and add a yellow background to the field



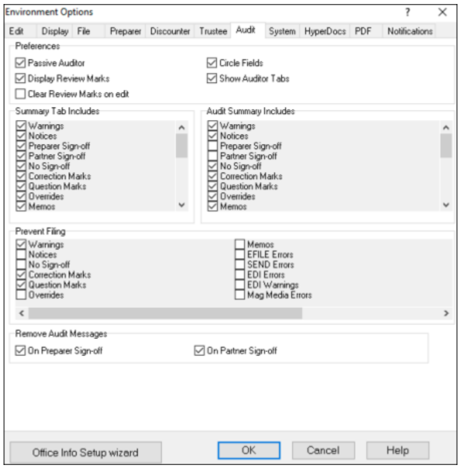
		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ACME INC				
Province of employment		10	Ontario				
Employment income		14	55,555.00	0.00	0.00	0.00	55,555.00
Employee's contributions	CPP	16	2,199.00	0.00	0.00	0.00	2,199.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	

Notice	T4/1	T4 Box 16 (CPP premiums) may be incorrect. CRA's formula suggests $2,576.72. Please check.
Notice	T1	Tax owing must be remitted to CRA by April 30th to avoid penalties.
Notice	T1	This return should be filed by April 30th to avoid late filing penalties.

Personalizing ProFile’s Auditor

Options>Environment

Chapter 2 described how *Options>Environment* allows you to personalize ProFile to meet your requirements. The *Audit* tab, also found under *Options>Environment*, lets you choose how you’d like to work with ProFile’s *Auditor*. From this window, you can:



Preferences

☑ Passive Auditor
☑ Display Review Marks
☐ Clear Review Marks on edit
☑ Circle Fields
☑ Show Auditor Tabs

Summary Tab Includes

☑ Warnings
☑ Notices
☑ Preparer Sign-off
☑ Partner Sign-off
☑ No Sign-off
☑ Correction Marks
☑ Question Marks
☑ Overrides
☑ Memos

Audit Summary Includes

☑ Warnings
☑ Notices
☐ Preparer Sign-off
☐ Partner Sign-off
☑ No Sign-off
☑ Correction Marks
☑ Question Marks
☑ Overrides
☑ Memos

Prevent Filing

☑ Warnings
☐ Notices
☐ No Sign-off
☑ Correction Marks
☑ Question Marks
☐ Overrides
☐ Memos
☐ EFILE Errors
☐ SEND Errors
☐ EDI Errors
☐ EDI Warnings
☐ Mag Media Errors

Remove Audit Messages

☑ On Preparer Sign-off
☑ On Partner Sign-off

- Enable or disable features such as the *Passive Auditor*, review marks and circled fields
- Choose the information to display on the *Summary Tab* of the *Active Auditor*
- Determine the audit messages that will prevent ProFile from EFILING a return
- Remove audit messages on partner or preparer sign-off

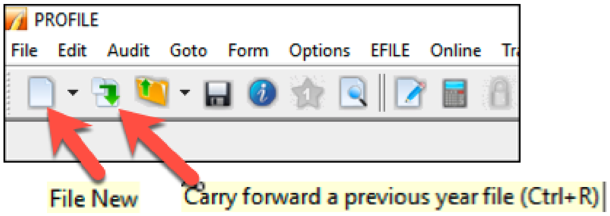
PUTTING IT ALL TOGETHER

Getting Started

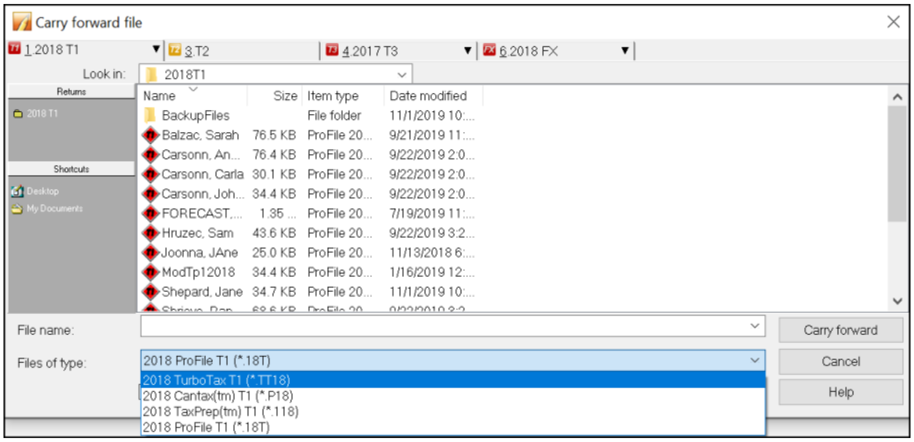
Up to this point, you learned about ProFile’s set-up options, and you also read about ProFile’s design, and its features and functions. In this section, we’ll tie all that information together and show you how those features help you become an effective and efficient tax preparer.

Where to start

You will start by either creating a new tax return or carrying forward a file from the previous year, and you accomplish either of those tasks by clicking the appropriate icon on the toolbar.



Over and above its own prior-year files, ProFile lets you carry forward files prepared in other tax applications including TurboTax, CanTax and TaxPrep. In addition, you can carry forward DT Max files by clicking, File > DT Max Carry Forward



Name	Size	Item type	Date modified
BackupFiles		File folder	11/1/2019 10:...
Balzac, Sarah	76.5 KB	ProFile 20...	9/21/2019 11:...
Carsonn, An...	76.4 KB	ProFile 20...	9/22/2019 2:0...
Carsonn, Carla	30.1 KB	ProFile 20...	9/22/2019 2:0...
Carsonn, Joh...	34.4 KB	ProFile 20...	9/22/2019 2:0...
FORECAST,...	1.35 ...	ProFile 20...	7/19/2019 11:...
Hruzec, Sam	43.6 KB	ProFile 20...	9/22/2019 3:2...
Joonna, JAne	25.0 KB	ProFile 20...	11/13/2018 6:...
ModTp12018	34.4 KB	ProFile 20...	1/16/2019 12:...
Shepard, Jane	34.7 KB	ProFile 20...	11/1/2019 10:...

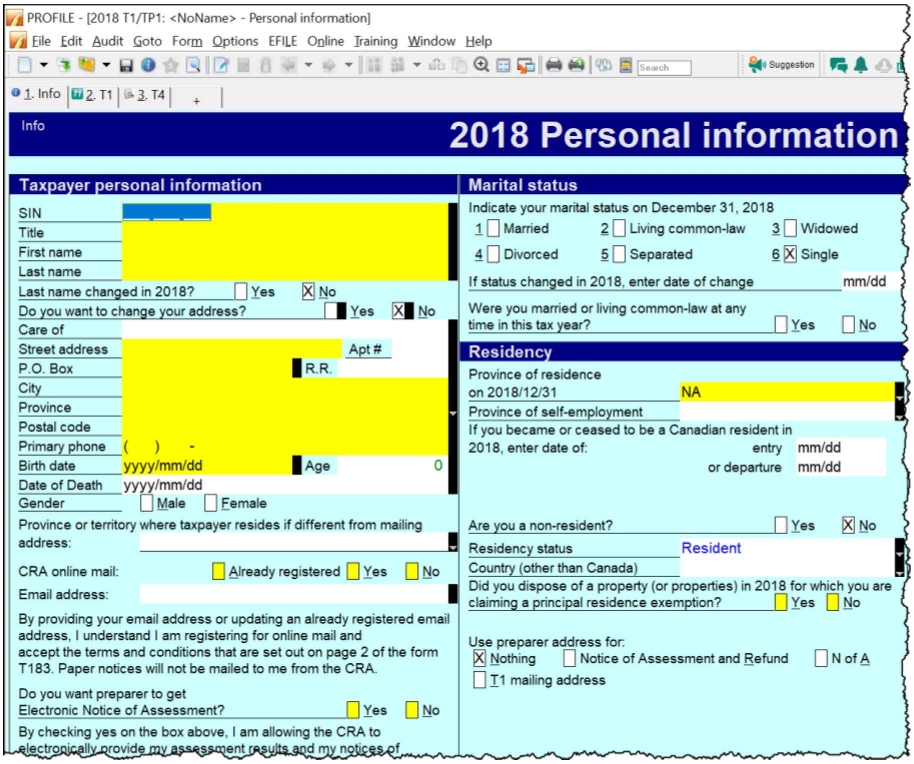
File name:

Files of type: 2018 ProFile T1 (*.18T)

2018 TurboTax T1 (*.TT18)
2018 Cantax(tm) T1 (*.P18)
2018 TaxPrep(tm) T1 (*.118)
2018 ProFile T1 (*.18T)

Whether you start with a new or carried-forward return, here are a few things to keep in mind:

- ProFile opens a tax file at the *Personal Information* page. This is where you enter the taxpayer's contact information, as well as residency, marital status and other information
- ProFile automatically opens other forms and schedules, such as the T1 Jacket. You can tell which forms ProFile opens by glancing at the forms' representative tabs
- The yellow fields denote the Passive Auditor's warnings about missing information



2018 Personal information

Taxpayer personal information

SIN
Title
First name
Last name
Last name changed in 2018? ☐ Yes ☒ No
Do you want to change your address? ☐ Yes ☒ No
Care of
Street address Apt #
P.O. Box R.R.
City
Province
Postal code
Primary phone ( ) -
Birth date yyyy/mm/dd Age 0
Date of Death yyyy/mm/dd
Gender ☐ Male ☐ Female
Province or territory where taxpayer resides if different from mailing address:
CRA online mail: ☐ Already registered ☐ Yes ☐ No
Email address:

By providing your email address or updating an already registered email address, I understand I am registering for online mail and accept the terms and conditions that are set out on page 2 of the form T183. Paper notices will not be mailed to me from the CRA.

Do you want preparer to get Electronic Notice of Assessment? ☐ Yes ☐ No

By checking yes on the box above, I am allowing the CRA to electronically provide my assessment results and my notices of

Marital status

Indicate your marital status on December 31, 2018
1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☒ Single
If status changed in 2018, enter date of change mm/dd
Were you married or living common-law at any time in this tax year? ☐ Yes ☐ No

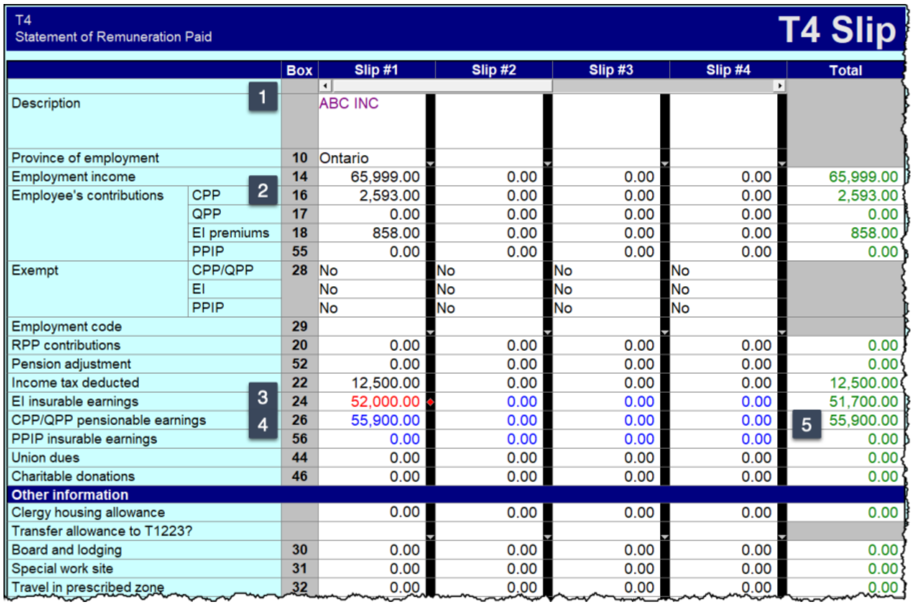
Residency

Province of residence on 2018/12/31 NA
Province of self-employment
If you became or ceased to be a Canadian resident in 2018, enter date of: entry mm/dd
or departure mm/dd
Are you a non-resident? ☐ Yes ☒ No
Residency status Resident
Country (other than Canada)
Did you dispose of a property (or properties) in 2018 for which you are claiming a principal residence exemption? ☐ Yes ☐ No
Use preparer address for:
☒ Nothing ☐ Notice of Assessment and Refund ☐ N of A
☐ T1 mailing address

Entering data

- Even though ProFile automatically opens the tax jacket, it's important to note that you enter data on supporting forms and schedules, and not directly on the jacket itself.

- When you click on the *T4* tab (from the window above), ProFile will launch the *T4 Slip* window which, after you enter an employee’s earnings, will look like this



		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ABC INC				
Province of employment		10	Ontario				
Employment income		14	65,999.00	0.00	0.00	0.00	65,999.00
Employee's contributions	CPP	16	2,593.00	0.00	0.00	0.00	2,593.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.00	0.00	0.00	0.00	858.00
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	12,500.00	0.00	0.00	0.00	12,500.00
EI insurable earnings		24	52,000.00 ◆	0.00	0.00	0.00	51,700.00
CPP/QPP pensionable earnings		26	55,900.00	0.00	0.00	0.00	55,900.00
PPIP insurable earnings		56	0.00	0.00	0.00	0.00	0.00
Union dues		44	0.00	0.00	0.00	0.00	0.00
Charitable donations		46	0.00	0.00	0.00	0.00	0.00
Other information							
Clergy housing allowance			0.00	0.00	0.00	0.00	0.00
Transfer allowance to T1223?							
Board and lodging		30	0.00	0.00	0.00	0.00	0.00
Special work site		31	0.00	0.00	0.00	0.00	0.00
Travel in prescribed zone		32	0.00	0.00	0.00	0.00	0.00

Colours, Diamonds and Arrows

Learning about colours

A close glance at the window above reveals fields that have different font colours. Here’s what those colours signify:

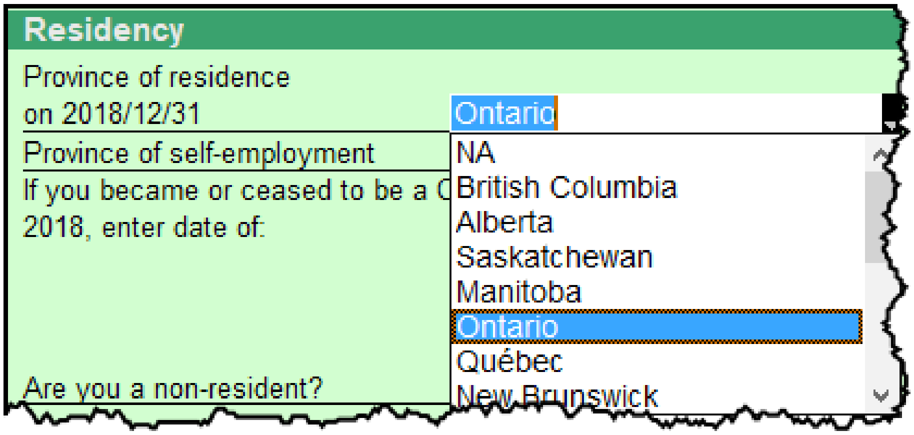
Fields with…

- Purple fonts denote data carried forward from a prior year 1
- Black fonts are for direct data entry 2
- Red fonts mean that you overrode a calculated field 3
- Blue fonts indicate a field calculated by ProFile 4
- Green fonts denote a row or column total 5

Arrows and Diamonds

The right edge of certain fields may display an up-arrow, a down-arrow, or a diamond. Here’s what those diagrams signify:

- If a field displays a *down* arrow, then a dropdown menu exists for that field



Residency

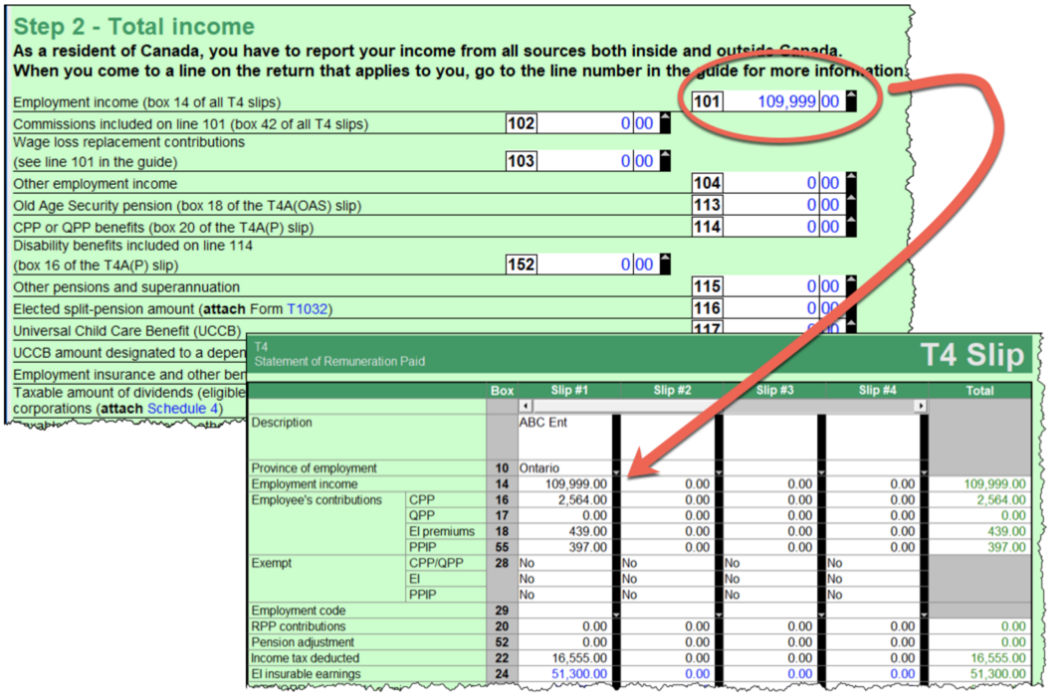
Province of residence on 2018/12/31 — Ontario

Province of self-employment

If you became or ceased to be a C
2018, enter date of:

Are you a non-resident?

- When a field displays an *up* arrow, it means the data in that field originates from another form. In addition, ProFile displays amounts in those fields in blue font
- When a field has an up-arrow view, double-click it (or press F6) and ProFile will jump to the referenced form



Step 2 - Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips)			101	109,999 00
Commissions included on line 101 (box 42 of all T4 slips)	102	0 00		
Wage loss replacement contributions (see line 101 in the guide)	103	0 00		
Other employment income			104	0 00
Old Age Security pension (box 18 of the T4A(OAS) slip)			113	0 00
CPP or QPP benefits (box 20 of the T4A(P) slip)			114	0 00
Disability benefits included on line 114 (box 16 of the T4A(P) slip)	152	0 00		
Other pensions and superannuation			115	0 00
Elected split-pension amount (**attach** Form T1032)			116	0 00
Universal Child Care Benefit (UCCB)			117	
UCCB amount designated to a depen				
Employment insurance and other ber				
Taxable amount of dividends (eligible corporations (**attach** Schedule 4)				

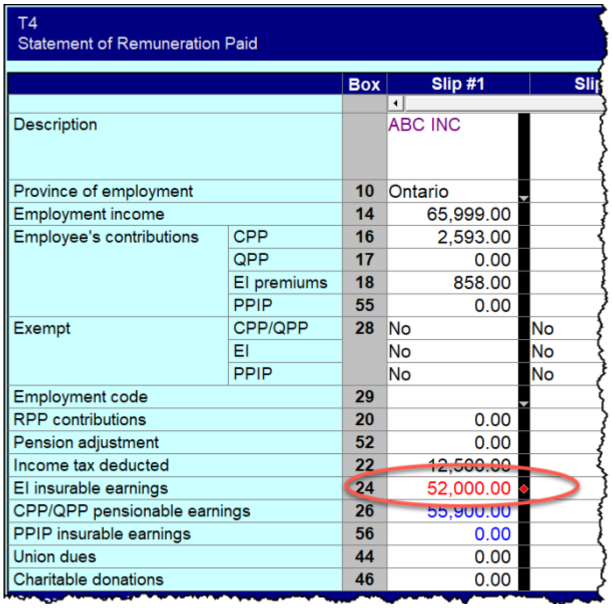
T4
Statement of Remuneration Paid

T4 Slip

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ABC Ent				
Province of employment		10	Ontario				
Employment income		14	109,999.00	0.00	0.00	0.00	109,999.00
Employee's contributions	CPP	16	2,564.00	0.00	0.00	0.00	2,564.00
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	439.00	0.00	0.00	0.00	439.00
	PPIP	55	397.00	0.00	0.00	0.00	397.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	16,555.00	0.00	0.00	0.00	16,555.00
EI insurable earnings		24	51,300.00	0.00	0.00	0.00	51,300.00

Overrides

If you decide to override a calculated field, ProFile does two things; it displays a red diamond in that field, and it also displays the overridden amount in red font.



T4
Statement of Remuneration Paid

		Box	Slip #1	Sli
Description			ABC INC	
Province of employment		10	Ontario	
Employment income		14	65,999.00	
Employee's contributions	CPP	16	2,593.00	
	QPP	17	0.00	
	EI premiums	18	858.00	
	PPIP	55	0.00	
Exempt	CPP/QPP	28	No	No
	EI		No	No
	PPIP		No	No
Employment code		29		
RPP contributions		20	0.00	
Pension adjustment		52	0.00	
Income tax deducted		22	12,500.00	
EI insurable earnings		24	52,000.00	
CPP/QPP pensionable earnings		26	55,900.00	
PPIP insurable earnings		56	0.00	
Union dues		44	0.00	
Charitable donations		46	0.00	

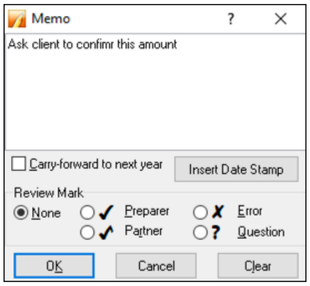
Overrides are great for "what if?" scenarios. After you complete your what-if analysis, just press the F2 key to cancel the override and return that field back to ProFile's original, calculated value.

Memos and Tapes

ProFile's memos are great for embedding notes and reminders into any field on a tax return. And you can use ProFile's calculator to add up a series of numbers and enter the total into any field of the tax return.

Using Memos

- To record a memo, click into any field
- Press the F8 key
- Type in your note
- Click OK



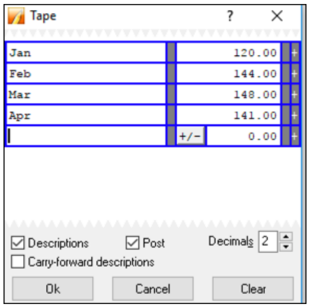
Ask client to confimr this amount

☐ Carry-forward to next year

Review Mark
● None ○ ✓ Preparer ○ ✗ Error
○ ✓ Partner ○ ? Question

Using Tapes

- To use *Tapes*, click on a field
- Press CTRL+F8
- In the window that opens, enter a description (optional), and a value on each line
- Press the = key and ProFile will paste the sum directly into the selected field

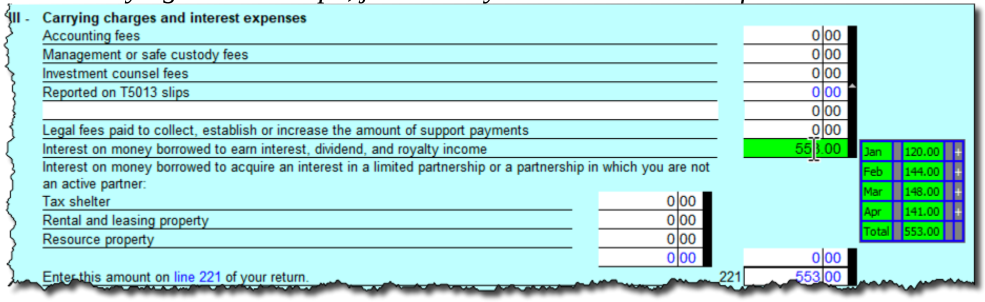


Jan	120.00
Feb	144.00
Mar	148.00
Apr	141.00
	+/- 0.00

☑ Descriptions ☑ Post Decimals 2

☐ Carry-forward descriptions

When you record a memo, or use a tape in a field, ProFile puts a green background in that field. To display the underlying memo or tape, just hover your mouse over that field



III - Carrying charges and interest expenses

Accounting fees			0.00
Management or safe custody fees			0.00
Investment counsel fees			0.00
Reported on T5013 slips			0.00
			0.00
Legal fees paid to collect, establish or increase the amount of support payments			0.00
Interest on money borrowed to earn interest, dividend, and royalty income			553.00
Interest on money borrowed to acquire an interest in a limited partnership or a partnership in which you are not an active partner:			
Tax shelter	0.00		
Rental and leasing property	0.00		
Resource property	0.00		
	0.00		0.00
Enter this amount on line 221 of your return.		221	553.00

Jan	120.00
Feb	144.00
Mar	148.00
Apr	141.00
Total	553.00

Finding What You Need

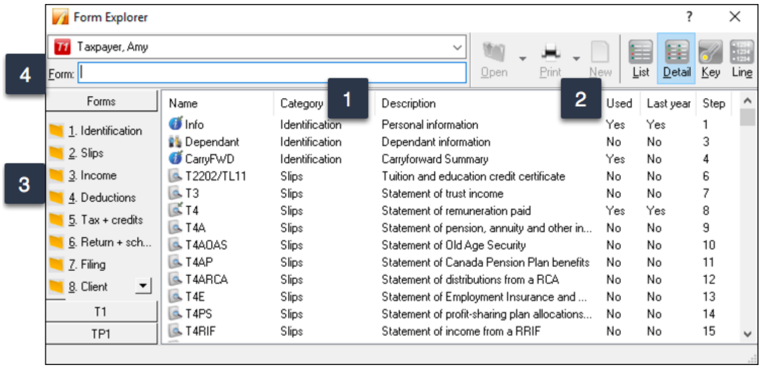
When preparing a tax return, you will want to work with additional forms and schedules. And, given you don't enter data directly on the tax jacket, this means you have to find those supporting forms and schedules somewhere in ProFile.

Though ProFile's toolbar includes a *Search* field that lets you enter the name of the form or schedule that you need, you may want a little more horsepower than that. You may indeed want to use *The Form Explorer*.

THE FORM EXPLORER

If you don't know the name of the form that you'd like to open; if you only know the line number you'd like to access; if you'd like to see the forms that were used on this—or the prior year's—return, then *Form Explorer* is for you.

- To open the Form Explorer, click on the *Filing Cabinet* icon, or just press your keyboard's *F4* key

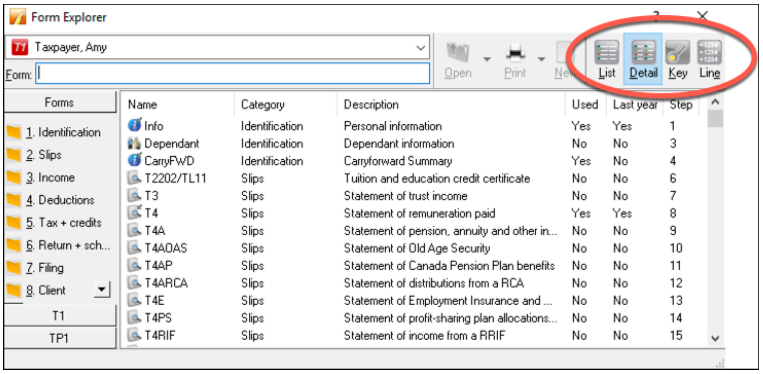


Name	Category	Description	Used	Last year	Step
Info	Identification	Personal information	Yes	Yes	1
Dependant	Identification	Dependant information	No	No	3
CarryFWD	Identification	Carryforward Summary	Yes	No	4
T2202/TL11	Slips	Tuition and education credit certificate	No	No	6
T3	Slips	Statement of trust income	No	No	7
T4	Slips	Statement of remuneration paid	Yes	Yes	8
T4A	Slips	Statement of pension, annuity and other in...	No	No	9
T4AOAS	Slips	Statement of Old Age Security	No	No	10
T4AP	Slips	Statement of Canada Pension Plan benefits	No	No	11
T4ARCA	Slips	Statement of distributions from a RCA	No	No	12
T4E	Slips	Statement of Employment Insurance and ...	No	No	13
T4PS	Slips	Statement of profit-sharing plan allocations...	No	No	14
T4RIF	Slips	Statement of income from a RRIF	No	No	15

- If you use *Windows Explorer* TM, you'll be comfortable with ProFile's *Form Explorer*
- The right pane of the *Form Explorer* window includes column headings for each form's full name, its category, and its description 1
- Notice, too, for carried forward files, the *Form Explorer* indicates whether a form was used in the current or prior year 2
- In the left pane, you'll find folders that let you filter which forms to display 3
- To find a form, just type its name in the search field 4

Form Explorer Icons

There are four icons at the top right of the *Form Explorer* window. These icons provide view options. The bullets below explain each icon's purpose:

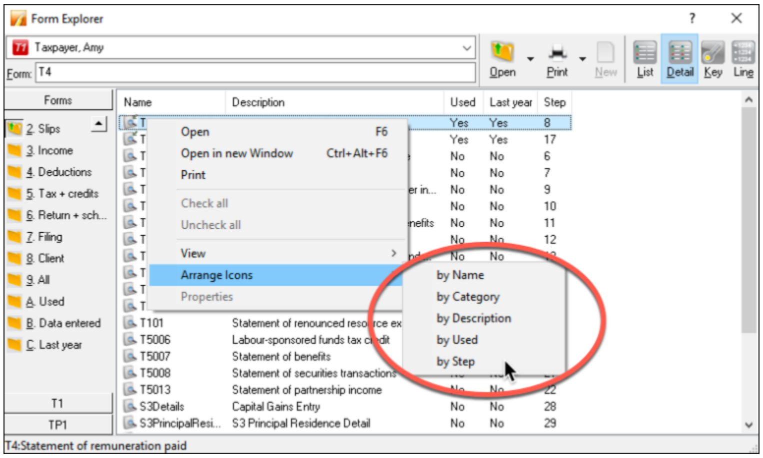


Name	Category	Description	Used	Last year	Step
Info	Identification	Personal information	Yes	Yes	1
Dependant	Identification	Dependant information	No	No	3
CarryFWD	Identification	Carryforward Summary	Yes	No	4
T2202/TL11	Slips	Tuition and education credit certificate	No	No	6
T3	Slips	Statement of trust income	No	No	7
T4	Slips	Statement of remuneration paid	Yes	Yes	8
T4A	Slips	Statement of pension, annuity and other in...	No	No	9
T4AOAS	Slips	Statement of Old Age Security	No	No	10
T4AP	Slips	Statement of Canada Pension Plan benefits	No	No	11
T4ARCA	Slips	Statement of distributions from a RCA	No	No	12
T4E	Slips	Statement of Employment Insurance and ...	No	No	13
T4PS	Slips	Statement of profit-sharing plan allocations...	No	No	14
T4RIF	Slips	Statement of income from a RRIF	No	No	15

- As the name implies, the *Detail* view provides complete information, such as category and description, for each form.
- The *List view* gives you a simplified view where all forms are displayed as icons.
- The *Key view* lets you use keywords to find the required form. This view is ideal when you know what information you're searching but you're not sure of the form's name.
- Lastly, the *Line* view provides a line by line listing of all available forms. You find a form, in this view, by entering a tax line number in the Form field

One more thing

- If you right-click inside the *Form Explorer* window, you will open a dialog box that lets you choose whether to print, open or sort the *Form Explorer* view. Your options include sorting by name, category, descriptions, step or by whether the form was used



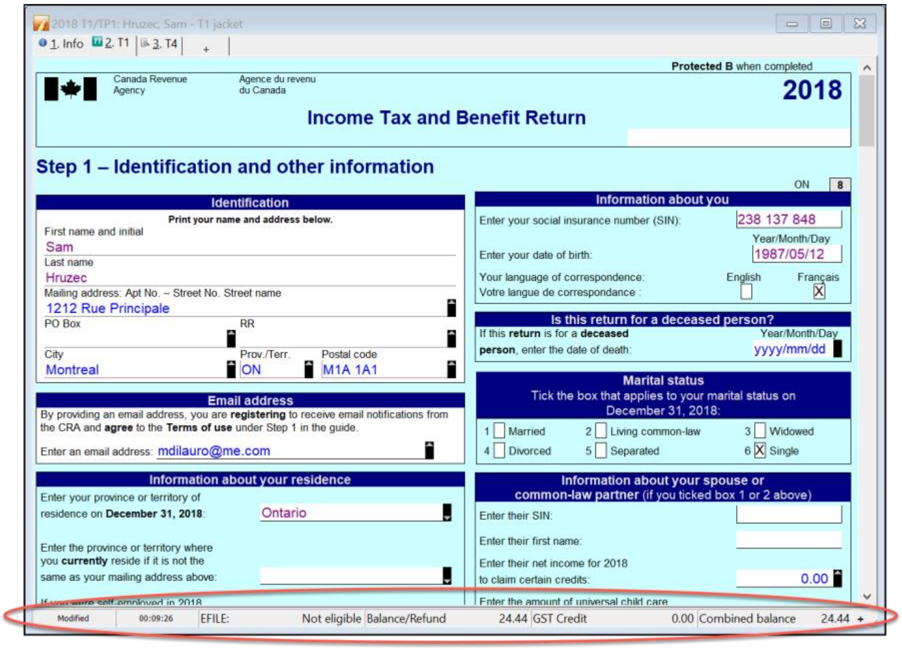
Name	Description	Used	Last year	Step
T101	Statement of renounced reso[illegible]rce ex			
T5006	Labour-sponsored funds tax c[illegible]dit			
T5007	Statement of benefits			
T5008	Statement of securities transactions			
T5013	Statement of partnership income			22
S3Details	Capital Gains Entry	No	No	28
S3PrincipalResi...	S3 Principal Residence Detail	No	No	29

T4:Statement of remuneration paid

THE DATA MONITOR

As you add information, and append more forms to the return, ProFile constantly updates the taxpayer's tax status. At the very bottom of the window, ProFile displays an at-a-glance summary of the taxpayer's tax status. This display is called the *Data Monitor.*

As you can see in the example below, the *Data Monitor* reveals that the taxpayer has a liability of $24.44. The *Data Monitor* reveals other information too, including available GST credits and Internet Filing eligibility.



Canada Revenue Agency
Agence du revenu du Canada

Protected B when completed

2018

Income Tax and Benefit Return

Step 1 – Identification and other information

ON 8

Identification

Print your name and address below.

First name and initial: Sam
Last name: Hruzec
Mailing address: Apt No. – Street No. Street name: 1212 Rue Principale
PO Box:
RR:
City: Montreal
Prov./Terr.: ON
Postal code: M1A 1A1

Email address

By providing an email address, you are **registering** to receive email notifications from the CRA and **agree** to the **Terms of use** under Step 1 in the guide.

Enter an email address: mdilauro@me.com

Information about your residence

Enter your province or territory of residence on **December 31, 2018**: Ontario

Enter the province or territory where you **currently** reside if it is not the same as your mailing address above:

Information about you

Enter your social insurance number (SIN): 238 137 848
Enter your date of birth (Year/Month/Day): 1987/05/12
Your language of correspondence: / Votre langue de correspondance : English ☐ Français ☒

Is this return for a deceased person?

If this **return** is for a **deceased person**, enter the date of death (Year/Month/Day): yyyy/mm/dd

Marital status

Tick the box that applies to your marital status on December 31, 2018:

1 ☐ Married
2 ☐ Living common-law
3 ☐ Widowed
4 ☐ Divorced
5 ☐ Separated
6 ☒ Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

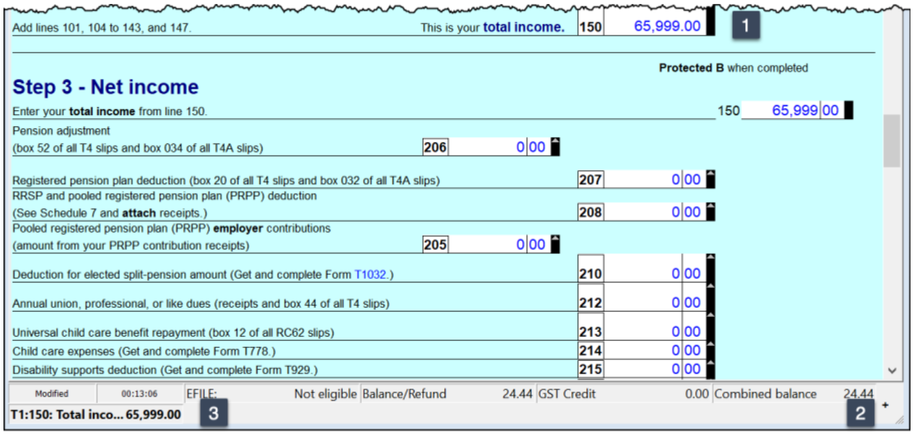
Enter their SIN:
Enter their first name:
Enter their net income for 2018 to claim certain credits: 0.00

Modified	00:09:26	EFILE:	Not eligible	Balance/Refund	24.44	GST Credit	0.00	Combined balance 24.44 +

Customizing the Data Monitor

You can customize and add information to the *Data Monitor*.

- For example, to display line 150, just highlight it 1
- Click the "+" sign at the bottom of the window 2
- You have just added Line 150 to the *Data Monitor* 3



Add lines 101, 104 to 143, and 147. This is your **total income.** 150 65,999.00

Protected B when completed

Step 3 - Net income

Enter your **total income** from line 150.			150	65,999|00
Pension adjustment (box 52 of all T4 slips and box 034 of all T4A slips)	206	0|00		
Registered pension plan deduction (box 20 of all T4 slips and box 032 of all T4A slips)			207	0|00
RRSP and pooled registered pension plan (PRPP) deduction (See Schedule 7 and **attach** receipts.)			208	0|00
Pooled registered pension plan (PRPP) **employer** contributions (amount from your PRPP contribution receipts)	205	0|00		
Deduction for elected split-pension amount (Get and complete Form T1032.)			210	0|00
Annual union, professional, or like dues (receipts and box 44 of all T4 slips)			212	0|00
Universal child care benefit repayment (box 12 of all RC62 slips)			213	0|00
Child care expenses (Get and complete Form T778.)			214	0|00
Disability supports deduction (Get and complete Form T929.)			215	0|00

Modified	00:13:06	EFILE:	Not eligible	Balance/Refund	24.44	GST Credit	0.00	Combined balance 24.44

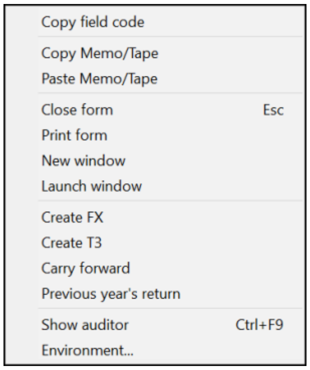
T1:150: Total inco... 65,999.00

Removing a data monitor is easy. Just right-click it and select Delete

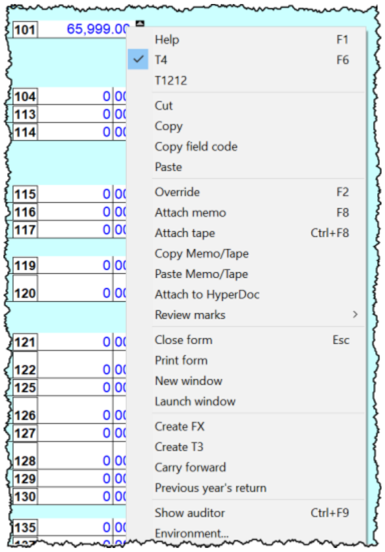
THE POWER OF A *RIGHT-CLICK*

Right-click a form to get quick and easy access to additional functionality. Right-click is also form dependent.

- For example, a right-click over a area of the T4, opens a window with a set of instructions including *Print, Carry forward, Close, and Copy Memos and Tapes*



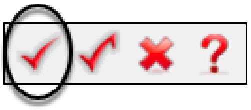
- If you right-click on a field, you'll see additional commands, including *Link to related forms, Cut, Copy, Paste*, as well as *Insert/Delete columns* and *Attach Memo/Tape*



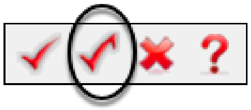
REVIEW MARKS

Review Marks let you or approve, or request changes on, any field of a tax file. There are four different types of *Review Marks*.

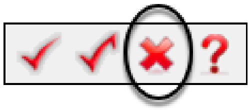
- Use the *Preparer Sign-off* to confirm the amounts entered on each line of a return, or to approve any errors or issues signaled by the *Passive Auditor*



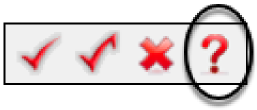
- The *Partner Sign-Off* is similar to the *Prepare Sign-Off*, except that it's used in an office where a supervisor or partner approves all returns



- Use *Correction Required* to flag a field error on the return

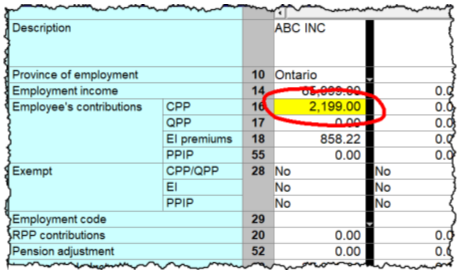


- Use the *Question Mark* to tag a field for further analysis



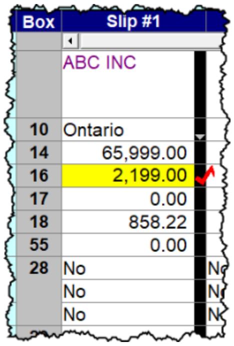
Using a Review Mark

- In the example below, the *Auditor* warns you that a T4's CPP amount may be incorrect



Description			ABC INC	
Province of employment		10	Ontario	
Employment income		14	65,999.00	0.0
Employee's contributions	CPP	16	2,199.00	0.0
	QPP	17	0.00	0.0
	EI premiums	18	858.22	0.0
	PPIP	55	0.00	0.0
Exempt	CPP/QPP	28	No	No
	EI		No	No
	PPIP		No	No
Employment code		29		
RPP contributions		20	0.00	0.0
Pension adjustment		52	0.00	0.0

- To indicate that the amount is indeed the correct T4 value, select *a Sign-off Review Mark* and click the yellow field
- ProFile adds a review mark to that field, and also signals it in the *Sign-offs* tab of the *Active Auditor*



Box	Slip #1	
	ABC INC	
10	Ontario	
14	65,999.00	
16	2,199.00 ✓	
17	0.00	
18	858.22	
55	0.00	
28	No	N
	No	N
	No	N

Chapter 3 Quiz

Question 1: ProFile uses Tabs to:

A. Indicate which forms are open on a tax return
B. Create multiple copies of a tax return
C. Toggle back and forth between different tax files
D. All the above

Correct answer is A

Question 2: True or False: All of ProFile's toolbars are customizable

Correct answer is False

Question 3: ProFile's toolbars include:

A. Audit & Review Marks; Tax Prep; EFILE settings
B. Audit & Review Marks; Forms; Shortcuts
C. EFILE settings, Shortcuts, Archive and Save
D. None of the above

Correct answer is B

Question 4: True or False: You can hide ProFile's three main toolbars

Correct answer is True

Question 5: True or False: You can add any ProFile form to the JumpBar

Correct answer is True

Question 6: You can use ProFile's display options to:

A. Launch tax returns so that they display on two monitors
B. Tile multiple tax returns
C. Display multiple tax returns on a monitor
D. All the above

Correct answer is D

Question 7: True or False: ProFile has two Auditors (Passive and Active)

Correct answer is True

Question 8: True or False: A field with a yellow background indicates a Passive audit message

Correct answer is True

Question 9: Which of the following types of messages might the Active Auditor display?

A. Warnings that indicate potential processing issues
B. A list of data carried forward from a prior year
C. Notices to alert you to important dates or deadlines
D. All the above

Correct answer is D

Question 10: True or False: You can go to the Environment option to personalize the Auditor

Correct answer is True

Chapter 4

A Basic T1

Learning Objectives

At this chapter's end students will understand:

- How to prepare an individual's basic T1 tax return
- How to prepare a T1 for a married couple
- The A to Z of preparing a T1 for a client
- How to use CRA's EFILE system

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 4: A Basic T1

T1 BASICS

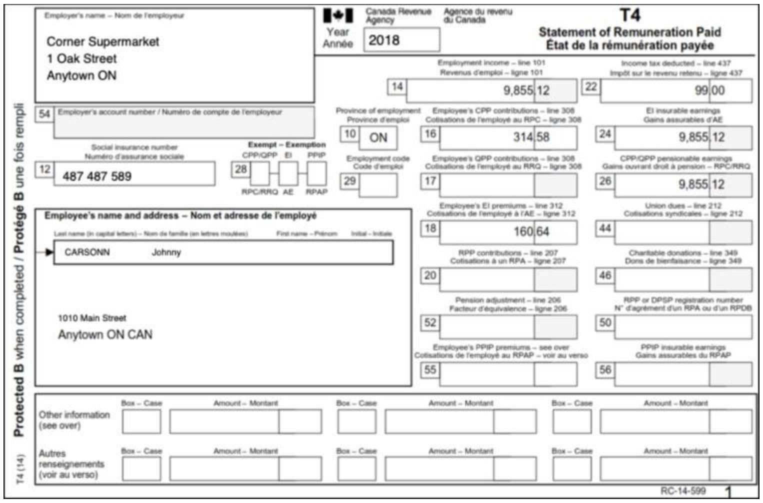
First of all, professional tax preparers rarely, if ever, use the term “tax return.” Most will distinguish a tax return by its type. Rather than say “tax return,” tax preparers will simply call a personal tax return a “T1.” Likewise, a corporate tax return is a “T2,” and a trust return, a “T3.”

In this section, we will explore the differences between a manually prepared T1 and one prepared in ProFile.

Paper versus ProFile

Chapter 1 introduced a sample page of a hand-written T1. Let’s explore how you would manually prepare a full T1 tax return using CRA’s downloaded forms and schedules.

- Assume that Johnny Carsonn was a student during the tax year and that he also worked part-time. Here is the T4 slip—statement of remuneration—that Johnny received from his employer:



Canada Revenue Agency / Agence du revenu du Canada

T4

Statement of Remuneration Paid
État de la rémunération payée

Year / Année: 2018

Employer's name – Nom de l'employeur
Corner Supermarket
1 Oak Street
Anytown ON

54 Employer's account number / Numéro de compte de l'employeur:

Social insurance number / Numéro d'assurance sociale
12: 487 487 589

Exempt – Exemption
28: CPP/QPP – RPC/RRQ ☐ EI – AE ☐ PPIP – RPAP ☐

Province of employment / Province d'emploi
10: ON

Employment code / Code d'emploi
29:

Employment income – line 101 / Revenus d'emploi – ligne 101
14: 9,855 12

Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437
22: 99 00

Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308
16: 314 58

EI insurable earnings / Gains assurables d'AE
24: 9,855 12

Employee's QPP contributions – line 308 / Cotisations de l'employé au RRQ – ligne 308
17:

CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ
26: 9,855 12

Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312
18: 160 64

Union dues – line 212 / Cotisations syndicales – ligne 212
44:

RPP contributions – line 207 / Cotisations à un RPA – ligne 207
20:

Charitable donations – line 349 / Dons de bienfaisance – ligne 349
46:

Pension adjustment – line 206 / Facteur d'équivalence – ligne 206
52:

RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB
50:

Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso
55:

PPIP insurable earnings / Gains assurables du RPAP
56:

Employee's name and address – Nom et adresse de l'employé
Last name (in capital letters) – Nom de famille (en lettres moulées): CARSONN
First name – Prénom: Johnny
Initial – Initiale:
1010 Main Street
Anytown ON CAN

Other information (see over) / Autres renseignements (voir au verso)

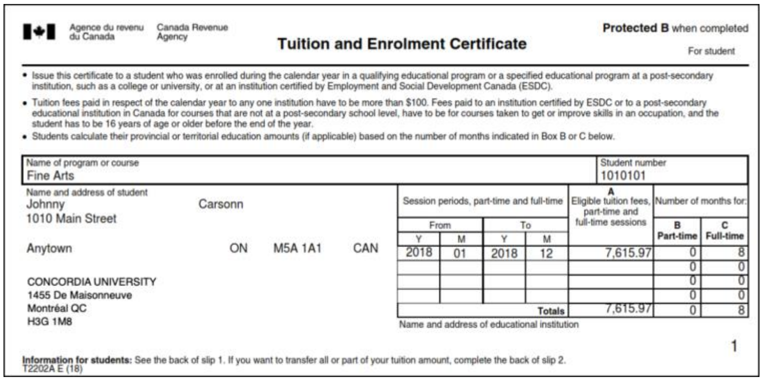
Box – Case	Amount – Montant	Box – Case	Amount – Montant	Box – Case	Amount – Montant

Protected B when completed / **Protégé B** une fois rempli

T4 (14)

RC-14-599 1

- Because Johnny was a full-time university student, he also received the following tuition slip



Agence du revenu du Canada / Canada Revenue Agency

Tuition and Enrolment Certificate

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For student

- Issue this certificate to a student who was enrolled during the calendar year in a qualifying educational program or a specified educational program at a post-secondary institution, such as a college or university, or at an institution certified by Employment and Social Development Canada (ESDC).
- Tuition fees paid in respect of the calendar year to any one institution have to be more than $100. Fees paid to an institution certified by ESDC or to a post-secondary educational institution in Canada for courses that are not at a post-secondary school level, have to be for courses taken to get or improve skills in an occupation, and the student has to be 16 years of age or older before the end of the year.
- Students calculate their provincial or territorial education amounts (if applicable) based on the number of months indicated in Box B or C below.

Name of program or course: Fine Arts

Student number: 1010101

Name and address of student
Johnny Carsonn
1010 Main Street
Anytown ON M5A 1A1 CAN

Session periods, part-time and full-time				A Eligible tuition fees, part-time and full-time sessions	Number of months for:	
From		To			B Part-time	C Full-time
Y	M	Y	M			
2018	01	2018	12	7,615.97	0	8
					0	0
					0	0
					0	0
			Totals	7,615.97	0	8

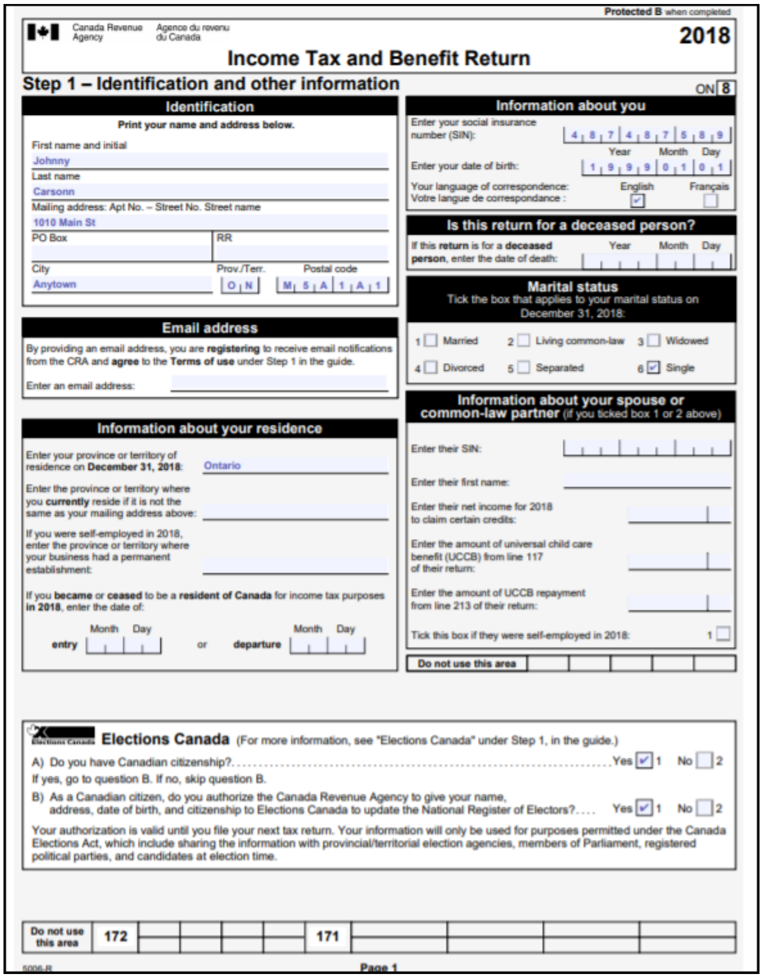
Name and address of educational institution
CONCORDIA UNIVERSITY
1455 De Maisonneuve
Montréal QC
H3G 1M8

1

Information for students: See the back of slip 1. If you want to transfer all or part of your tuition amount, complete the back of slip 2.
T2202A E (18)

To manually prepare a T1, first obtain a copy of CRA's *T1 General, Income Tax and Benefit Return.* You can download a fillable PDF from CRA's website, or a hard copy from any Canada Post outlet.

- Start with Page 1 of the tax return (the T1 Jacket) and begin entering your name, address and other contact info



Protected B when completed

Canada Revenue Agency Agence du revenu du Canada

2018

Income Tax and Benefit Return

Step 1 – Identification and other information

ON 8

Identification

Print your name and address below.

First name and initial: Johnny
Last name: Carsonn
Mailing address: Apt No. – Street No. Street name: 1010 Main St
PO Box:
RR:
City: Anytown
Prov./Terr.: ON
Postal code: M5A 1A1

Email address

By providing an email address, you are **registering** to receive email notifications from the CRA and **agree** to the **Terms of use** under Step 1 in the guide.

Enter an email address:

Information about your residence

Enter your province or territory of residence on **December 31, 2018**: Ontario

Enter the province or territory where you **currently** reside if it is not the same as your mailing address above:

If you were self-employed in 2018, enter the province or territory where your business had a permanent establishment:

If you **became** or **ceased** to be a **resident of Canada** for income tax purposes **in 2018**, enter the date of:

entry Month Day   or   **departure** Month Day

Information about you

Enter your social insurance number (SIN): 487 487 589

Enter your date of birth: Year 1999 Month 01 Day 01

Your language of correspondence: / Votre langue de correspondance : English ☑ Français ☐

Is this return for a deceased person?

If this **return** is for a **deceased person**, enter the date of death: Year Month Day

Marital status

Tick the box that applies to your marital status on December 31, 2018:

1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☑ Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)

Enter their SIN:
Enter their first name:
Enter their net income for 2018 to claim certain credits:
Enter the amount of universal child care benefit (UCCB) from line 117 of their return:
Enter the amount of UCCB repayment from line 213 of their return:
Tick this box if they were self-employed in 2018: 1 ☐

Do not use this area

Elections Canada (For more information, see "Elections Canada" under Step 1, in the guide.)

A) Do you have Canadian citizenship? Yes ☑ 1 No ☐ 2

If yes, go to question B. If no, skip question B.

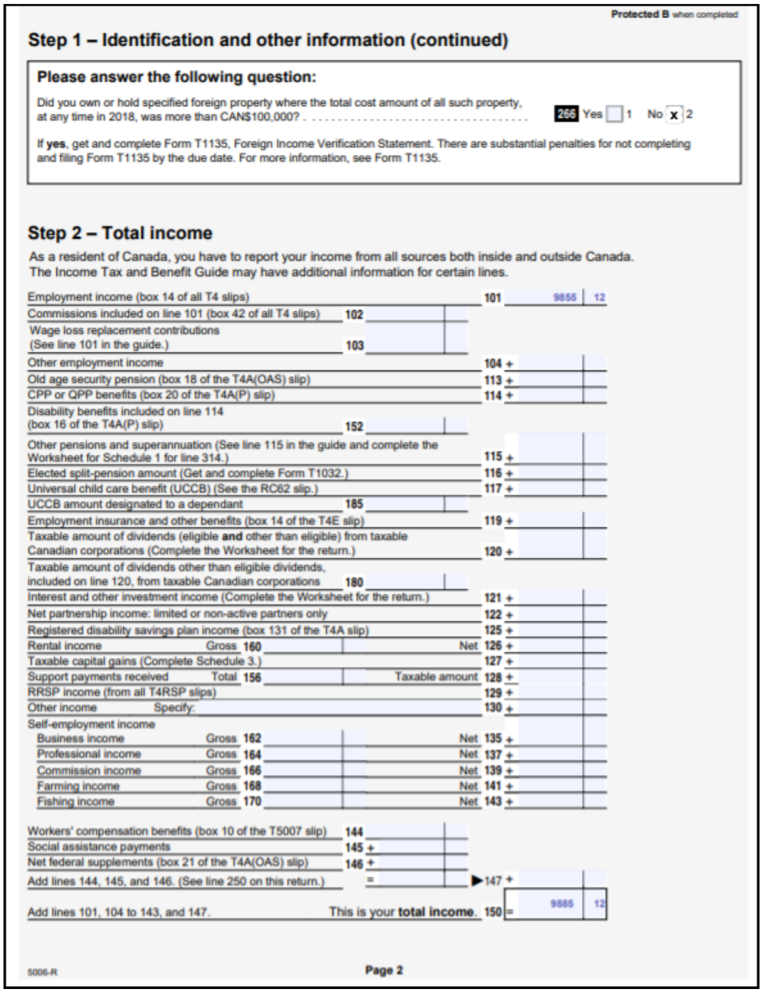
B) As a Canadian citizen, do you authorize the Canada Revenue Agency to give your name, address, date of birth, and citizenship to Elections Canada to update the National Register of Electors? Yes ☑ 1 No ☐ 2

Your authorization is valid until you file your next tax return. Your information will only be used for purposes permitted under the Canada Elections Act, which include sharing the information with provincial/territorial election agencies, members of Parliament, registered political parties, and candidates at election time.

Do not use this area 172 171

5006-R Page 1

- On Page 2, enter the employment income amount as indicated on your employer's T4



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Step 1 – Identification and other information (continued)

Please answer the following question:

Did you own or hold specified foreign property where the total cost amount of all such property, at any time in 2018, was more than CAN$100,000? . . . . **266** Yes ☐ 1 No ☒ 2

If **yes**, get and complete Form T1135, Foreign Income Verification Statement. There are substantial penalties for not completing and filing Form T1135 by the due date. For more information, see Form T1135.

Step 2 – Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. The Income Tax and Benefit Guide may have additional information for certain lines.

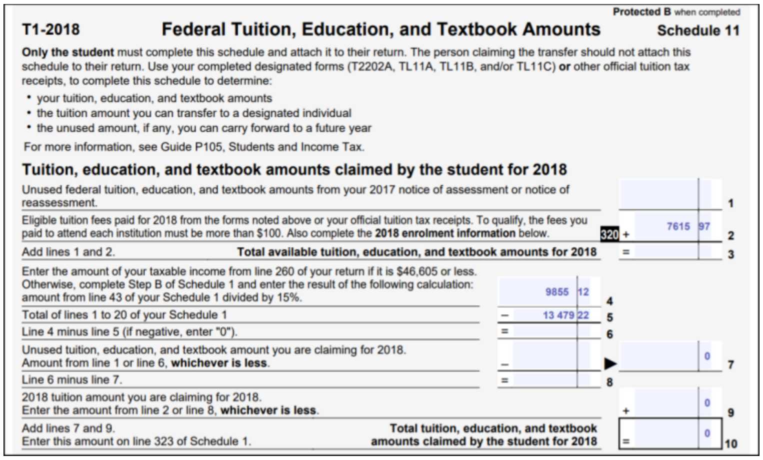
Employment income (box 14 of all T4 slips) **101** 9855 | 12
Commissions included on line 101 (box 42 of all T4 slips) **102**
Wage loss replacement contributions (See line 101 in the guide.) **103**
Other employment income **104** +
Old age security pension (box 18 of the T4A(OAS) slip) **113** +
CPP or QPP benefits (box 20 of the T4A(P) slip) **114** +
Disability benefits included on line 114 (box 16 of the T4A(P) slip) **152**
Other pensions and superannuation (See line 115 in the guide and complete the Worksheet for Schedule 1 for line 314.) **115** +
Elected split-pension amount (Get and complete Form T1032.) **116** +
Universal child care benefit (UCCB) (See the RC62 slip.) **117** +
UCCB amount designated to a dependant **185**
Employment insurance and other benefits (box 14 of the T4E slip) **119** +
Taxable amount of dividends (eligible **and** other than eligible) from taxable Canadian corporations (Complete the Worksheet for the return.) **120** +
Taxable amount of dividends other than eligible dividends, included on line 120, from taxable Canadian corporations **180**
Interest and other investment income (Complete the Worksheet for the return.) **121** +
Net partnership income: limited or non-active partners only **122** +
Registered disability savings plan income (box 131 of the T4A slip) **125** +
Rental income Gross **160** Net **126** +
Taxable capital gains (Complete Schedule 3.) **127** +
Support payments received Total **156** Taxable amount **128** +
RRSP income (from all T4RSP slips) **129** +
Other income Specify: **130** +
Self-employment income
  Business income Gross **162** Net **135** +
  Professional income Gross **164** Net **137** +
  Commission income Gross **166** Net **139** +
  Farming income Gross **168** Net **141** +
  Fishing income Gross **170** Net **143** +

Workers' compensation benefits (box 10 of the T5007 slip) **144**
Social assistance payments **145** +
Net federal supplements (box 21 of the T4A(OAS) slip) **146** +
Add lines 144, 145, and 146. (See line 250 on this return.) = ▶147 +

Add lines 101, 104 to 143, and 147. This is your **total income**. **150** = 9885 | 12

5006-R **Page 2**

- Find Schedule 11 and use the T2202 issued by your learning institution to calculate your eligible tuition credits



Protected B when completed

T1-2018 **Federal Tuition, Education, and Textbook Amounts** **Schedule 11**

Only the student must complete this schedule and attach it to their return. The person claiming the transfer should not attach this schedule to their return. Use your completed designated forms (T2202A, TL11A, TL11B, and/or TL11C) **or** other official tuition tax receipts, to complete this schedule to determine:

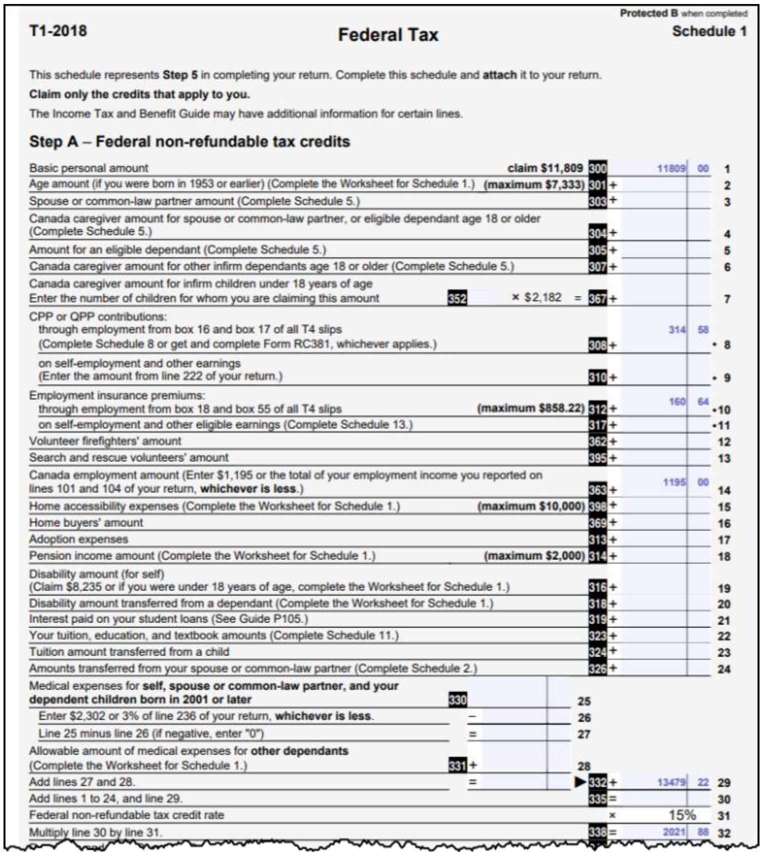
- your tuition, education, and textbook amounts
- the tuition amount you can transfer to a designated individual
- the unused amount, if any, you can carry forward to a future year

For more information, see Guide P105, Students and Income Tax.

Tuition, education, and textbook amounts claimed by the student for 2018

Unused federal tuition, education, and textbook amounts from your 2017 notice of assessment or notice of reassessment. 1
Eligible tuition fees paid for 2018 from the forms noted above or your official tuition tax receipts. To qualify, the fees you paid to attend each institution must be more than $100. Also complete the **2018 enrolment information** below. **320** + 7615 | 97 2
Add lines 1 and 2. **Total available tuition, education, and textbook amounts for 2018** = 3
Enter the amount of your taxable income from line 260 of your return if it is $46,605 or less. Otherwise, complete Step B of Schedule 1 and enter the result of the following calculation: amount from line 43 of your Schedule 1 divided by 15%. 9855 | 12 4
Total of lines 1 to 20 of your Schedule 1 – 13 479 | 22 5
Line 4 minus line 5 (if negative, enter "0"). = 6
Unused tuition, education, and textbook amount you are claiming for 2018. Amount from line 1 or line 6, **whichever is less**. – ▶ 0 7
Line 6 minus line 7. = 8
2018 tuition amount you are claiming for 2018. Enter the amount from line 2 or line 8, **whichever is less**. + 0 9
Add lines 7 and 9. Enter this amount on line 323 of Schedule 1. **Total tuition, education, and textbook amounts claimed by the student for 2018** = 0 10

- You will also need to find Schedule 1 and enter the basic personal amount at line 300, the Canada employment amount at line 363, and the CPP and EI amounts from your T4 slip at lines 308 and 312. Finally, transfer the amount from line 17 of Schedule 11 to line 323 of Schedule 1



T1-2018 **Federal Tax**

Protected B when completed

Schedule 1

This schedule represents **Step 5** in completing your return. Complete this schedule and **attach** it to your return.

Claim only the credits that apply to you.

The Income Tax and Benefit Guide may have additional information for certain lines.

Step A – Federal non-refundable tax credits

Basic personal amount	**claim $11,809**	300		11809	00	1
Age amount (if you were born in 1953 or earlier) (Complete the Worksheet for Schedule 1.)	**(maximum $7,333)**	301 +				2
Spouse or common-law partner amount (Complete Schedule 5.)		303 +				3
Canada caregiver amount for spouse or common-law partner, or eligible dependant age 18 or older (Complete Schedule 5.)		304 +				4
Amount for an eligible dependant (Complete Schedule 5.)		305 +				5
Canada caregiver amount for other infirm dependants age 18 or older (Complete Schedule 5.)		307 +				6
Canada caregiver amount for infirm children under 18 years of age Enter the number of children for whom you are claiming this amount	352 × $2,182 =	367 +				7
CPP or QPP contributions: through employment from box 16 and box 17 of all T4 slips (Complete Schedule 8 or get and complete Form RC381, whichever applies.)		308 +		314	58	• 8
on self-employment and other earnings (Enter the amount from line 222 of your return.)		310 +				• 9
Employment insurance premiums: through employment from box 18 and box 55 of all T4 slips	**(maximum $858.22)**	312 +		160	64	•10
on self-employment and other eligible earnings (Complete Schedule 13.)		317 +				•11
Volunteer firefighters' amount		362 +				12
Search and rescue volunteers' amount		395 +				13
Canada employment amount (Enter $1,195 or the total of your employment income you reported on lines 101 and 104 of your return, **whichever is less**.)		363 +		1195	00	14
Home accessibility expenses (Complete the Worksheet for Schedule 1.)	**(maximum $10,000)**	398 +				15
Home buyers' amount		369 +				16
Adoption expenses		313 +				17
Pension income amount (Complete the Worksheet for Schedule 1.)	**(maximum $2,000)**	314 +				18
Disability amount (for self) (Claim $8,235 or if you were under 18 years of age, complete the Worksheet for Schedule 1.)		316 +				19
Disability amount transferred from a dependant (Complete the Worksheet for Schedule 1.)		318 +				20
Interest paid on your student loans (See Guide P105.)		319 +				21
Your tuition, education, and textbook amounts (Complete Schedule 11.)		323 +				22
Tuition amount transferred from a child		324 +				23
Amounts transferred from your spouse or common-law partner (Complete Schedule 2.)		326 +				24
Medical expenses for **self, spouse or common-law partner, and your dependent children born in 2001 or later**	330		25			
Enter $2,302 or 3% of line 236 of your return, **whichever is less**.	−		26			
Line 25 minus line 26 (if negative, enter "0")	=		27			
Allowable amount of medical expenses for **other dependants** (Complete the Worksheet for Schedule 1.)	331 +		28			
Add lines 27 and 28.	=	▶ 332 +	29	13479	22	29
Add lines 1 to 24, and line 29.		335 =				30
Federal non-refundable tax credit rate		×		15%		31
Multiply line 30 by line 31.		338 =		2021	88	32

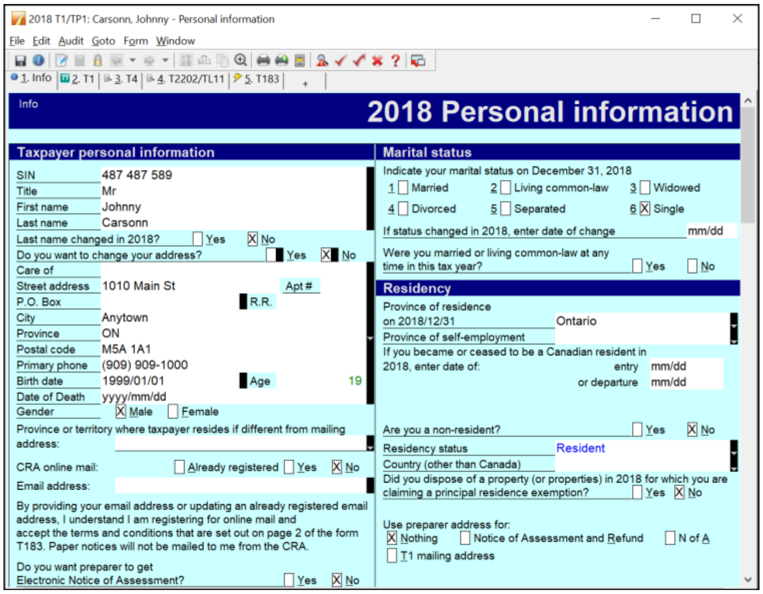
Paper Observations

As the example above illustrates, manually preparing a T1 is a protracted and complex affair. The need for complicated calculations, the risk of omitting a schedule or form, or of not transferring the proper amounts to the right forms, all mean that the probability of errors and omissions is quite high.

Once again, in ProFile

Let's now explore how we prepare the same T1 in Profile:

- Launch ProFile and go to *File* > *New* > *2017 T1*
- After ProFile opens the *Info* page, enter the individual's name, social insurance number, date of birth and other relevant information
- The Info page should look like the image below



2018 Personal information

Taxpayer personal information

SIN 487 487 589
Title Mr
First name Johnny
Last name Carsonn
Last name changed in 2018? ☐ Yes ☒ No
Do you want to change your address? ☐ Yes ☒ No
Care of
Street address 1010 Main St Apt #
P.O. Box R.R.
City Anytown
Province ON
Postal code M5A 1A1
Primary phone (909) 909-1000
Birth date 1999/01/01 Age 19
Date of Death yyyy/mm/dd
Gender ☒ Male ☐ Female
Province or territory where taxpayer resides if different from mailing address:
CRA online mail: ☐ Already registered ☐ Yes ☒ No
Email address:

By providing your email address or updating an already registered email address, I understand I am registering for online mail and accept the terms and conditions that are set out on page 2 of the form T183. Paper notices will not be mailed to me from the CRA.

Do you want preparer to get Electronic Notice of Assessment? ☐ Yes ☒ No

Marital status

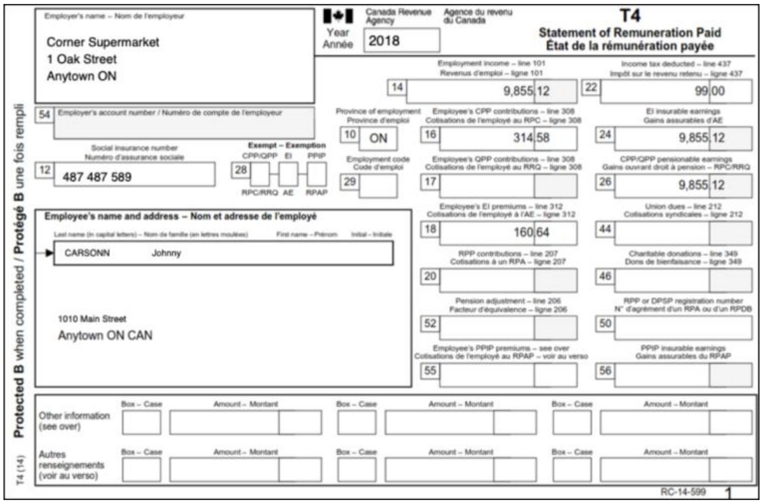
Indicate your marital status on December 31, 2018
1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☒ Single
If status changed in 2018, enter date of change mm/dd
Were you married or living common-law at any time in this tax year? ☐ Yes ☐ No

Residency

Province of residence on 2018/12/31 Ontario
Province of self-employment
If you became or ceased to be a Canadian resident in 2018, enter date of: entry mm/dd or departure mm/dd
Are you a non-resident? ☐ Yes ☒ No
Residency status Resident
Country (other than Canada)
Did you dispose of a property (or properties) in 2018 for which you are claiming a principal residence exemption? ☐ Yes ☒ No

Use preparer address for:
☒ Nothing ☐ Notice of Assessment and Refund ☐ N of A
☐ T1 mailing address

- Once again, here is Johnny's T4 slip



T4
Statement of Remuneration Paid
État de la rémunération payée

Year / Année 2018

Employer's name – Nom de l'employeur
Corner Supermarket
1 Oak Street
Anytown ON

54 Employer's account number / Numéro de compte de l'employeur

12 Social insurance number / Numéro d'assurance sociale: 487 487 589

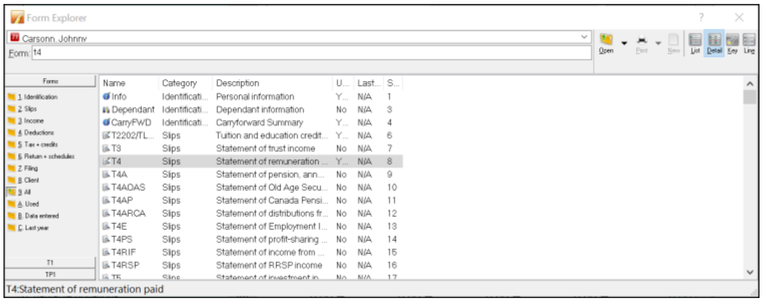
28 Exempt – Exemption: CPP/QPP ☐ EI ☐ PPIP ☐ (RPC/RRQ AE RPAP)

Employee's name and address – Nom et adresse de l'employé
CARSONN Johnny
1010 Main Street
Anytown ON CAN

14 Employment income – line 101 / Revenus d'emploi – ligne 101	9,855 12	
22 Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437	99 00	
10 Province of employment / Province d'emploi	ON	
16 Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308	314 58	
24 EI insurable earnings / Gains assurables d'AE	9,855 12	
29 Employment code / Code d'emploi		
17 Employee's QPP contributions – line 308 / Cotisations de l'employé au RRQ – ligne 308		
26 CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ	9,855 12	
18 Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312	160 64	
44 Union dues – line 212 / Cotisations syndicales – ligne 212		
20 RPP contributions – line 207 / Cotisations à un RPA – ligne 207		
46 Charitable donations – line 349 / Dons de bienfaisance – ligne 349		
52 Pension adjustment – line 206 / Facteur d'équivalence – ligne 206		
50 RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB		
55 Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso		
56 PPIP insurable earnings / Gains assurables du RPAP		

Other information (see over) / Autres renseignements (voir au verso): Box – Case, Amount – Montant

- To record the T4 slip in ProFile, press the *F4* key to open Form Explorer and then, in the Search field, type T4. Double-click the T4 line in the right pane of the Form Explorer window, and ProFile will open that form



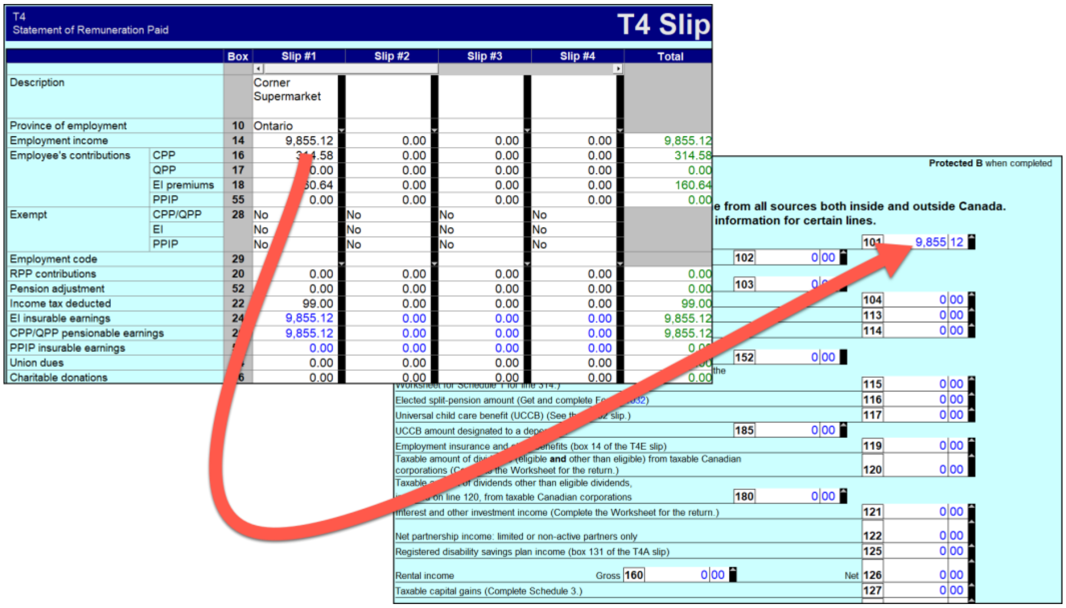
Carsonn, Johnny

Form: t4

Name	Category	Description	U...	Last...	S...
Info	Identificati...	Personal information	Y...	N/A	1
Dependant	Identificati...	Dependant information	No	N/A	3
CarryFWD	Identificati...	Carryforward Summary	Y...	N/A	4
T2202/TL...	Slips	Tuition and education credit...	Y...	N/A	6
T3	Slips	Statement of trust income	No	N/A	7
T4	Slips	Statement of remuneration ...	Y...	N/A	8
T4A	Slips	Statement of pension, ann...	No	N/A	9
T4AOAS	Slips	Statement of Old Age Secu...	No	N/A	10
T4AP	Slips	Statement of Canada Pensi...	No	N/A	11
T4ARCA	Slips	Statement of distributions fr...	No	N/A	12
T4E	Slips	Statement of Employment I...	No	N/A	13
T4PS	Slips	Statement of profit-sharing ...	No	N/A	14
T4RIF	Slips	Statement of income from ...	No	N/A	15
T4RSP	Slips	Statement of RRSP income	No	N/A	16

T4:Statement of remuneration paid

- Enter the data on the T4 Slip form line by line
- And ProFile will transfer the T4 amounts to the corresponding line on the T1 return itself (the T1 Jacket)



T4
Statement of Remuneration Paid

T4 Slip

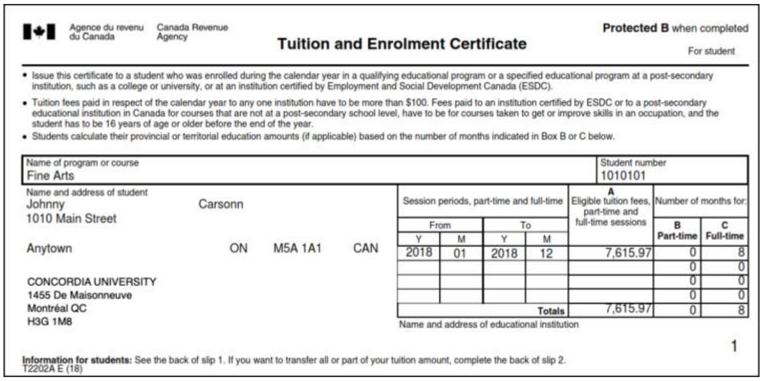
		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			Corner Supermarket				
Province of employment		10	Ontario				
Employment income		14	9,855.12	0.00	0.00	0.00	9,855.12
Employee's contributions	CPP	16	3[illegible]4.58	0.00	0.00	0.00	314.58
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	[illegible]0.64	0.00	0.00	0.00	160.64
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00
Income tax deducted		22	99.00	0.00	0.00	0.00	99.00
EI insurable earnings		24	9,855.12	0.00	0.00	0.00	9,855.12
CPP/QPP pensionable earnings		2[illegible]	9,855.12	0.00	0.00	0.00	9,855.12
PPIP insurable earnings		[illegible]	0.00	0.00	0.00	0.00	0.0[illegible]
Union dues		[illegible]	0.00	0.00	0.00	0.00	[illegible]
Charitable donations		[illegible]6	0.00	0.00	0.00	0.00	0.00

Protected B when completed

e from all sources both inside and outside Canada.
information for certain lines.

			101	9,855 12
	102	0 00		
	103	0 [illegible]		
			104	0 00
			113	0 00
			114	0 00
	152	0 00		
Elected split-pension amount (Get and complete F[illegible]032)			116	0 00
Universal child care benefit (UCCB) (See th[illegible] slip.)			117	0 00
UCCB amount designated to a depe[illegible]	185	0 00		
Employment insurance and [illegible]enefits (box 14 of the T4E slip)			119	0 00
Taxable amount of di[illegible] (eligible **and** other than eligible) from taxable Canadian corporations (C[illegible] the Worksheet for the return.)			120	0 00
Taxable [illegible] of dividends other than eligible dividends, [illegible] on line 120, from taxable Canadian corporations	180	0 00		
Interest and other investment income (Complete the Worksheet for the return.)			121	0 00
Net partnership income: limited or non-active partners only			122	0 00
Registered disability savings plan income (box 131 of the T4A slip)			125	0 00
Rental income	Gross 160	0 00	Net 126	0 00
Taxable capital gains (Complete Schedule 3.)			127	0 00

- Here, again, is Johnny's tuition slip



Agence du revenu du Canada Canada Revenue Agency

Tuition and Enrolment Certificate

Protected B when completed

For student

- Issue this certificate to a student who was enrolled during the calendar year in a qualifying educational program or a specified educational program at a post-secondary institution, such as a college or university, or at an institution certified by Employment and Social Development Canada (ESDC).
- Tuition fees paid in respect of the calendar year to any one institution have to be more than $100. Fees paid to an institution certified by ESDC or to a post-secondary educational institution in Canada for courses that are not at a post-secondary school level, have to be for courses taken to get or improve skills in an occupation, and the student has to be 16 years of age or older before the end of the year.
- Students calculate their provincial or territorial education amounts (if applicable) based on the number of months indicated in Box B or C below.

Name of program or course: Fine Arts

Student number: 1010101

Name and address of student
Johnny Carsonn
1010 Main Street
Anytown ON M5A 1A1 CAN

Session periods, part-time and full-time				A Eligible tuition fees, part-time and full-time sessions	Number of months for:	
From		To			B Part-time	C Full-time
Y	M	Y	M			
2018	01	2018	12	7,615.97	0	8
					0	0
					0	0
					0	0
			Totals	7,615.97	0	8

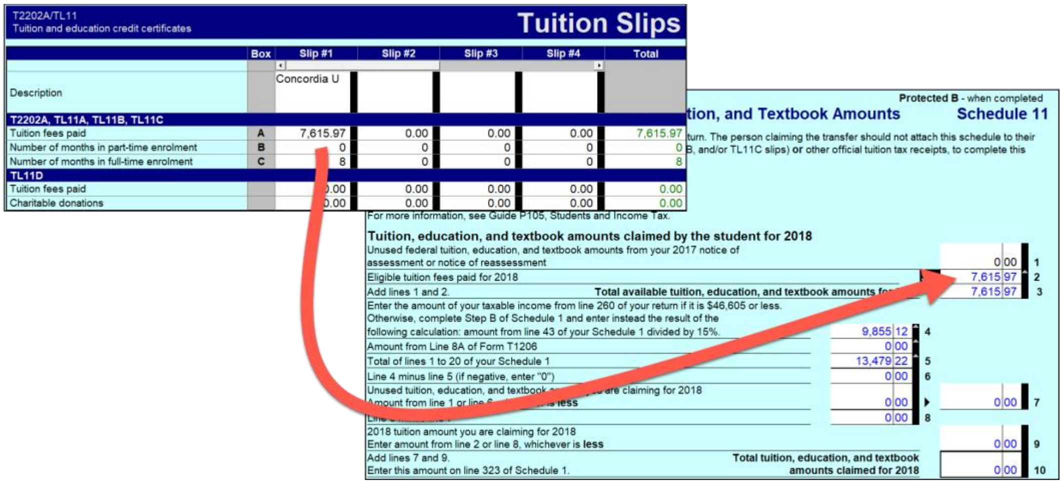
CONCORDIA UNIVERSITY
1455 De Maisonneuve
Montréal QC
H3G 1M8

Name and address of educational institution

1

Information for students: See the back of slip 1. If you want to transfer all or part of your tuition amount, complete the back of slip 2.
T2202A E (18)

- Use Form Explorer to find and open the T2202 tuition form. Record the slip information on that form
- ProFile will transfer those amounts to the Schedule 11. Note that because Johnny didn't have sufficient income, ProFile applied no tuition credit at line 10 of Schedule 11.



T2202A/TL11
Tuition and education credit certificates

Tuition Slips

	Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description		Concordia U				
T2202A, TL11A, TL11B, TL11C						
Tuition fees paid	A	7,615.97	0.00	0.00	0.00	7,615.97
Number of months in part-time enrolment	B	0	0	0	0	0
Number of months in full-time enrolment	C	8	0	0	0	8
TL11D						
Tuition fees paid		0.00	0.00	0.00	0.00	0.00
Charitable donations		0.00	0.00	0.00	0.00	0.00

Protected B - when completed

tion, and Textbook Amounts **Schedule 11**

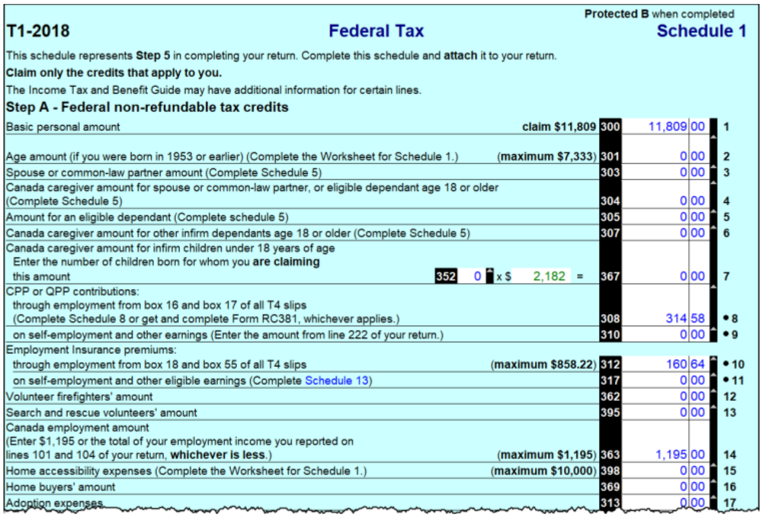
turn. The person claiming the transfer should not attach this schedule to their
B, and/or TL11C slips) **or** other official tuition tax receipts, to complete this

For more information, see Guide P105, Students and Income Tax.

Tuition, education, and textbook amounts claimed by the student for 2018

Unused federal tuition, education, and textbook amounts from your 2017 notice of assessment or notice of reassessment		0.00	1
Eligible tuition fees paid for 2018		7,615.97	2
Add lines 1 and 2. **Total available tuition, education, and textbook amounts fo**		7,615.97	3
Enter the amount of your taxable income from line 260 of your return if it is $46,605 or less. Otherwise, complete Step B of Schedule 1 and enter instead the result of the following calculation: amount from line 43 of your Schedule 1 divided by 15%.	9,855.12		4
Amount from Line 8A of Form T1206	0.00		
Total of lines 1 to 20 of your Schedule 1	13,479.22		5
Line 4 minus line 5 (if negative, enter "0")	0.00		6
Unused tuition, education, and textbook a u are claiming for 2018 Amount from line 1 or line 6 is **less**	0.00	0.00	7
	0.00		8
2018 tuition amount you are claiming for 2018 Enter amount from line 2 or line 8, whichever is **less**		0.00	9
Add lines 7 and 9. Enter this amount on line 323 of Schedule 1. **Total tuition, education, and textbook amounts claimed for 2018**		0.00	10

- ProFile will then transfer all available amounts to the Schedule 1 and, ultimately, to the T1 Jacket itself.



Protected B when completed

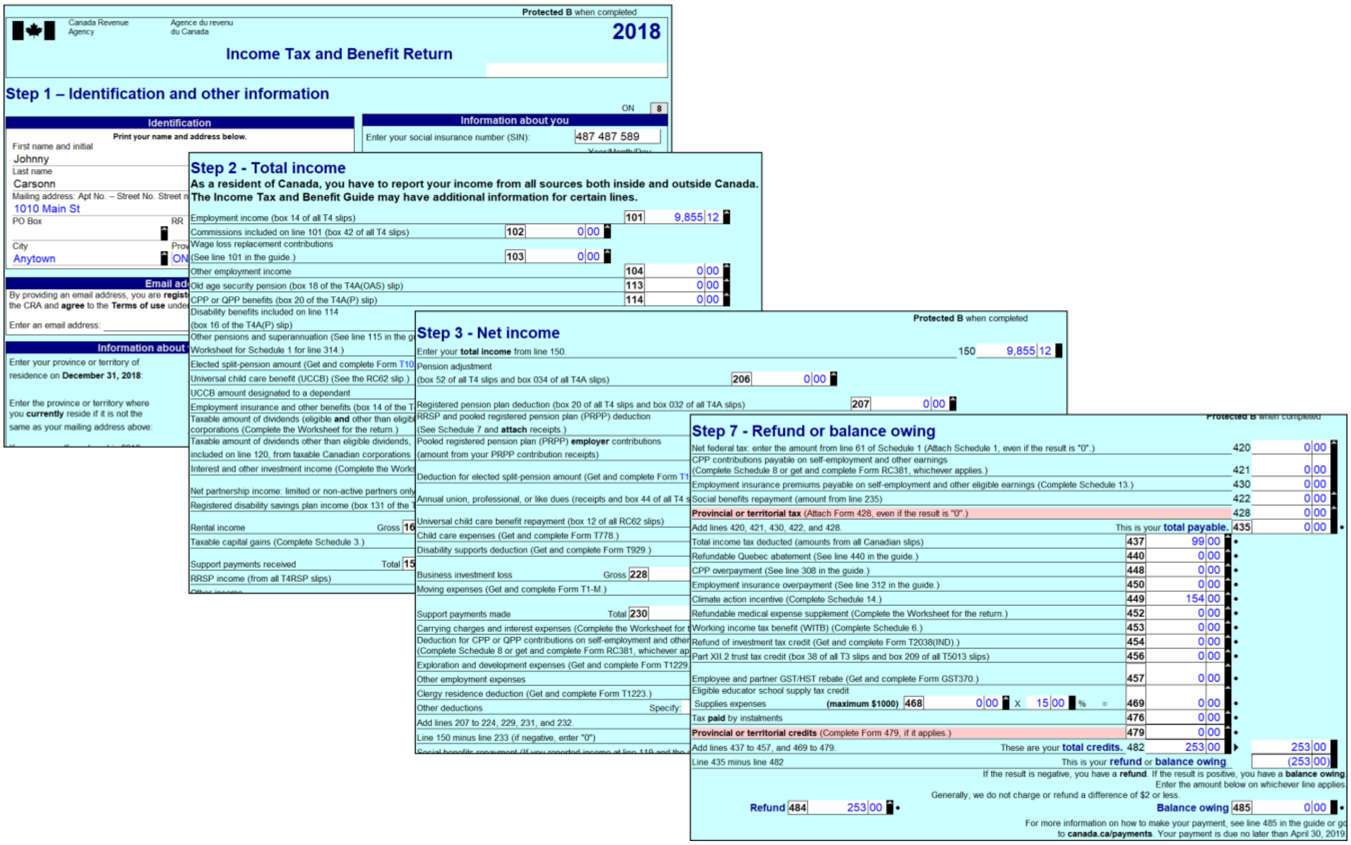
T1-2018 **Federal Tax** **Schedule 1**

This schedule represents **Step 5** in completing your return. Complete this schedule and **attach** it to your return.
Claim only the credits that apply to you.
The Income Tax and Benefit Guide may have additional information for certain lines.

Step A - Federal non-refundable tax credits

Basic personal amount	**claim $11,809**	300	11,809.00	1
Age amount (if you were born in 1953 or earlier) (Complete the Worksheet for Schedule 1.)	**(maximum $7,333)**	301	0.00	2
Spouse or common-law partner amount (Complete Schedule 5)		303	0.00	3
Canada caregiver amount for spouse or common-law partner, or eligible dependant age 18 or older (Complete Schedule 5)		304	0.00	4
Amount for an eligible dependant (Complete schedule 5)		305	0.00	5
Canada caregiver amount for other infirm dependants age 18 or older (Complete Schedule 5)		307	0.00	6
Canada caregiver amount for infirm children under 18 years of age Enter the number of children born for whom you **are claiming** this amount	352 0 x $ 2,182 =	367	0.00	7
CPP or QPP contributions: through employment from box 16 and box 17 of all T4 slips (Complete Schedule 8 or get and complete Form RC381, whichever applies.)		308	314.58	• 8
on self-employment and other earnings (Enter the amount from line 222 of your return.)		310	0.00	• 9
Employment Insurance premiums: through employment from box 18 and box 55 of all T4 slips	**(maximum $858.22)**	312	160.64	• 10
on self-employment and other eligible earnings (Complete Schedule 13)		317	0.00	• 11
Volunteer firefighters' amount		362	0.00	12
Search and rescue volunteers' amount		395	0.00	13
Canada employment amount (Enter $1,195 or the total of your employment income you reported on lines 101 and 104 of your return, **whichever is less**.)	**(maximum $1,195)**	363	1,195.00	14
Home accessibility expenses (Complete the Worksheet for Schedule 1.)	**(maximum $10,000)**	398	0.00	15
Home buyers' amount		369	0.00	16
Adoption expenses		313	0.00	17

- Because Johnny had no other slips or additional information to record, here is snapshot of his tax return
- Note that the last page of the tax return indicates that Johnny is receiving a refund of $253.00


Protected B when completed

Canada Revenue Agency
Agence du revenu du Canada

2018

Income Tax and Benefit Return

Step 1 – Identification and other information

ON 8

Identification

Print your name and address below.

First name and initial: Johnny

Last name: Carsonn

Mailing address: Apt No. – Street No. Street n: 1010 Main St

PO Box | RR

City: Anytown | Prov: ON

Email ad

By providing an email address, you are regist
the CRA and agree to the Terms of use unde

Enter an email address:

Information about

Enter your province or territory of residence on December 31, 2018:

Enter the province or territory where you currently reside if it is not the same as your mailing address above:

Information about you

Enter your social insurance number (SIN): 487 487 589

Step 2 - Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada.
The Income Tax and Benefit Guide may have additional information for certain lines.

Employment income (box 14 of all T4 slips) 101 9,855|12

Commissions included on line 101 (box 42 of all T4 slips) 102 0|00

Wage loss replacement contributions (See line 101 in the guide.) 103 0|00

Other employment income 104 0|00

Old age security pension (box 18 of the T4A(OAS) slip) 113 0|00

CPP or QPP benefits (box 20 of the T4A(P) slip) 114 0|00

Disability benefits included on line 114 (box 16 of the T4A(P) slip)

Other pensions and superannuation (See line 115 in the g
Worksheet for Schedule 1 for line 314.)

Elected split-pension amount (Get and complete Form T10

Universal child care benefit (UCCB) (See the RC62 slip.)

UCCB amount designated to a dependant

Employment insurance and other benefits (box 14 of the T

Taxable amount of dividends (eligible **and** other than eligib
corporations (Complete the Worksheet for the return.)

Taxable amount of dividends other than eligible dividends,
included on line 120, from taxable Canadian corporations

Interest and other investment income (Complete the Works

Net partnership income: limited or non-active partners only

Registered disability savings plan income (box 131 of the T

Rental income Gross 16

Taxable capital gains (Complete Schedule 3.)

Support payments received Total 15

RRSP income (from all T4RSP slips)

Protected B when completed

Step 3 - Net income

Enter your **total income** from line 150. 150 9,855|12

Pension adjustment (box 52 of all T4 slips and box 034 of all T4A slips) 206 0|00

Registered pension plan deduction (box 20 of all T4 slips and box 032 of all T4A slips) 207 0|00

RRSP and pooled registered pension plan (PRPP) deduction (See Schedule 7 and **attach** receipts.)

Pooled registered pension plan (PRPP) **employer** contributions (amount from your PRPP contribution receipts)

Deduction for elected split-pension amount (Get and complete Form T1

Annual union, professional, or like dues (receipts and box 44 of all T4 s

Universal child care benefit repayment (box 12 of all RC62 slips)

Child care expenses (Get and complete Form T778.)

Disability supports deduction (Get and complete Form T929.)

Business investment loss Gross 228

Moving expenses (Get and complete Form T1-M.)

Support payments made Total 230

Carrying charges and interest expenses (Complete the Worksheet for t

Deduction for CPP or QPP contributions on self-employment and other
(Complete Schedule 8 or get and complete Form RC381, whichever ap

Exploration and development expenses (Get and complete Form T1229

Other employment expenses

Clergy residence deduction (Get and complete Form T1223.)

Other deductions Specify:

Add lines 207 to 224, 229, 231, and 232.

Line 150 minus line 233 (if negative, enter "0")

Step 7 - Refund or balance owing

Net federal tax: enter the amount from line 61 of Schedule 1 (Attach Schedule 1, even if the result is "0".) 420 0|00

CPP contributions payable on self-employment and other earnings (Complete Schedule 8 or get and complete Form RC381, whichever applies.) 421 0|00

Employment insurance premiums payable on self-employment and other eligible earnings (Complete Schedule 13.) 430 0|00

Social benefits repayment (amount from line 235) 422 0|00

Provincial or territorial tax (Attach Form 428, even if the result is "0".) 428 0|00

Add lines 420, 421, 430, 422, and 428. This is your **total payable.** 435 0|00

Total income tax deducted (amounts from all Canadian slips) 437 99|00

Refundable Quebec abatement (See line 440 in the guide.) 440 0|00

CPP overpayment (See line 308 in the guide.) 448 0|00

Employment insurance overpayment (See line 312 in the guide.) 450 0|00

Climate action incentive (Complete Schedule 14.) 449 154|00

Refundable medical expense supplement (Complete the Worksheet for the return.) 452 0|00

Working income tax benefit (WITB) (Complete Schedule 6.) 453 0|00

Refund of investment tax credit (Get and complete Form T2038(IND).) 454 0|00

Part XII.2 trust tax credit (box 38 of all T3 slips and box 209 of all T5013 slips) 456 0|00

Employee and partner GST/HST rebate (Get and complete Form GST370.) 457 0|00

Eligible educator school supply tax credit
Supplies expenses (maximum $1000) 468 0|00 x 15|00 % = 469 0|00

Tax **paid** by instalments 476 0|00

Provincial or territorial credits (Complete Form 479, if it applies.) 479 0|00

Add lines 437 to 457, and 469 to 479. These are your **total credits.** 482 253|00 ▸ 253|00

Line 435 minus line 482 This is your **refund** or **balance owing**. (253|00)

If the result is negative, you have a **refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Refund 484 253|00 **Balance owing** 485 0|00

For more information on how to make your payment, see line 485 in the guide or go
to **canada.ca/payments**. Your payment is due no later than April 30, 2019.

Conclusion

ProFile provides guided tax preparation that requires you to simply enter information on the required forms and slip (in the above example, T4 and T2202) and ProFile then completes the T1 based on those entries.

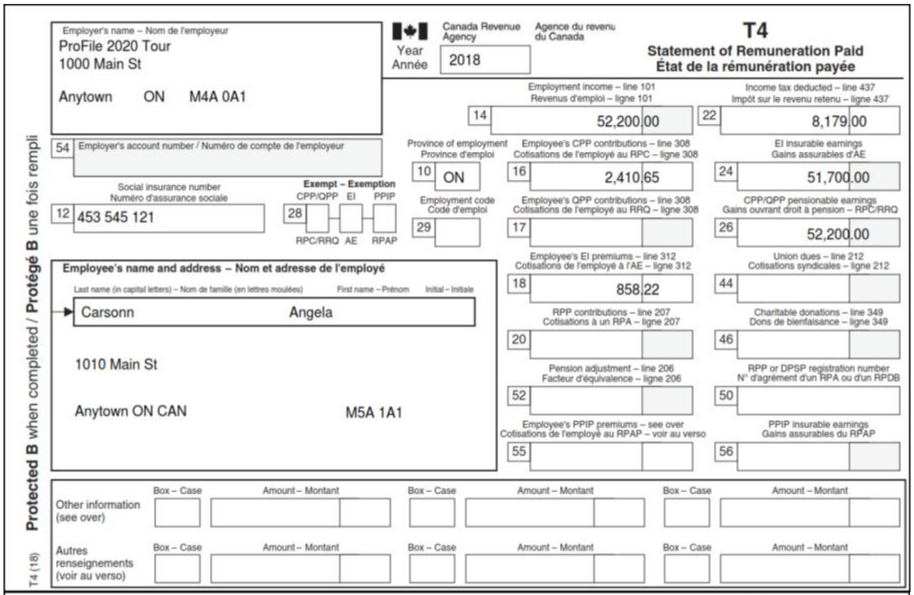
Contrast that with the same hand-written example, and the benefits gained by using tax-preparation software are immediately evident.

A TAX PRACTITIONER APPROACH

Preparing a T1 for a Married Couple

This section explores how a tax preparer works with a client. In this example, a married couple named Angela Carsonn and Martin St-Pierre have asked you to file their T1 returns. So that you can proceed, they provide you with the following tax slips:

- T4 slips that itemize each spouse's employment earnings



Protected B when completed / **Protégé B** une fois rempli

T4 (18)

Employer's name – Nom de l'employeur
ProFile 2020 Tour
1000 Main St
Anytown ON M4A 0A1

Canada Revenue Agency / Agence du revenu du Canada

Year / Année 2018

T4

Statement of Remuneration Paid
État de la rémunération payée

14 Employment income – line 101 / Revenus d'emploi – ligne 101: 52,200 00

22 Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437: 8,179 00

54 Employer's account number / Numéro de compte de l'employeur

10 Province of employment / Province d'emploi: ON

16 Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308: 2,410 65

24 EI insurable earnings / Gains assurables d'AE: 51,700.00

12 Social insurance number / Numéro d'assurance sociale: 453 545 121

28 Exempt – Exemption: CPP/QPP ☐ EI ☐ PPIP ☐ / RPC/RRQ AE RPAP

29 Employment code / Code d'emploi

17 Employee's QPP contributions – line 308 / Cotisations de l'employé au RRQ – ligne 308

26 CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: 52,200.00

Employee's name and address – Nom et adresse de l'employé

Last name (in capital letters) – Nom de famille (en lettres moulées) / First name – Prénom / Initial – Initiale
Carsonn Angela

1010 Main St

Anytown ON CAN M5A 1A1

18 Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312: 858 22

44 Union dues – line 212 / Cotisations syndicales – ligne 212

20 RPP contributions – line 207 / Cotisations à un RPA – ligne 207

46 Charitable donations – line 349 / Dons de bienfaisance – ligne 349

52 Pension adjustment – line 206 / Facteur d'équivalence – ligne 206

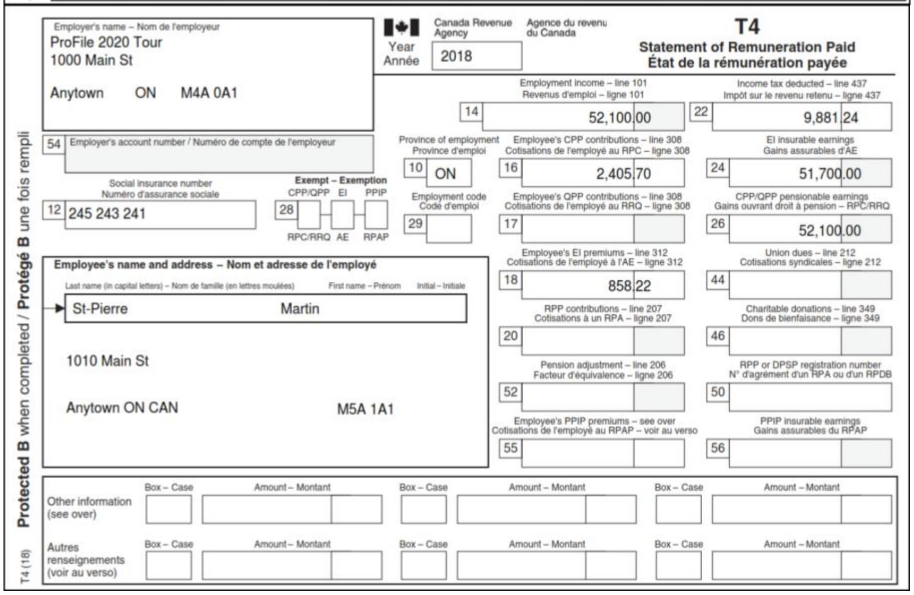
50 RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB

55 Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso

56 PPIP insurable earnings / Gains assurables du RPAP

Other information (see over) / Autres renseignements (voir au verso)

Box – Case	Amount – Montant	Box – Case	Amount – Montant	Box – Case	Amount – Montant



Protected B when completed / **Protégé B** une fois rempli

T4 (18)

Employer's name – Nom de l'employeur
ProFile 2020 Tour
1000 Main St
Anytown ON M4A 0A1

Canada Revenue Agency / Agence du revenu du Canada

Year / Année 2018

T4

Statement of Remuneration Paid
État de la rémunération payée

14 Employment income – line 101 / Revenus d'emploi – ligne 101: 52,100 00

22 Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437: 9,881 24

54 Employer's account number / Numéro de compte de l'employeur

10 Province of employment / Province d'emploi: ON

16 Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308: 2,405 70

24 EI insurable earnings / Gains assurables d'AE: 51,700.00

12 Social insurance number / Numéro d'assurance sociale: 245 243 241

28 Exempt – Exemption: CPP/QPP ☐ EI ☐ PPIP ☐ / RPC/RRQ AE RPAP

29 Employment code / Code d'emploi

17 Employee's QPP contributions – line 308 / Cotisations de l'employé au RRQ – ligne 308

26 CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: 52,100.00

Employee's name and address – Nom et adresse de l'employé

Last name (in capital letters) – Nom de famille (en lettres moulées) / First name – Prénom / Initial – Initiale
St-Pierre Martin

1010 Main St

Anytown ON CAN M5A 1A1

18 Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312: 858 22

44 Union dues – line 212 / Cotisations syndicales – ligne 212

20 RPP contributions – line 207 / Cotisations à un RPA – ligne 207

46 Charitable donations – line 349 / Dons de bienfaisance – ligne 349

52 Pension adjustment – line 206 / Facteur d'équivalence – ligne 206

50 RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB

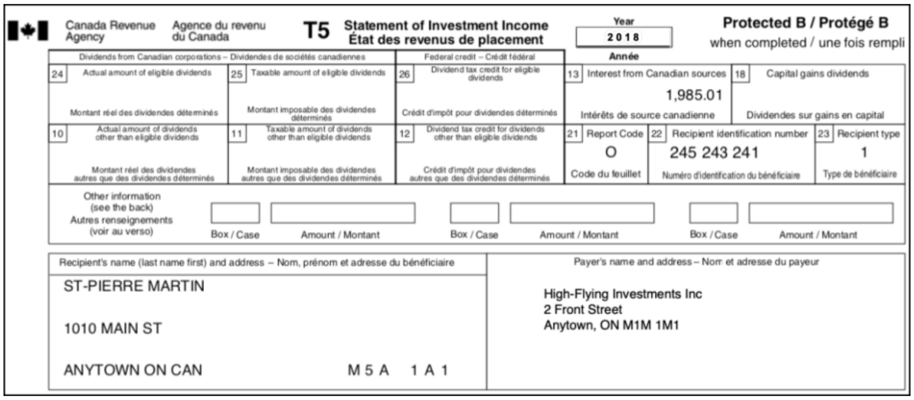
55 Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso

56 PPIP insurable earnings / Gains assurables du RPAP

Other information (see over) / Autres renseignements (voir au verso)

Box – Case	Amount – Montant	Box – Case	Amount – Montant	Box – Case	Amount – Montant

- There is also a charitable donation receipt and a T5 slip issued by a bank or other financial institution that lists the amount of investment income earned in the tax year. Assume that the investment income was shared equally by each spouse


Canada Revenue Agency / Agence du revenu du Canada

T5 **Statement of Investment Income / État des revenus de placement**

Year / Année: 2018

Protected B / Protégé B when completed / une fois rempli

Dividends from Canadian corporations – Dividendes de sociétés canadiennes

24 Actual amount of eligible dividends / Montant réel des dividendes déterminés:

25 Taxable amount of eligible dividends / Montant imposable des dividendes déterminés:

Federal credit – Crédit fédéral

26 Dividend tax credit for eligible dividends / Crédit d'impôt pour dividendes déterminés:

13 Interest from Canadian sources / Intérêts de source canadienne: 1,985.01

18 Capital gains dividends / Dividendes sur gains en capital:

10 Actual amount of dividends other than eligible dividends / Montant réel des dividendes autres que des dividendes déterminés:

11 Taxable amount of dividends other than eligible dividends / Montant imposable des dividendes autres que des dividendes déterminés:

12 Dividend tax credit for dividends other than eligible dividends / Crédit d'impôt pour dividendes autres que des dividendes déterminés:

21 Report Code / Code du feuillet: O

22 Recipient identification number / Numéro d'identification du bénéficiaire: 245 243 241

23 Recipient type / Type de bénéficiaire: 1

Other information (see the back) / Autres renseignements (voir au verso)

Box / Case	Amount / Montant	Box / Case	Amount / Montant	Box / Case	Amount / Montant

Recipient's name (last name first) and address – Nom, prénom et adresse du bénéficiaire

ST-PIERRE MARTIN

1010 MAIN ST

ANYTOWN ON CAN M 5 A 1 A 1

Payer's name and address – Nom et adresse du payeur

High-Flying Investments Inc
2 Front Street
Anytown, ON M1M 1M1


Parkinson Canada

316 - 4211 Yonge Street, Toronto, ON M2P 2A9
T: 416-227-9700 | F: 416-227-9600 | www.parkinson.ca
Charitable Business No / No. d'organisme de bienfaisance enregistré : 10809 1786 RR0001

Date Received/Don reçu le:
Date Issued/Reçu émis le: Nov 18, 2018
Place of Issue/Lieu d'émission: Toronto, ON

DUPLICATE RECEIPT
REÇU EN DOUBLE

Receipt No./Numéro du reçu: L100032816

ntant du don: $100.00

Angela Carsonn
1010 Main St
Anytown, ON M5A 1A1

Authorized signature/Signature autorisée

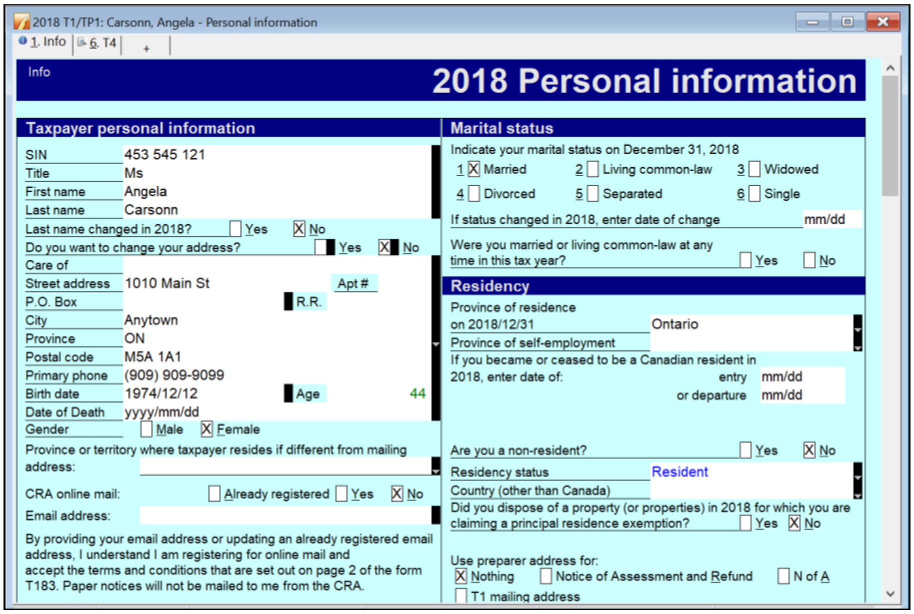
This is an official tax receipt for income tax purposes. / Reçu officiel aux fins de l'impôt.
Canada Revenue Agency: www.cra.gc.ca/charitiesandgiving
Agence du revenu du Canada: www.cra-arc.gc.ca/chrts-gvng/menu-fra.html

With these slips you are ready to proceed.

T1013

As a professional tax preparer, you will want all new clients to complete and sign CRA's T1013 authorization form. Think of a T1013 as your T1 Launchpad. With it you can access CRA's website and obtain your clients' tax information. The information that a T1013 provides will include: Notices of Assessments, client data summary, account balances, as well as information slips such as T3, T4, T5 and RRSP slips. Here's how you complete and file a T1013

- Create a new tax return in ProFile and fill out the *Personal Information* page. Here's an excerpt of Angela's information page



2018 Personal information

Taxpayer personal information

SIN 453 545 121
Title Ms
First name Angela
Last name Carsonn
Last name changed in 2018? ☐ Yes ☒ No
Do you want to change your address? ☐ Yes ☒ No
Care of
Street address 1010 Main St Apt #
P.O. Box R.R.
City Anytown
Province ON
Postal code M5A 1A1
Primary phone (909) 909-9099
Birth date 1974/12/12 Age 44
Date of Death yyyy/mm/dd
Gender ☐ Male ☒ Female
Province or territory where taxpayer resides if different from mailing address:
CRA online mail: ☐ Already registered ☐ Yes ☒ No
Email address:

By providing your email address or updating an already registered email address, I understand I am registering for online mail and accept the terms and conditions that are set out on page 2 of the form T183. Paper notices will not be mailed to me from the CRA.

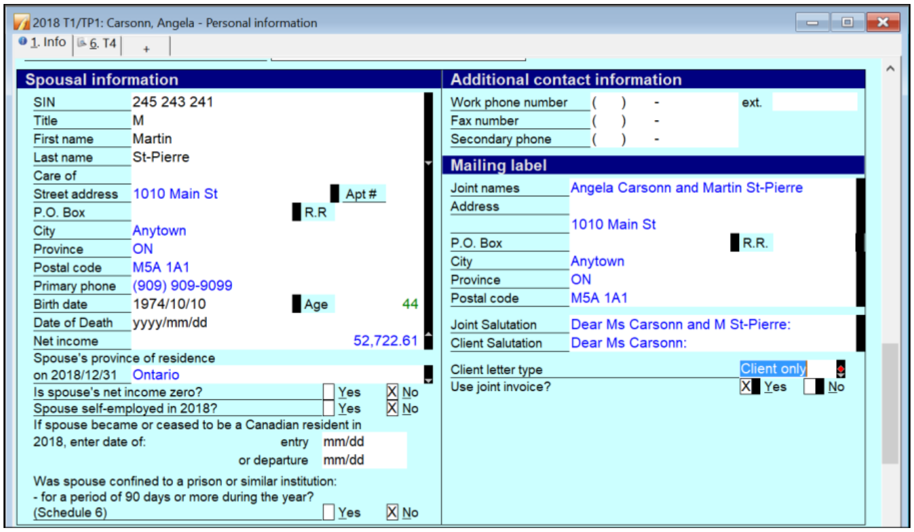
Marital status

Indicate your marital status on December 31, 2018
1 ☒ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☐ Single
If status changed in 2018, enter date of change mm/dd
Were you married or living common-law at any time in this tax year? ☐ Yes ☐ No

Residency

Province of residence on 2018/12/31 Ontario
Province of self-employment
If you became or ceased to be a Canadian resident in 2018, enter date of: entry mm/dd
or departure mm/dd
Are you a non-resident? ☐ Yes ☒ No
Residency status Resident
Country (other than Canada)
Did you dispose of a property (or properties) in 2018 for which you are claiming a principal residence exemption? ☐ Yes ☒ No
Use preparer address for:
☒ Nothing ☐ Notice of Assessment and Refund ☐ N of A
☐ T1 mailing address

- To enter Martin's spousal information, scroll to the bottom of Angela's *Personal Information* page



Spousal information

SIN 245 243 241
Title M
First name Martin
Last name St-Pierre
Care of
Street address 1010 Main St Apt #
P.O. Box R.R
City Anytown
Province ON
Postal code M5A 1A1
Primary phone (909) 909-9099
Birth date 1974/10/10 Age 44
Date of Death yyyy/mm/dd
Net income 52,722.61
Spouse's province of residence on 2018/12/31 Ontario
Is spouse's net income zero? ☐ Yes ☒ No
Spouse self-employed in 2018? ☐ Yes ☒ No
If spouse became or ceased to be a Canadian resident in 2018, enter date of: entry mm/dd
or departure mm/dd
Was spouse confined to a prison or similar institution:
- for a period of 90 days or more during the year? (Schedule 6) ☐ Yes ☒ No

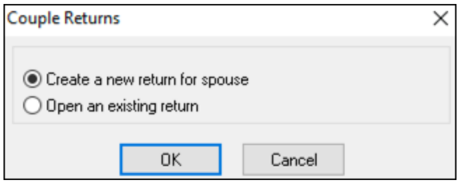
Additional contact information

Work phone number ( ) - ext.
Fax number ( ) -
Secondary phone ( ) -

Mailing label

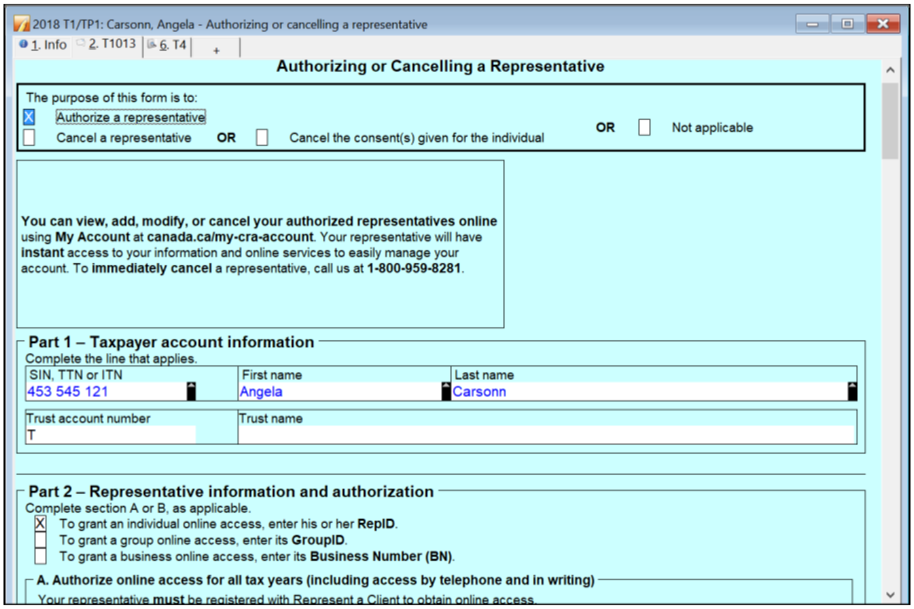
Joint names Angela Carsonn and Martin St-Pierre
Address
1010 Main St
P.O. Box R.R.
City Anytown
Province ON
Postal code M5A 1A1
Joint Salutation Dear Ms Carsonn and M St-Pierre:
Client Salutation Dear Ms Carsonn:
Client letter type Client only
Use joint invoice? ☒ Yes ☐ No

- After entering Angela's information, press F5, or click the toolbar's *Spouse* toggle icon
- ProFile will ask if you want to open or create a tax return. Because they are new clients, select *Create a new return for spouse*



● Create a new return for spouse
○ Open an existing return

- Once you enter your clients' Personal Information page, press *F4* to open ProFile's *Form Explorer* and, in the *Search* field, enter *T1013*
- On the T1013, check the *Authorize a representative* box and ensure that the information--including the clients' names and social insurance numbers, your CRA representative information as well as the authorization level—are all accurate
- Submit the T1013 to your client for signature



Authorizing or Cancelling a Representative

The purpose of this form is to:
☒ Authorize a representative
☐ Cancel a representative **OR** ☐ Cancel the consent(s) given for the individual **OR** ☐ Not applicable

You can view, add, modify, or cancel your authorized representatives online using **My Account** at **canada.ca/my-cra-account**. Your representative will have **instant** access to your information and online services to easily manage your account. To **immediately cancel** a representative, call us at **1-800-959-8281**.

Part 1 – Taxpayer account information

Complete the line that applies.

SIN, TTN or ITN	First name	Last name
453 545 121	Angela	Carsonn

Trust account number	Trust name
T	

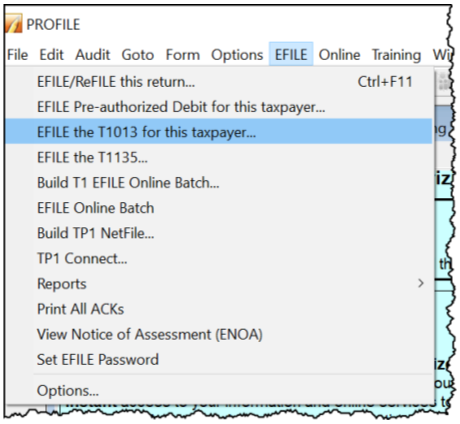
Part 2 – Representative information and authorization

Complete section A or B, as applicable.
☒ To grant an individual online access, enter his or her **RepID**.
☐ To grant a group online access, enter its **GroupID**.
☐ To grant a business online access, enter its **Business Number (BN)**.

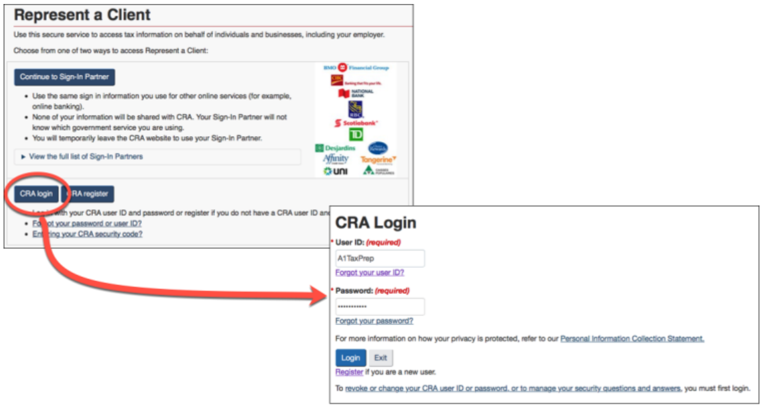
A. Authorize online access for all tax years (including access by telephone and in writing)

Your representative **must** be registered with Represent a Client to obtain online access.

- It is very important that your clients sign their T1013 before you submit them to CRA. Once signed, click *EFILE > EFILE the T1013 for this taxpayer*



- Once CRA authorizes access, log into CRA's *Represent a Client* portal at www.canada.ca (select the Income Tax dropdown)
- Choose *CRA login* and enter your CRA *Represent a Client* credentials



Use this secure service to access tax information on behalf of individuals and businesses, including your employer.

Choose from one of two ways to access Represent a Client:

- Use the same sign in information you use for other online services (for example, online banking).
- None of your information will be shared with CRA. Your Sign-In Partner will not know which government service you are using.
- You will temporarily leave the CRA website to use your Sign-In Partner.

with your CRA user ID and password or register if you do not have a CRA user ID an

* User ID: *(required)*

A1TaxPrep

* Password: *(required)*

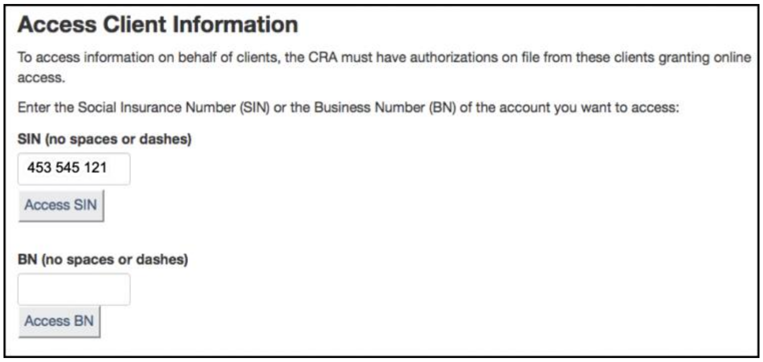
•••••••••••

For more information on how your privacy is protected, refer to our Personal Information Collection Statement.

Register if you are a new user.

To revoke or change your CRA user ID or password, or to manage your security questions and answers, you must first login.

- Enter Angela’s social insurance number and click *Access SIN*



To access information on behalf of clients, the CRA must have authorizations on file from these clients granting online access.

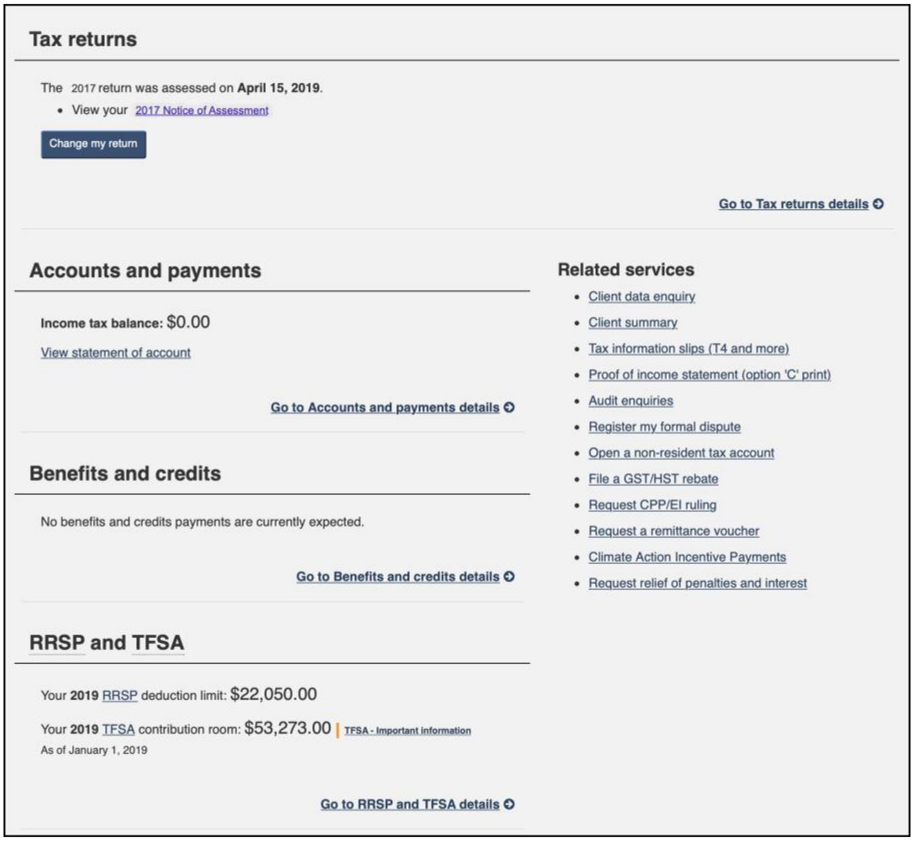
Enter the Social Insurance Number (SIN) or the Business Number (BN) of the account you want to access:

SIN (no spaces or dashes)

453 545 121

BN (no spaces or dashes)

- You are now at Angela’s Information page. Note the tax information that CRA makes available including: prior-year *Notice of Assessment*, *Statements of Account*, and *RRSP* and *TFSA* balances



Tax returns

The 2017 return was assessed on **April 15, 2019**.

- View your 2017 Notice of Assessment

Accounts and payments

Income tax balance: $0.00

View statement of account

Benefits and credits

No benefits and credits payments are currently expected.

RRSP and TFSA

Your **2019** RRSP deduction limit: $22,050.00

Your **2019** TFSA contribution room: $53,273.00 | TFSA - Important information

As of January 1, 2019

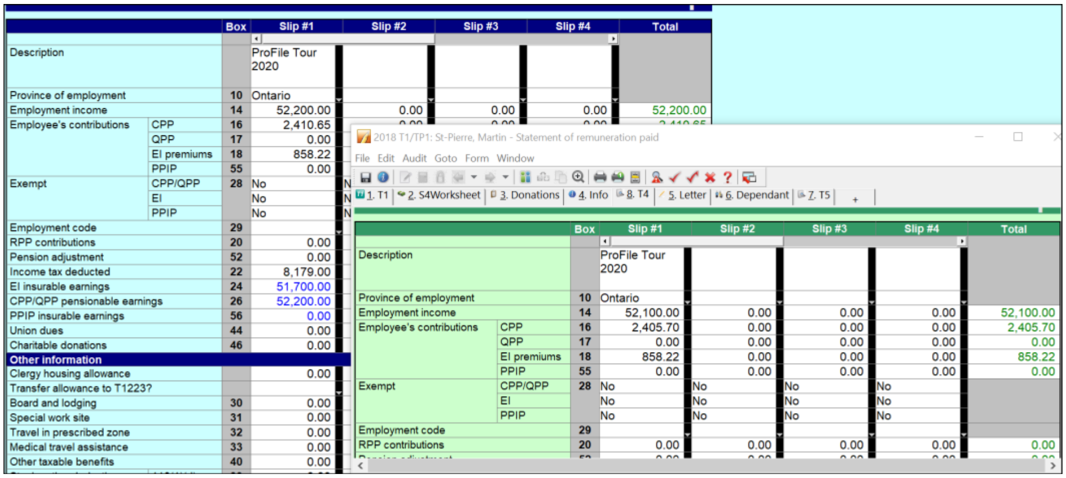
Related services

- Client data enquiry
- Client summary
- Tax information slips (T4 and more)
- Proof of income statement (option 'C' print)
- Audit enquiries
- Register my formal dispute
- Open a non-resident tax account
- File a GST/HST rebate
- Request CPP/EI ruling
- Request a remittance voucher
- Climate Action Incentive Payments
- Request relief of penalties and interest

Entering tax data

With the tax returns open in ProFile, use *Form Explorer* to open the forms and schedules that you need to record Jane's slip information.

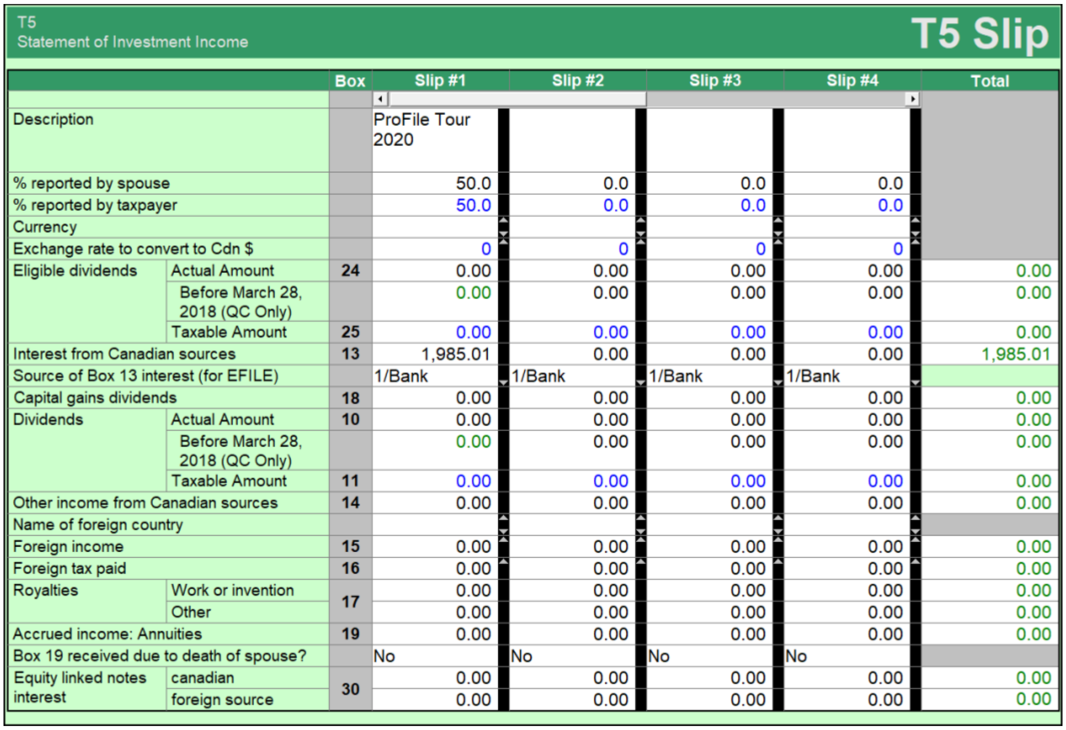
- Press *F4* to open *Form Explorer*, and, in the *Search* field, enter *T4*. Record the slip information on Jane's T4 form. Press *F5* to toggle to Martin's return. Enter his T4 information as well



		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ProFile Tour 2020				
Province of employment		10	Ontario				
Employment income		14	52,200.00	0.00	0.00	0.00	52,200.00
Employee's contributions	CPP	16	2,410.65				
	QPP	17	0.00				
	EI premiums	18	858.22				
	PPIP	55	0.00				
Exempt	CPP/QPP	28	No	N			
	EI		No	N			
	PPIP		No	N			
Employment code		29					
RPP contributions		20	0.00				
Pension adjustment		52	0.00				
Income tax deducted		22	8,179.00				
EI insurable earnings		24	51,700.00				
CPP/QPP pensionable earnings		26	52,200.00				
PPIP insurable earnings		56	0.00				
Union dues		44	0.00				
Charitable donations		46	0.00				
Other information							
Clergy housing allowance			0.00				
Transfer allowance to T1223?							
Board and lodging		30	0.00				
Special work site		31	0.00				
Travel in prescribed zone		32	0.00				
Medical travel assistance		33	0.00				
Other taxable benefits		40	0.00				

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ProFile Tour 2020				
Province of employment		10	Ontario				
Employment income		14	52,100.00	0.00	0.00	0.00	52,100.00
Employee's contributions	CPP	16	2,405.70	0.00	0.00	0.00	2,405.70
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	858.22	0.00	0.00	0.00	858.22
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00

- From Martin's T, press *F4* to find the T5 form and record that slip's information
- Because you decided to allocate 50% of the investment earnings to each spouse, enter "50" on the line that reads, "*% reported by spouse"*

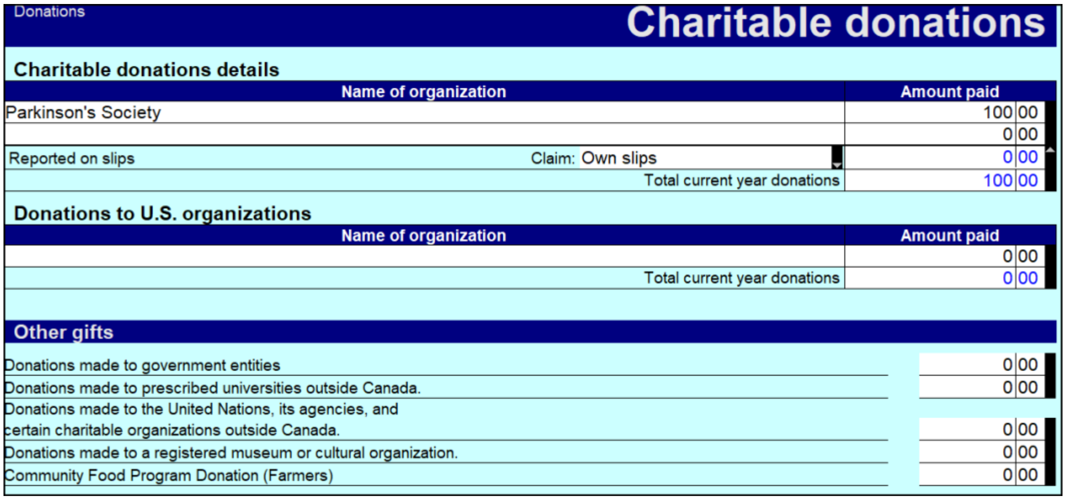


T5
Statement of Investment Income

T5 Slip

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			ProFile Tour 2020				
% reported by spouse			50.0	0.0	0.0	0.0	
% reported by taxpayer			50.0	0.0	0.0	0.0	
Currency							
Exchange rate to convert to Cdn $			0	0	0	0	
Eligible dividends	Actual Amount	24	0.00	0.00	0.00	0.00	0.00
	Before March 28, 2018 (QC Only)		0.00	0.00	0.00	0.00	0.00
	Taxable Amount	25	0.00	0.00	0.00	0.00	0.00
Interest from Canadian sources		13	1,985.01	0.00	0.00	0.00	1,985.01
Source of Box 13 interest (for EFILE)			1/Bank	1/Bank	1/Bank	1/Bank	
Capital gains dividends		18	0.00	0.00	0.00	0.00	0.00
Dividends	Actual Amount	10	0.00	0.00	0.00	0.00	0.00
	Before March 28, 2018 (QC Only)		0.00	0.00	0.00	0.00	0.00
	Taxable Amount	11	0.00	0.00	0.00	0.00	0.00
Other income from Canadian sources		14	0.00	0.00	0.00	0.00	0.00
Name of foreign country							
Foreign income		15	0.00	0.00	0.00	0.00	0.00
Foreign tax paid		16	0.00	0.00	0.00	0.00	0.00
Royalties	Work or invention	17	0.00	0.00	0.00	0.00	0.00
	Other		0.00	0.00	0.00	0.00	0.00
Accrued income: Annuities		19	0.00	0.00	0.00	0.00	0.00
Box 19 received due to death of spouse?			No	No	No	No	
Equity linked notes interest	canadian	30	0.00	0.00	0.00	0.00	0.00
	foreign source		0.00	0.00	0.00	0.00	0.00

- Press F5 to return to Angela’s return and then use *Form Explorer* to open the *DON* (*Charitable Donations)* form. Record that slip’s amount as indicated below



Donations

Charitable donations

Charitable donations details

Name of organization	Amount paid
Parkinson's Society	100 00
	0 00
Reported on slips — Claim: Own slips	0 00
Total current year donations	100 00

Donations to U.S. organizations

Name of organization	Amount paid
	0 00
Total current year donations	0 00

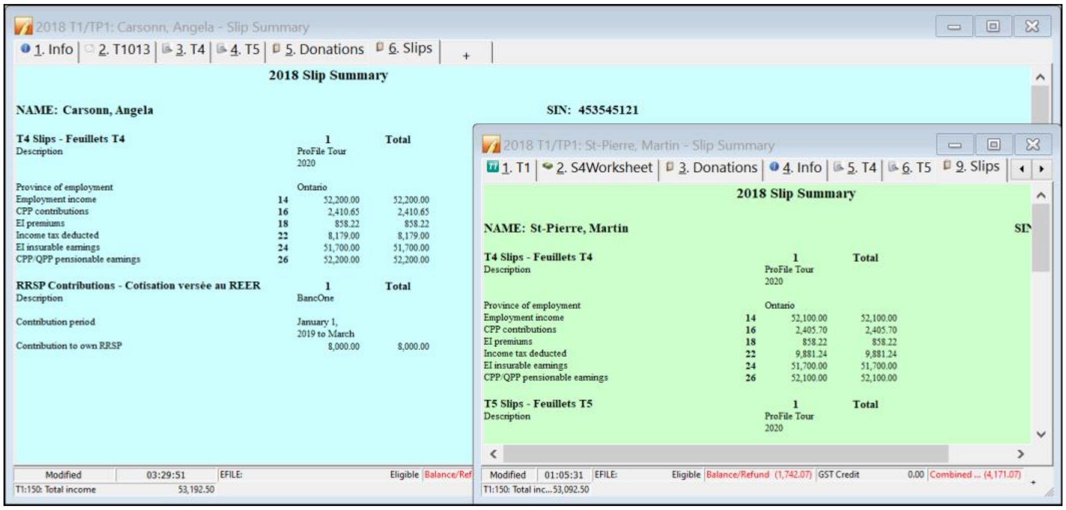
Other gifts

Donations made to government entities	0 00
Donations made to prescribed universities outside Canada.	0 00
Donations made to the United Nations, its agencies, and certain charitable organizations outside Canada.	0 00
Donations made to a registered museum or cultural organization.	0 00
Community Food Program Donation (Farmers)	0 00

Wrapping things up

Before finalizing things, you’ll want to double-check the tax returns. As discussed earlier, ProFile’s auditor is a powerful tool that alerts you about any errors or missing information. In addition to the auditor, you will also want to refer to the *Slip Summary* form. This form lists, on a single page, the information from every slip used on a T1.

- Press *F4* to open Form Explorer and find Angela’s *Slip Summary* form. Use it to confirm the T4 and other slip amounts
- Press *F5* to toggle to Martin’s T1 and to access his *Slip Summary* form as well



2018 Slip Summary

NAME: Carsonn, Angela **SIN: 453545121**

T4 Slips - Feuillets T4		**1**	**Total**
Description		ProFile Tour 2020	
Province of employment		Ontario	
Employment income	**14**	52,200.00	52,200.00
CPP contributions	**16**	2,410.65	2,410.65
EI premiums	**18**	858.22	858.22
Income tax deducted	**22**	8,179.00	8,179.00
EI insurable earnings	**24**	51,700.00	51,700.00
CPP/QPP pensionable earnings	**26**	52,200.00	52,200.00

RRSP Contributions - Cotisation versée au REER	**1**	**Total**
Description	BancOne	
Contribution period	January 1, 2019 to March	
Contribution to own RRSP	8,000.00	8,000.00

Modified 03:29:51 EFILE: Eligible Balance/Ref
T1:150: Total income 53,192.50

2018 Slip Summary

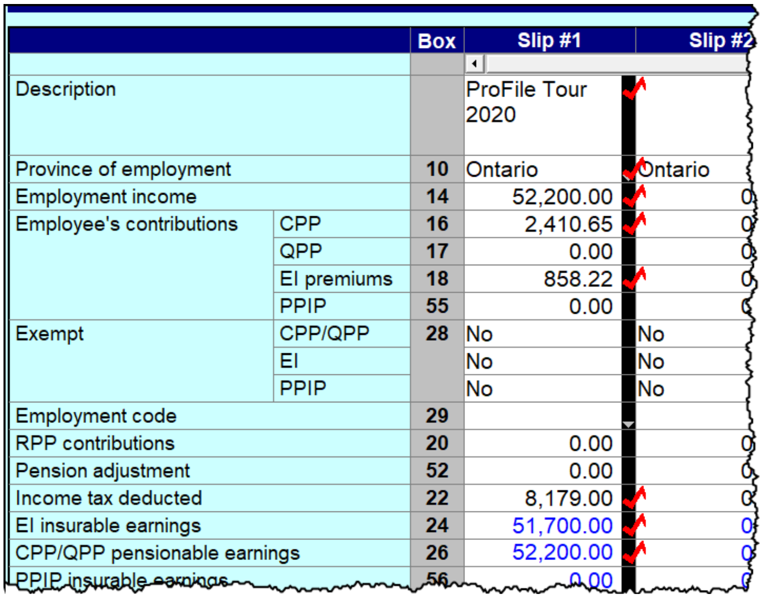
NAME: St-Pierre, Martin **SIN**

T4 Slips - Feuillets T4		**1**	**Total**
Description		ProFile Tour 2020	
Province of employment		Ontario	
Employment income	**14**	52,100.00	52,100.00
CPP contributions	**16**	2,405.70	2,405.70
EI premiums	**18**	858.22	858.22
Income tax deducted	**22**	9,881.24	9,881.24
EI insurable earnings	**24**	51,700.00	51,700.00
CPP/QPP pensionable earnings	**26**	52,100.00	52,100.00

T5 Slips - Feuillets T5	**1**	**Total**
Description	ProFile Tour 2020	

Modified 01:05:31 EFILE: Eligible Balance/Refund (1,742.07) GST Credit 0.00 Combined ... (4,171.07)
T1:150: Total inc...53,092.50

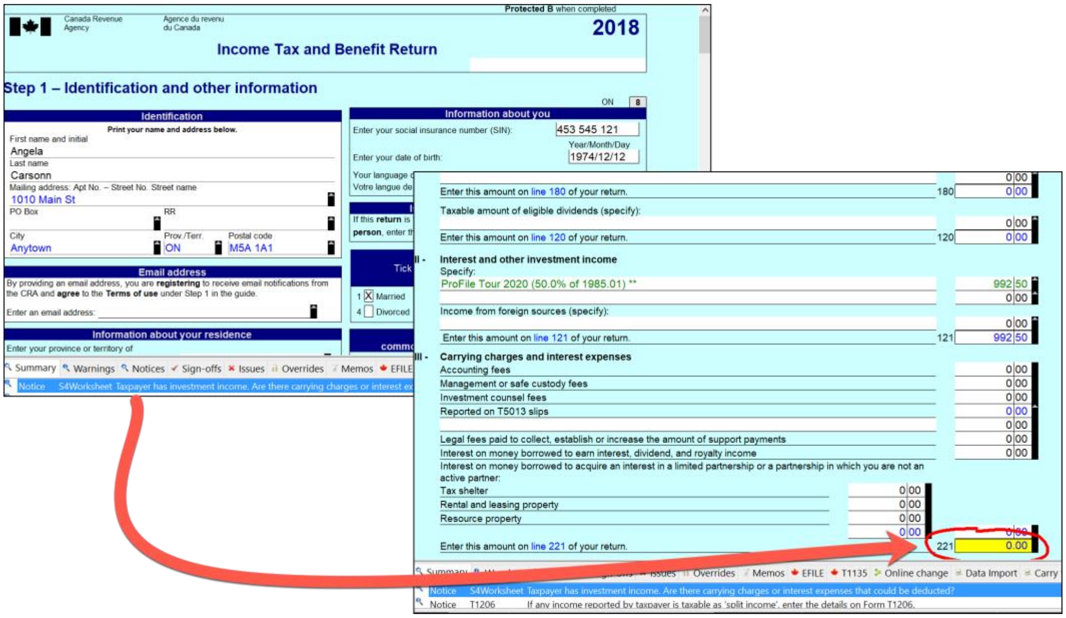
- You can also use ProFile's *Sign-offs* Review Marks to indicate, on each form, that you have verified and confirmed all entered amounts



		Box	Slip #1	Slip #2
Description			ProFile Tour 2020	
Province of employment		10	Ontario	Ontario
Employment income		14	52,200.00	0
Employee's contributions	CPP	16	2,410.65	0
	QPP	17	0.00	0
	EI premiums	18	858.22	0
	PPIP	55	0.00	0
Exempt	CPP/QPP	28	No	No
	EI		No	No
	PPIP		No	No
Employment code		29		
RPP contributions		20	0.00	0
Pension adjustment		52	0.00	0
Income tax deducted		22	8,179.00	0
EI insurable earnings		24	51,700.00	0
CPP/QPP pensionable earnings		26	52,200.00	0
PPIP insurable earnings		56	0.00	0

Using the auditor

- Press CTRL+F9 to consult ProFile's *Auditor* for errors, omissions and suggestions
- Double-click an audit message to jump to the related form
- Use a sign-off to clear the audit message



Step 1 – Identification and other information

ON 8

Identification

Print your name and address below.

First name and initial: Angela

Last name: Carsonn

Mailing address: Apt No. – Street No. Street name: 1010 Main St

PO Box

RR

City: Anytown

Prov./Terr.: ON

Postal code: M5A 1A1

Email address

By providing an email address, you are **registering** to receive email notifications from the CRA and **agree** to the **Terms of use** under Step 1 in the guide.

Enter an email address:

Information about your residence

Enter your province or territory of

Information about you

Enter your social insurance number (SIN): 453 545 121

Year/Month/Day

Enter your date of birth: 1974/12/12

1 ☒ Married

4 ☐ Divorced

		0.00
Enter this amount on line 180 of your return.	180	0.00
Taxable amount of eligible dividends (specify):		
		0.00
Enter this amount on line 120 of your return.	120	0.00
II - Interest and other investment income		
Specify:		
ProFile Tour 2020 (50.0% of 1985.01) **		992.50
		0.00
Income from foreign sources (specify):		
		0.00
Enter this amount on line 121 of your return.	121	992.50
III - Carrying charges and interest expenses		
Accounting fees		0.00
Management or safe custody fees		0.00
Investment counsel fees		0.00
Reported on T5013 slips		0.00
		0.00
Legal fees paid to collect, establish or increase the amount of support payments		0.00
Interest on money borrowed to earn interest, dividend, and royalty income		0.00
Interest on money borrowed to acquire an interest in a limited partnership or a partnership in which you are not an active partner:		
Tax shelter	0.00	
Rental and leasing property	0.00	
Resource property	0.00	
	0.00	0.00
Enter this amount on line 221 of your return.	221	0.00

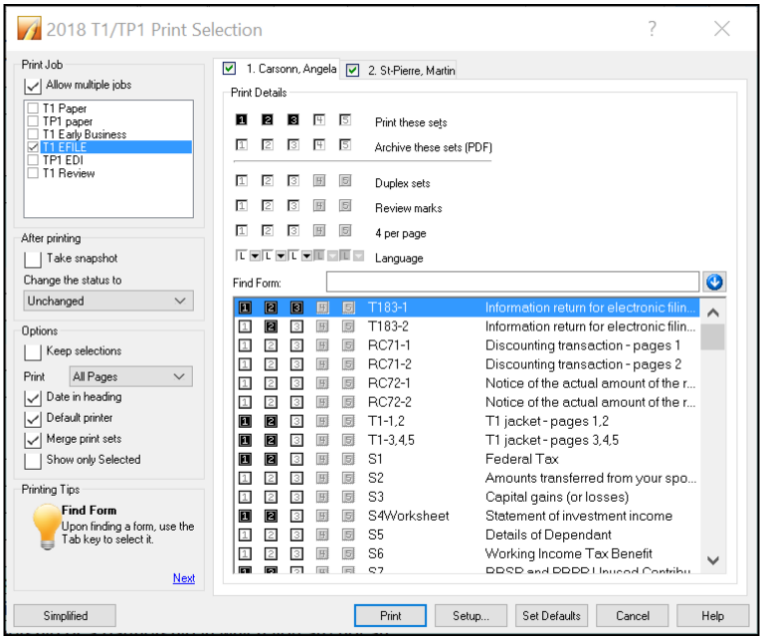
Notice S4Worksheet Taxpayer has investment income. Are there carrying charges or interest expenses that could be deducted?

Notice T1206 If any income reported by taxpayer is taxable as 'split income', enter the details on Form T1206.

Out the door

You'll need to provide to your clients a copy of their tax returns. You can, of course, print the return or, as is becoming increasing popular, provide a PDF copy. In either case, in order to EFILE the returns, you will want your clients to sign CRA's T183 form.

- To print the return, click the toolbar's *Print* icon
- ProFile will open the *Print Selection* window—ready to print only those forms that you selected under *Options>Print Selection*



☑ Allow multiple jobs

☐ T1 Paper
☐ TP1 paper
☐ T1 Early Business
☑ T1 EFILE
☐ TP1 EDI
☐ T1 Review

☐ Take snapshot

Change the status to: Unchanged

☐ Keep selections

Print: All Pages

☑ Date in heading
☑ Default printer
☑ Merge print sets
☐ Show only Selected

Find Form
Upon finding a form, use the Tab key to select it.

☑ 1. Carsonn, Angela ☑ 2. St-Pierre, Martin

Print these sets

Archive these sets (PDF)

Duplex sets

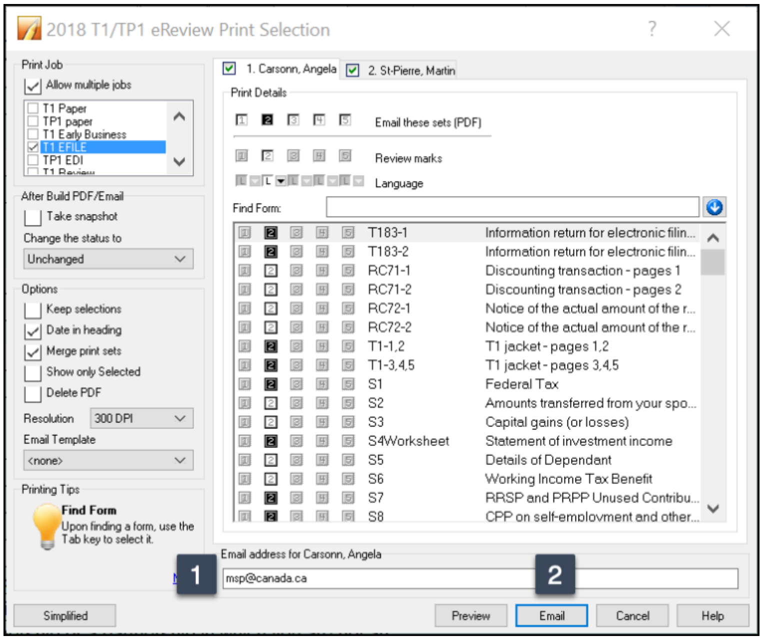
Review marks

4 per page

Language

T183-1	Information return for electronic filin...
T183-2	Information return for electronic filin...
RC71-1	Discounting transaction - pages 1
RC71-2	Discounting transaction - pages 2
RC72-1	Notice of the actual amount of the r...
RC72-2	Notice of the actual amount of the r...
T1-1,2	T1 jacket - pages 1,2
T1-3,4,5	T1 jacket - pages 3,4,5
S1	Federal Tax
S2	Amounts transferred from your spo...
S3	Capital gains (or losses)
S4Worksheet	Statement of investment income
S5	Details of Dependant
S6	Working Income Tax Benefit
S7	RRSP and PRPP Unused Contribu...

- If you'd rather email a PDF, first enter the client's email address on the *Personal Information* form, then click *Print / Email PDF*
- In the *eReview Print Selection* window, ProFile enters the email address for you
- After confirming the address, 1
- Click *Email* to send the tax file 2



2018 T1/TP1 eReview Print Selection

Print Job
☑ Allow multiple jobs

☐ T1 Paper
☐ TP1 paper
☐ T1 Early Business
☑ T1 EFILE
☐ TP1 EDI
☐ T1 Review

After Build PDF/Email
☐ Take snapshot
Change the status to: Unchanged

Options
☐ Keep selections
☑ Date in heading
☑ Merge print sets
☐ Show only Selected
☐ Delete PDF
Resolution: 300 DPI
Email Template: <none>

Printing Tips
Find Form
Upon finding a form, use the Tab key to select it.

☑ 1. Carsonn, Angela ☑ 2. St-Pierre, Martin

Print Details
Email these sets (PDF): 2
Review marks
Language
Find Form:

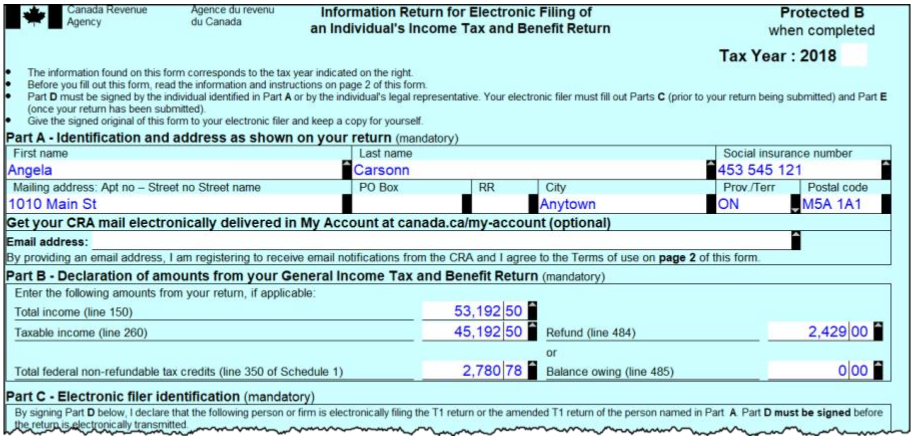
2	T183-1	Information return for electronic filin...
2	T183-2	Information return for electronic filin...
	RC71-1	Discounting transaction - pages 1
	RC71-2	Discounting transaction - pages 2
	RC72-1	Notice of the actual amount of the r...
	RC72-2	Notice of the actual amount of the r...
2	T1-1,2	T1 jacket - pages 1,2
2	T1-3,4,5	T1 jacket - pages 3,4,5
2	S1	Federal Tax
	S2	Amounts transferred from your spo...
	S3	Capital gains (or losses)
2	S4Worksheet	Statement of investment income
	S5	Details of Dependant
	S6	Working Income Tax Benefit
2	S7	RRSP and PRPP Unused Contribu...
2	S8	CPP on self-employment and other...

Email address for Carsonn, Angela: msp@canada.ca

EFILE it

The very last step is to EFILE the return. EFILE is CRA's electronic-filing portal that all professional tax preparers are required to use.

Before a preparer can EFILE a tax return, she will need the client's signature on CRA Form T183.



Canada Revenue Agency / Agence du revenu du Canada

Information Return for Electronic Filing of an Individual's Income Tax and Benefit Return

Protected B when completed

Tax Year : 2018

- The information found on this form corresponds to the tax year indicated on the right.
- Before you fill out this form, read the information and instructions on page 2 of this form.
- Part **D** must be signed by the individual identified in Part **A** or by the individual's legal representative. Your electronic filer must fill out Parts **C** (prior to your return being submitted) and Part **E** (once your return has been submitted).
- Give the signed original of this form to your electronic filer and keep a copy for yourself.

Part A - Identification and address as shown on your return (mandatory)

First name: Angela
Last name: Carsonn
Social insurance number: 453 545 121
Mailing address: Apt no – Street no Street name: 1010 Main St
PO Box:
RR:
City: Anytown
Prov./Terr: ON
Postal code: M5A 1A1

Get your CRA mail electronically delivered in My Account at canada.ca/my-account (optional)

Email address:

By providing an email address, I am registering to receive email notifications from the CRA and I agree to the Terms of use on **page 2** of this form.

Part B - Declaration of amounts from your General Income Tax and Benefit Return (mandatory)

Enter the following amounts from your return, if applicable:

Total income (line 150)	53,192 50		
Taxable income (line 260)	45,192 50	Refund (line 484)	2,429 00
		or	
Total federal non-refundable tax credits (line 350 of Schedule 1)	2,780 78	Balance owing (line 485)	0 00

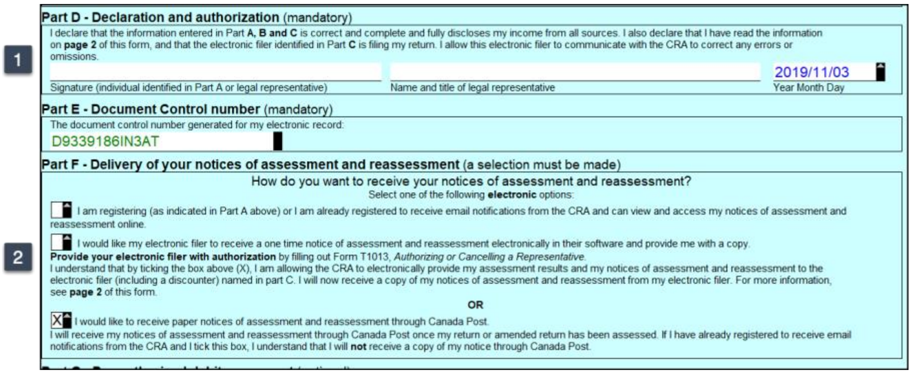
Part C - Electronic filer identification (mandatory)

By signing Part **D** below, I declare that the following person or firm is electronically filing the T1 return or the amended T1 return of the person named in Part A. Part **D must be signed** before the return is electronically transmitted.

Here are a few additional need-to-know items regarding the T183:

- Ensure that your client signs where required 1

- Double-check that the correct method is selected for the Notice of Assessment 2



Part D - Declaration and authorization (mandatory)

I declare that the information entered in Part **A, B and C** is correct and complete and fully discloses my income from all sources. I also declare that I have read the information on **page 2** of this form, and that the electronic filer identified in Part **C** is filing my return. I allow this electronic filer to communicate with the CRA to correct any errors or omissions.

Signature (individual identified in Part A or legal representative)

Name and title of legal representative

Year Month Day: 2019/11/03

Part E - Document Control number (mandatory)

The document control number generated for my electronic record: D9339186IN3AT

Part F - Delivery of your notices of assessment and reassessment (a selection must be made)

How do you want to receive your notices of assessment and reassessment?

Select one of the following **electronic** options:

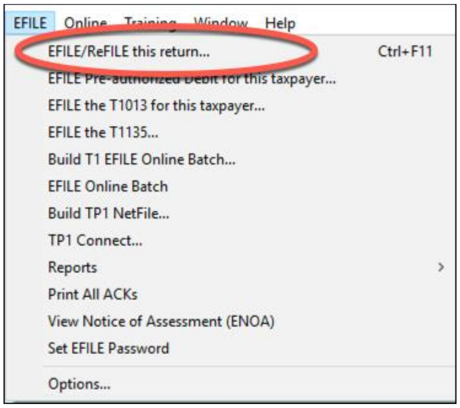
☐ I am registering (as indicated in Part A above) or I am already registered to receive email notifications from the CRA and can view and access my notices of assessment and reassessment online.

☐ I would like my electronic filer to receive a one time notice of assessment and reassessment electronically in their software and provide me with a copy.
Provide your electronic filer with authorization by filling out Form T1013, *Authorizing or Cancelling a Representative.*
I understand that by ticking the box above (X), I am allowing the CRA to electronically provide my assessment results and my notices of assessment and reassessment to the electronic filer (including a discounter) named in part C. I will now receive a copy of my notices of assessment and reassessment from my electronic filer. For more information, see **page 2** of this form.

OR

☒ I would like to receive paper notices of assessment and reassessment through Canada Post.
I will receive my notices of assessment and reassessment through Canada Post once my return or amended return has been assessed. If I have already registered to receive email notifications from the CRA and I tick this box, I understand that I will **not** receive a copy of my notice through Canada Post.

- To EFILE the T1 return, just click the *EFILE* menu and select *EFILE/ReFILE* this return



And that’s it. Job done!

Chapter 4 Quiz

Question 1: Tax preparers use the term “T1” to describe:

A. The form an employer sends to an employee at year-end
B. A statement that a bank sends to investors
C. A corporate tax return
D. A personal tax return

Correct answer is D

Question 2: True or False: You record all income and deductions directly onto ProFile’s T1 jacket

Correct answer is False

Question 3: ProFile’s *Info* page is used to:

A. Enter all amounts earned during the year
B. Enter the names of employers, banks and investments houses
C. Indicate which forms and schedules you want to use on a T1
D. Enter the name, address and other personal information

Correct answer is D

Question 4: True or False: Each type of income (T4, T5, etc.) is recorded on a dedicated form or Schedule in ProFile

Correct answer is True

Question 5: True or False: The T2202 Form is used to enter tuition amounts paid to a learning institution

Correct answer is True

Question 6: A signed T1013 form is used to:

A. Get a client’s sign-off on a completed T1
B. Record deductions and credits
C. Ensure that there are no CRA omissions
D. Access CRA’s website and obtain a client’s tax information

Correct answer is D

Question 7: True or False: There is an icon on ProFile's toolbar to toggle between spouses' T1s

Correct answer is True

Question 8: True or False: You use the Slip Summary form to verify the amounts from all slips

Correct answer is True

Question 9: A signed T183 is used to:

A. Record the amount of tax deducted on a T4 slip
B. Get a client's authorization to EFILE a T1
C. Change an error on a filed T1
D. All the above

Correct answer is B

Question 10: True or False: ProFile cannot EFILE a T1. You can only do so from CRA's website

Correct answer is False

Chapter 5

Advanced T1 Work

Learning Objectives

At this chapter's end students will understand:

- How to prepare a T1 when there are dependents
- How ProFile optimizes a T1
- How to prepare a T1 for the self-employed

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

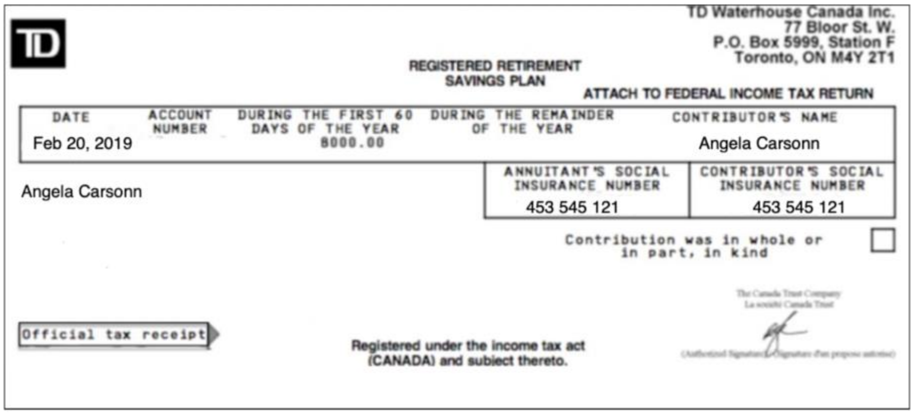
Chapter 5: Advanced T1 Work

DEPENDANTS AND DEDUCTIONS

Now that you have learned the basics, let's explore T1 preparation at a more advanced level. Chapter introduced a married couple Angela Carsonn and Martin St-Pierre. We also prepared a separate and independent tax return for a university student by the name of Johnny Carsonn. Chapter 4, therefore, assumed no relation between the married couple (Angela and Martin) and the student (Johnny). In this chapter, you will learn how ProFile optimizes tax returns—using a feature called *Family Linking*—when there is a relationship amongst various taxpayers.

Let's begin, though, by assuming that the married couple, Angela Carsonn and Martin St-Pierre, submit even more forms.

- These forms include the following RSP slip



TD Waterhouse Canada Inc.
77 Bloor St. W.
P.O. Box 5999, Station F
Toronto, ON M4Y 2T1

REGISTERED RETIREMENT
SAVINGS PLAN

ATTACH TO FEDERAL INCOME TAX RETURN

DATE	ACCOUNT NUMBER	DURING THE FIRST 60 DAYS OF THE YEAR	DURING THE REMAINDER OF THE YEAR	CONTRIBUTOR'S NAME
Feb 20, 2019		8000.00		Angela Carsonn

Angela Carsonn

ANNUITANT'S SOCIAL INSURANCE NUMBER	CONTRIBUTOR'S SOCIAL INSURANCE NUMBER
453 545 121	453 545 121

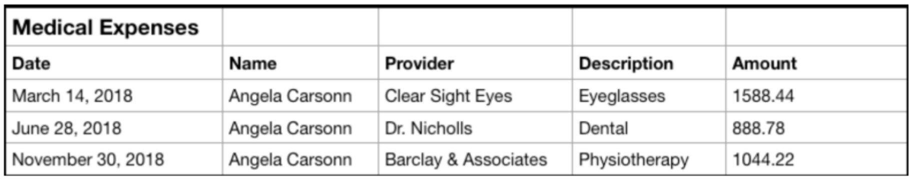
Contribution was in whole or in part, in kind ☐

Official tax receipt

Registered under the income tax act
(CANADA) and subject thereto.

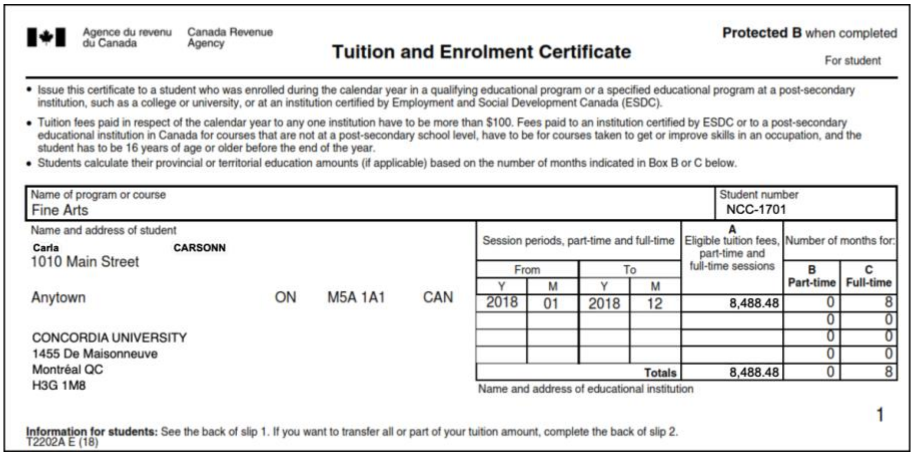
The Canada Trust Company
La société Canada Trust

- And a schedule of Medical Expense



Medical Expenses				
Date	**Name**	**Provider**	**Description**	**Amount**
March 14, 2018	Angela Carsonn	Clear Sight Eyes	Eyeglasses	1588.44
June 28, 2018	Angela Carsonn	Dr. Nicholls	Dental	888.78
November 30, 2018	Angela Carsonn	Barclay & Associates	Physiotherapy	1044.22

- Further assume that Angela submitted to you the following T4 and tuition slip for her daughter, Carla, who was a full-time student at Concordia University



Agence du revenu du Canada Canada Revenue Agency

Tuition and Enrolment Certificate

Protected B when completed

For student

- Issue this certificate to a student who was enrolled during the calendar year in a qualifying educational program or a specified educational program at a post-secondary institution, such as a college or university, or at an institution certified by Employment and Social Development Canada (ESDC).
- Tuition fees paid in respect of the calendar year to any one institution have to be more than $100. Fees paid to an institution certified by ESDC or to a post-secondary educational institution in Canada for courses that are not at a post-secondary school level, have to be for courses taken to get or improve skills in an occupation, and the student has to be 16 years of age or older before the end of the year.
- Students calculate their provincial or territorial education amounts (if applicable) based on the number of months indicated in Box B or C below.

Name of program or course: Fine Arts

Student number: NCC-1701

Name and address of student

Carla **CARSONN**
1010 Main Street
Anytown ON M5A 1A1 CAN

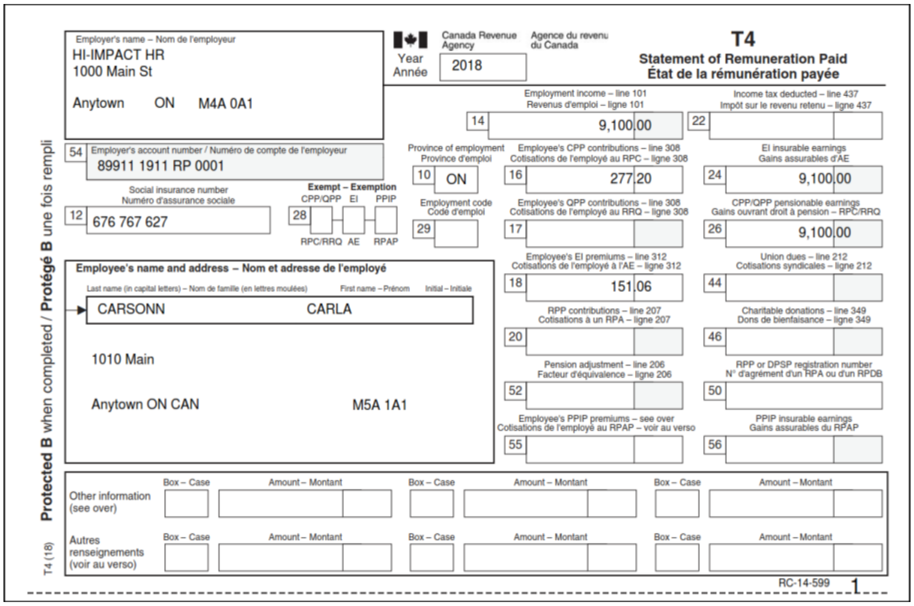
CONCORDIA UNIVERSITY
1455 De Maisonneuve
Montréal QC
H3G 1M8

Session periods, part-time and full-time				A Eligible tuition fees, part-time and full-time sessions	Number of months for:	
From		To			B Part-time	C Full-time
Y	M	Y	M			
2018	01	2018	12	8,488.48	0	8
					0	0
					0	0
					0	0
			Totals	8,488.48	0	8

Name and address of educational institution

1

Information for students: See the back of slip 1. If you want to transfer all or part of your tuition amount, complete the back of slip 2.
T2202A E (18)



Protected B when completed / **Protégé B** une fois rempli

Employer's name – Nom de l'employeur
HI-IMPACT HR
1000 Main St
Anytown ON M4A 0A1

Canada Revenue Agency Agence du revenu du Canada

Year Année: 2018

T4

Statement of Remuneration Paid
État de la rémunération payée

54 Employer's account number / Numéro de compte de l'employeur: 89911 1911 RP 0001

12 Social insurance number – Numéro d'assurance sociale: 676 767 627

28 Exempt – Exemption: CPP/QPP ☐ EI ☐ PPIP ☐ (RPC/RRQ AE RPAP)

10 Province of employment – Province d'emploi: ON

29 Employment code – Code d'emploi:

14 Employment income – line 101 / Revenus d'emploi – ligne 101: 9,100.00

22 Income tax deducted – line 437 / Impôt sur le revenu retenu – ligne 437:

16 Employee's CPP contributions – line 308 / Cotisations de l'employé au RPC – ligne 308: 277.20

24 EI insurable earnings / Gains assurables d'AE: 9,100.00

17 Employee's QPP contributions – line 308 / Cotisations de l'employé au RRQ – ligne 308:

26 CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: 9,100.00

18 Employee's EI premiums – line 312 / Cotisations de l'employé à l'AE – ligne 312: 151.06

44 Union dues – line 212 / Cotisations syndicales – ligne 212:

20 RPP contributions – line 207 / Cotisations à un RPA – ligne 207:

46 Charitable donations – line 349 / Dons de bienfaisance – ligne 349:

52 Pension adjustment – line 206 / Facteur d'équivalence – ligne 206:

50 RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB:

55 Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso:

56 PPIP insurable earnings / Gains assurables du RPAP:

Employee's name and address – Nom et adresse de l'employé

Last name (in capital letters) – Nom de famille (en lettres moulées): CARSONN
First name – Prénom: CARLA
Initial – Initiale:

1010 Main
Anytown ON CAN M5A 1A1

Other information (see over) / Autres renseignements (voir au verso)

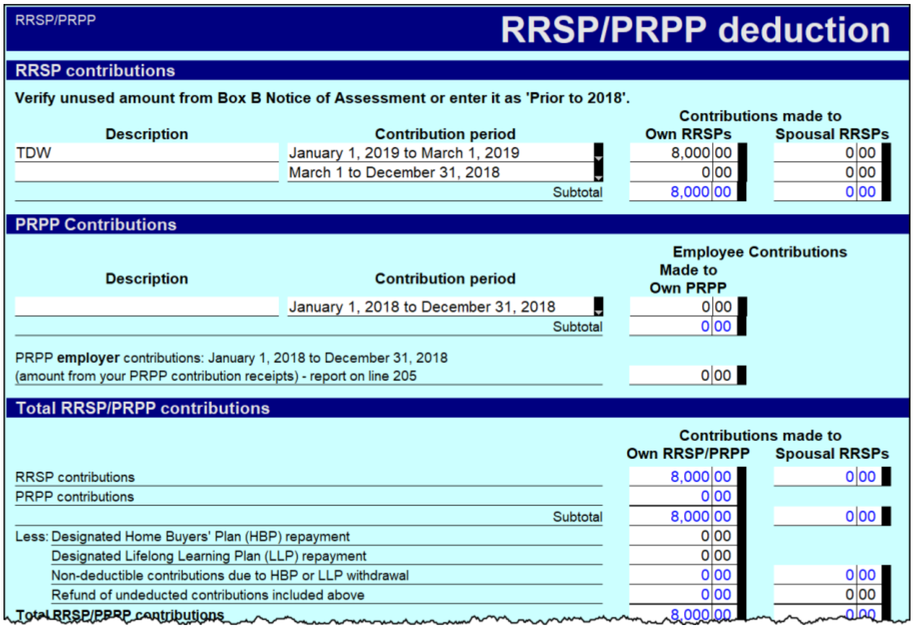
Box – Case	Amount – Montant	Box – Case	Amount – Montant	Box – Case	Amount – Montant

T4 (18)

RC-14-599 1

Recording RRSP contributions

- With Angela and Martin's tax return open, press F4, enter *RSP* in the *Search* field, and Profile will open the *RRSP/PRPP deduction* form



RRSP/PRPP

RRSP/PRPP deduction

RRSP contributions

Verify unused amount from Box B Notice of Assessment or enter it as 'Prior to 2018'.

		Contributions made to	
Description	**Contribution period**	**Own RRSPs**	**Spousal RRSPs**
TDW	January 1, 2019 to March 1, 2019	8,000 00	0 00
	March 1 to December 31, 2018	0 00	0 00
	Subtotal	8,000 00	0 00

PRPP Contributions

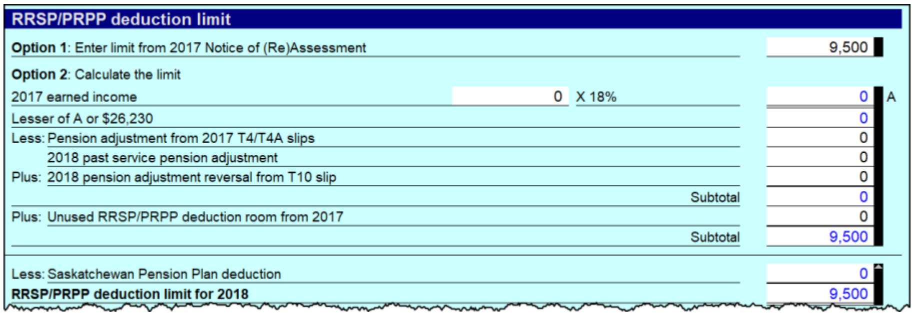
Description	**Contribution period**	**Employee Contributions Made to Own PRPP**
	January 1, 2018 to December 31, 2018	0 00
	Subtotal	0 00

PRPP **employer** contributions: January 1, 2018 to December 31, 2018 (amount from your PRPP contribution receipts) - report on line 205	0 00

Total RRSP/PRPP contributions

	Contributions made to	
	Own RRSP/PRPP	**Spousal RRSPs**
RRSP contributions	8,000 00	0 00
PRPP contributions	0 00	
Subtotal	8,000 00	0 00
Less: Designated Home Buyers' Plan (HBP) repayment	0 00	
Designated Lifelong Learning Plan (LLP) repayment	0 00	
Non-deductible contributions due to HBP or LLP withdrawal	0 00	0 00
Refund of undeducted contributions included above	0 00	0 00
Total RRSP/PRPP contributions	8,000 00	0 00

- When entering RRSP contributions on this form, scroll down to enter or confirm the taxpayer’s deduction limit (which you will find on CRA’s Notice of Assessment). Note that ProFile will not allow an RRSP deduction until you fill in this field

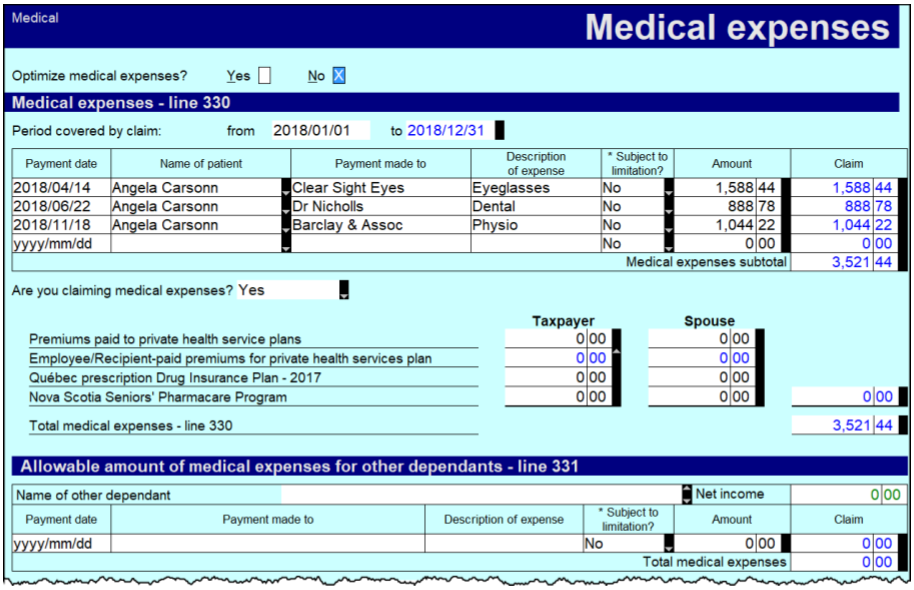


RRSP/PRPP deduction limit

Option 1: Enter limit from 2017 Notice of (Re)Assessment		9,500	
Option 2: Calculate the limit			
2017 earned income	0 X 18%	0	A
Lesser of A or $26,230		0	
Less: Pension adjustment from 2017 T4/T4A slips		0	
2018 past service pension adjustment		0	
Plus: 2018 pension adjustment reversal from T10 slip		0	
Subtotal		0	
Plus: Unused RRSP/PRPP deduction room from 2017		0	
Subtotal		9,500	
Less: Saskatchewan Pension Plan deduction		0	
RRSP/PRPP deduction limit for 2018		9,500	

Entering Medical Expenses

- To optimize a married couple’s tax return, you will want to combine and claim medical expenses on only one of the spouse’s returns. Assume, therefore, that you have decided to enter the medical expenses on Angela’s T1
- Press F4, enter *Med* in the *Search* field and ProFile will open the *Medical Expenses* form
- Enter the medical expenses as illustrated below



Medical

Medical expenses

Optimize medical expenses? Yes ☐ No ☒

Medical expenses - line 330

Period covered by claim: from 2018/01/01 to 2018/12/31

Payment date	Name of patient	Payment made to	Description of expense	* Subject to limitation?	Amount	Claim
2018/04/14	Angela Carsonn	Clear Sight Eyes	Eyeglasses	No	1,588 44	1,588 44
2018/06/22	Angela Carsonn	Dr Nicholls	Dental	No	888 78	888 78
2018/11/18	Angela Carsonn	Barclay & Assoc	Physio	No	1,044 22	1,044 22
yyyy/mm/dd				No	0 00	0 00
					Medical expenses subtotal	3,521 44

Are you claiming medical expenses? Yes

	Taxpayer	Spouse	
Premiums paid to private health service plans	0 00	0 00	
Employee/Recipient-paid premiums for private health services plan	0 00	0 00	
Québec prescription Drug Insurance Plan - 2017	0 00	0 00	
Nova Scotia Seniors' Pharmacare Program	0 00	0 00	0 00
Total medical expenses - line 330			3,521 44

Allowable amount of medical expenses for other dependants - line 331

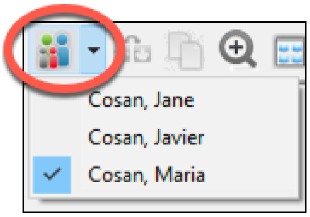
Name of other dependant — Net income 0 00

Payment date	Payment made to	Description of expense	* Subject to limitation?	Amount	Claim
yyyy/mm/dd			No	0 00	0 00
				Total medical expenses	0 00

Recording Dependant Information

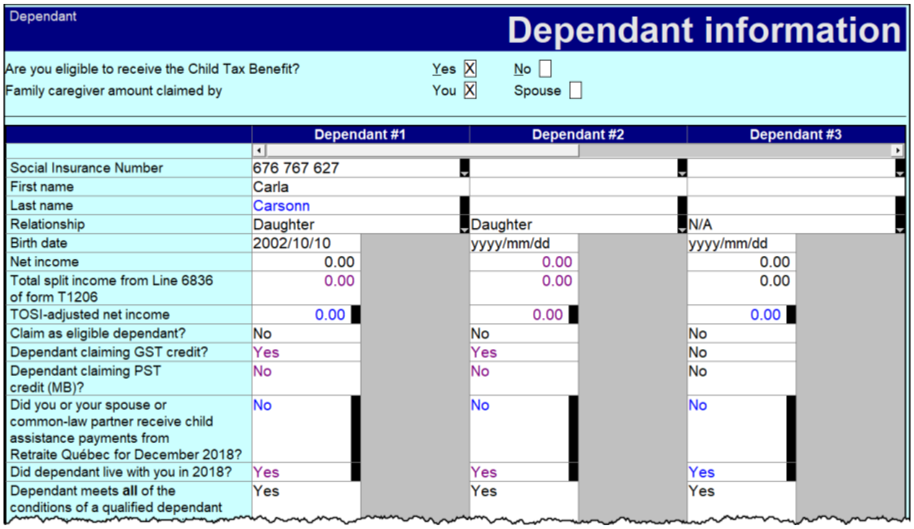
- With all of the spouses' information entered in ProFile, the last step is to record the slip information for the couple's daughter, Carla. To do this, you will use a ProFile's *Family Linking* feature.

FAMILY LINKING



When you create a dependant's tax return, ProFile will link the return with that of the parents. You can tell *Family Linking* is enabled by the toolbar icon and dropdown menu that lets you toggle amongst the family's tax files.

- With the spousal return open, Press *F4* and enter *Dep* in *Form Explorer's Search* field
- Enter Carla's personal information on the *Dependant information* form



Dependant

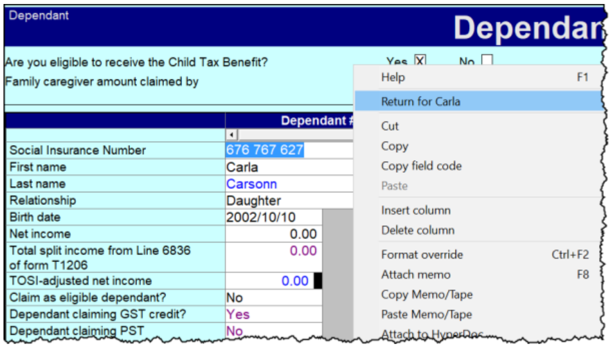
Dependant information

Are you eligible to receive the Child Tax Benefit? Yes ☒ No ☐

Family caregiver amount claimed by You ☒ Spouse ☐

	Dependant #1	Dependant #2	Dependant #3
Social Insurance Number	676 767 627		
First name	Carla		
Last name	Carsonn		
Relationship	Daughter	Daughter	N/A
Birth date	2002/10/10	yyyy/mm/dd	yyyy/mm/dd
Net income	0.00	0.00	0.00
Total split income from Line 6836 of form T1206	0.00	0.00	0.00
TOSI-adjusted net income	0.00	0.00	0.00
Claim as eligible dependant?	No	No	No
Dependant claiming GST credit?	Yes	Yes	No
Dependant claiming PST credit (MB)?	No	No	No
Did you or your spouse or common-law partner receive child assistance payments from Retraite Québec for December 2018?	No	No	No
Did dependant live with you in 2018?	Yes	Yes	Yes
Dependant meets **all** of the conditions of a qualified dependant	Yes	Yes	Yes

- To create Carla’s T1 return, right-click on any field in the form and select *Return for Carla*



Dependant

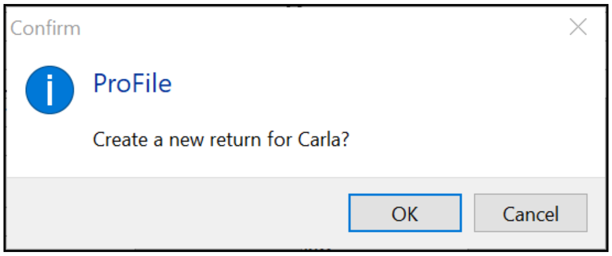
Dependan

Are you eligible to receive the Child Tax Benefit? Yes ☒ No ☐

Family caregiver amount claimed by

	Dependant #
Social Insurance Number	676 767 627
First name	Carla
Last name	Carsonn
Relationship	Daughter
Birth date	2002/10/10
Net income	0.00
Total split income from Line 6836 of form T1206	0.00
TOSI-adjusted net income	0.00
Claim as eligible dependant?	No
Dependant claiming GST credit?	Yes
Dependant claiming PST	No

- ProFile will open a window to confirm the action. Click *OK*

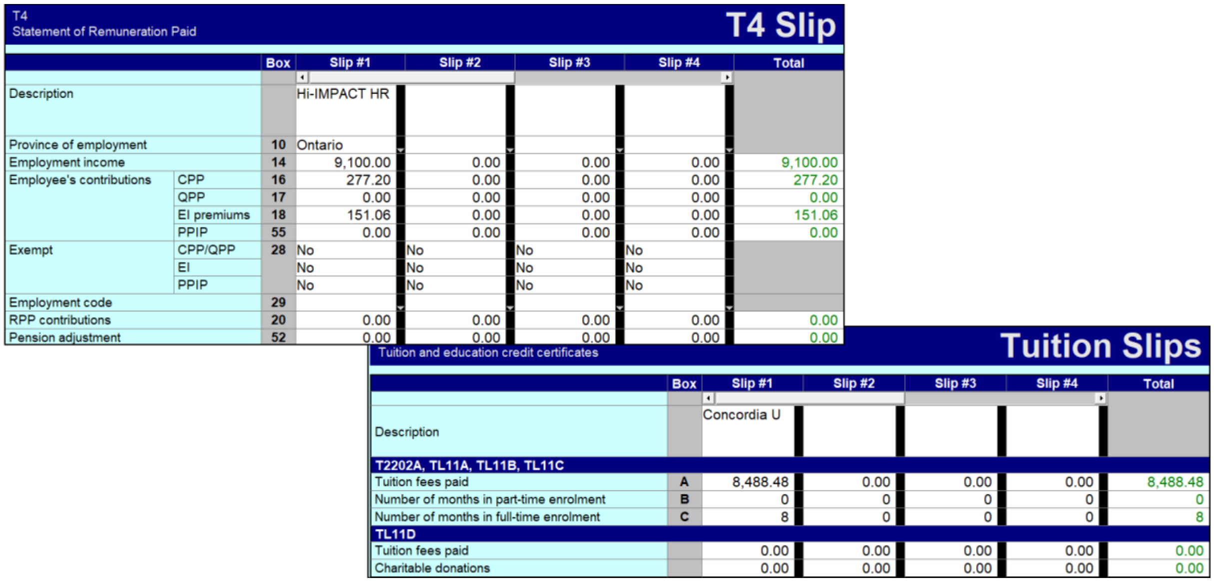


Confirm

ProFile

Create a new return for Carla?

- From Carla’s tax file, return to *Form Explorer* and enter her T4 and T2202 (tuition) information



T4
Statement of Remuneration Paid

T4 Slip

		Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description			Hi-IMPACT HR				
Province of employment		10	Ontario				
Employment income		14	9,100.00	0.00	0.00	0.00	9,100.00
Employee's contributions	CPP	16	277.20	0.00	0.00	0.00	277.20
	QPP	17	0.00	0.00	0.00	0.00	0.00
	EI premiums	18	151.06	0.00	0.00	0.00	151.06
	PPIP	55	0.00	0.00	0.00	0.00	0.00
Exempt	CPP/QPP	28	No	No	No	No	
	EI		No	No	No	No	
	PPIP		No	No	No	No	
Employment code		29					
RPP contributions		20	0.00	0.00	0.00	0.00	0.00
Pension adjustment		52	0.00	0.00	0.00	0.00	0.00

Tuition Slips

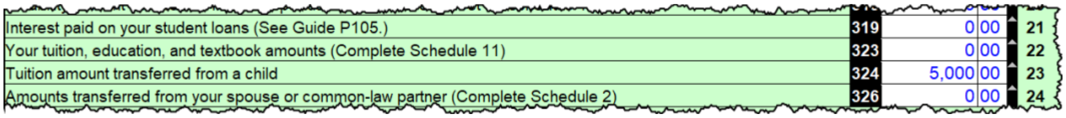
Tuition and education credit certificates

	Box	Slip #1	Slip #2	Slip #3	Slip #4	Total
Description		Concordia U				
T2202A, TL11A, TL11B, TL11C						
Tuition fees paid	A	8,488.48	0.00	0.00	0.00	8,488.48
Number of months in part-time enrolment	B	0	0	0	0	0
Number of months in full-time enrolment	C	8	0	0	0	8
TL11D						
Tuition fees paid		0.00	0.00	0.00	0.00	0.00
Charitable donations		0.00	0.00	0.00	0.00	0.00

Tuition transfers

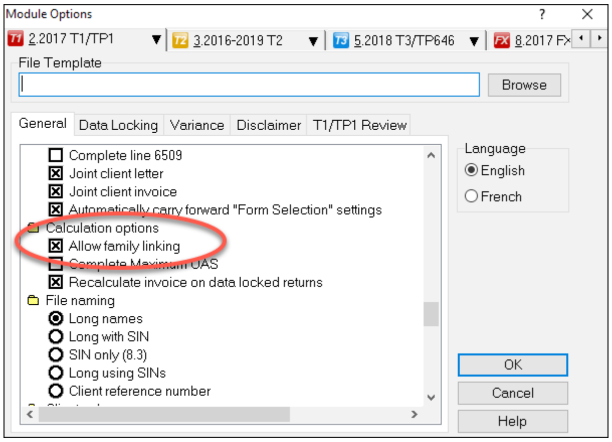
When a student's income isn't high enough to use up all of the tuition credit, CRA allows that student to transfer the excess credit to a family member. ProFile takes care of this transfer automatically. It does so by a process called *optimization*.

- Because Carla had excess tuition expenses, ProFile automatically transfers the applicable tuition credit to the appropriate spouse. A quick glance at line 324 of Martin's S1 form confirms the transfer



Interest paid on your student loans (See Guide P105.)	319	0 00	21
Your tuition, education, and textbook amounts (Complete Schedule 11)	323	0 00	22
Tuition amount transferred from a child	324	5,000 00	23
Amounts transferred from your spouse or common-law partner (Complete Schedule 2)	326	0 00	24

There is a setting in ProFile that toggles family linking on or off. To make sure that this setting is enabled, go to Options > Module and scroll down, under the General tab, to the section that reads "Allow family linking."



☐ Complete line 6509
☒ Joint client letter
☒ Joint client invoice
☒ Automatically carry forward "Form Selection" settings
Calculation options
☒ Allow family linking
☐ Complete Maximum OAS
☒ Recalculate invoice on data locked returns
File naming
● Long names
○ Long with SIN
○ SIN only (8.3)
○ Long using SINs
○ Client reference number

● English
○ French

OPTIMIZING

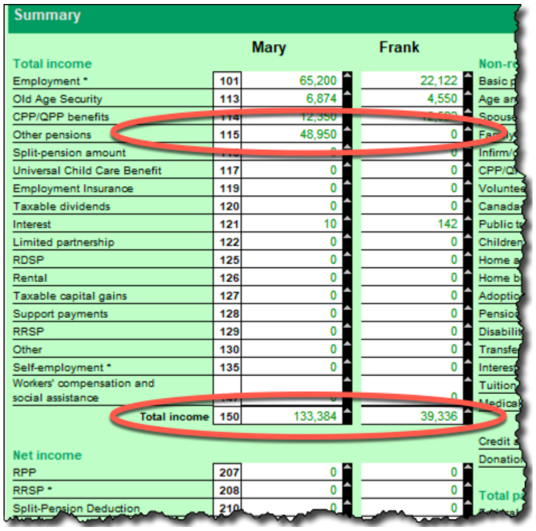
As mentioned in the previous paragraph, ProFile provides seamless, invisible optimization, and it alerts you with audit messages designed to achieve the most beneficial tax results for a tax preparer's clients.

Here is what ProFile's optimization prowess includes: medical expenses; donations and losses; foreign tax credits; advantageous caregiver and infirm dependant claims between spouses; smart disability credit transfers; and intelligent transfer of tax credits between taxpayers and their dependants.

Pension Splitting

Splitting pension income is another example of ProFile's optimization capability. Let's look at an example.

The screenshot below shows the Tax Summary for a married couple named Mary and Frank. Mary earns significantly more that her spouse, Frank, some of her income stemming from a pension of $48,950. Tax practitioners will know that there is an opportunity, therefore, to split the pension income and reduce the couple's overall tax liability.



Summary

		Mary	Frank	
Total income				Non-re
Employment *	101	65,200	22,122	Basic p
Old Age Security	113	6,874	4,550	Age an
CPP/QPP benefits	114	12,350	[illegible]	Spouse
Other pensions	115	48,950	0	Fa ly
Split-pension amount	[illegible]	0	0	Infirm/c
Universal Child Care Benefit	117	0	0	CPP/Q
Employment Insurance	119	0	0	Voluntee
Taxable dividends	120	0	0	Canada
Interest	121	10	142	Public t
Limited partnership	122	0	0	Children
RDSP	125	0	0	Home a
Rental	126	0	0	Home b
Taxable capital gains	127	0	0	Adoptio
Support payments	128	0	0	Pensio
RRSP	129	0	0	Disabilit
Other	130	0	0	Transfe
Self-employment *	135	0	0	Interes
Workers' compensation and social assistance	[illegible]	0	0	Tuition Medica
Total income	150	133,384	39,336	
				Credit a
Net income				Donatio
RPP	207	0	0	
RRSP *	208	0	0	Total p
Split-Pension Deduction	210	0	0	

- To optimize pension income, go to the pension-transferor's return and open form *T1032*
- Scroll down the form and click *Split-Pension Income*

Protected B
when completed

Step 3 - Elected split-pension amount

For assistance in determining the elected split-pension amount, see our Split-Pension Income worksheet.

Enter the amount that you and your spouse or common-law partner decide to jointly elect to be your split pension amount for the year. The split-pension amount cannot be more than the amount from Line F. 0|00 G

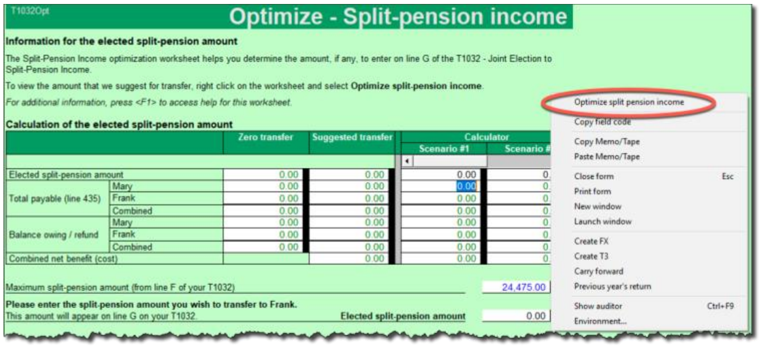
Enter this amount on line 210 of the **transferring spouse or common-law partner**'s return and on line 116 of the **receiving spouse or common-law partner**'s return.

Step 4 - Pension income amount (line 314)

Part A - Calculate the pension income amount of the **transferring spouse or common-law partner**.

Amount from line A 48,950.00 H

- ProFile opens the *T1032Opt* pension worksheet form. Right-click the form and select *Optimize split pension income*



Optimize - Split-pension income

Information for the elected split-pension amount

The Split-Pension Income optimization worksheet helps you determine the amount, if any, to enter on line G of the T1032 - Joint Election to Split-Pension Income.

To view the amount that we suggest for transfer, right click on the worksheet and select **Optimize split-pension income**.

For additional information, press <F1> to access help for this worksheet.

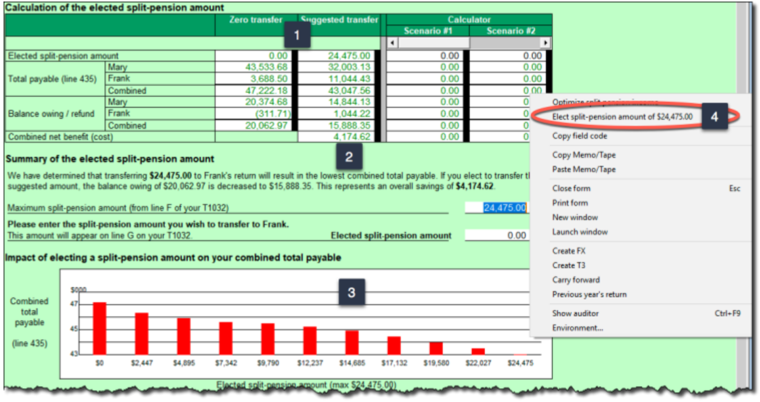
Calculation of the elected split-pension amount

		Zero transfer	Suggested transfer	Calculator	
				Scenario #1	Scenario #
Elected split-pension amount		0.00	0.00	0.00	0
Total payable (line 435)	Mary	0.00	0.00	0.00	0
	Frank	0.00	0.00	0.00	0
	Combined	0.00	0.00	0.00	0
Balance owing / refund	Mary	0.00	0.00	0.00	0
	Frank	0.00	0.00	0.00	0
	Combined	0.00	0.00	0.00	0
Combined net benefit (cost)			0.00	0.00	0

Maximum split-pension amount (from line F of your T1032) 24,475.00

Please enter the split-pension amount you wish to transfer to Frank.
This amount will appear on line G on your T1032. **Elected split-pension amount** 0.00

- As illustrated in the window below, ProFile will run an analysis and then suggest the pension income to transfer 1
- The form highlights the net benefit of accepting the suggested transfer 2
- And it also provides a chart outlining the tax liability with different transfer amounts 3
- To accept ProFile's suggested transfer, right-click the form and select *Elect split-pension amount of $24,475* 4



Calculation of the elected split-pension amount

		Zero transfer	Suggested transfer	Calculator	
				Scenario #1	Scenario #2
Elected split-pension amount		0.00	24,475.00	0.00	0.00
Total payable (line 435)	Mary	43,533.68	32,003.13	0.00	0.00
	Frank	3,688.50	11,044.43	0.00	0.00
	Combined	47,222.18	43,047.56	0.00	0.00
Balance owing / refund	Mary	20,374.68	14,844.13	0.00	0
	Frank	(311.71)	1,044.22	0.00	0
	Combined	20,062.97	15,888.35	0.00	0
Combined net benefit (cost)			4,174.62	0.00	0

Summary of the elected split-pension amount

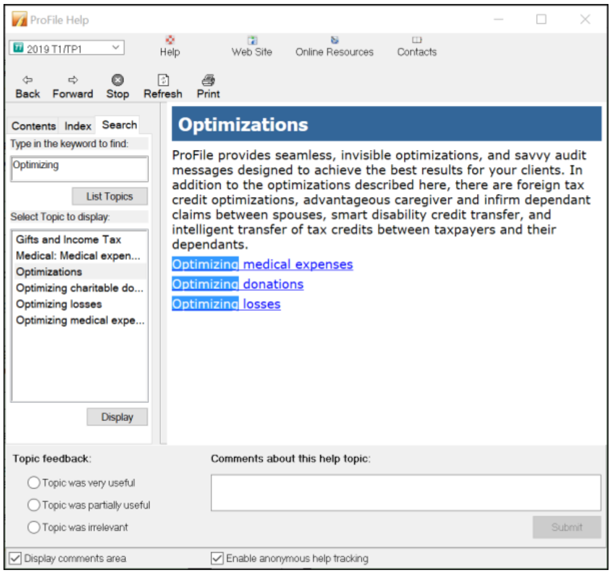
We have determined that transferring **$24,475.00** to Frank's return will result in the lowest combined total payable. If you elect to transfer t suggested amount, the balance owing of $20,062.97 is decreased to $15,888.35. This represents an overall savings of **$4,174.62**.

Maximum split-pension amount (from line F of your T1032) 24,475.00

Please enter the split-pension amount you wish to transfer to Frank.
This amount will appear on line G on your T1032. **Elected split-pension amount** 0.00

Impact of electing a split-pension amount on your combined total payable

To learn more about optimizing, go to *Help* > *ProFile Help*, click the *Search* tab and enter "Optimizing" in the Search field



Optimizing

Gifts and Income Tax
Medical: Medical expen...
Optimizations
Optimizing charitable do...
Optimizing losses
Optimizing medical expe...

Optimizations

ProFile provides seamless, invisible optimizations, and savvy audit messages designed to achieve the best results for your clients. In addition to the optimizations described here, there are foreign tax credit optimizations, advantageous caregiver and infirm dependant claims between spouses, smart disability credit transfer, and intelligent transfer of tax credits between taxpayers and their dependants.

Optimizing medical expenses
Optimizing donations
Optimizing losses

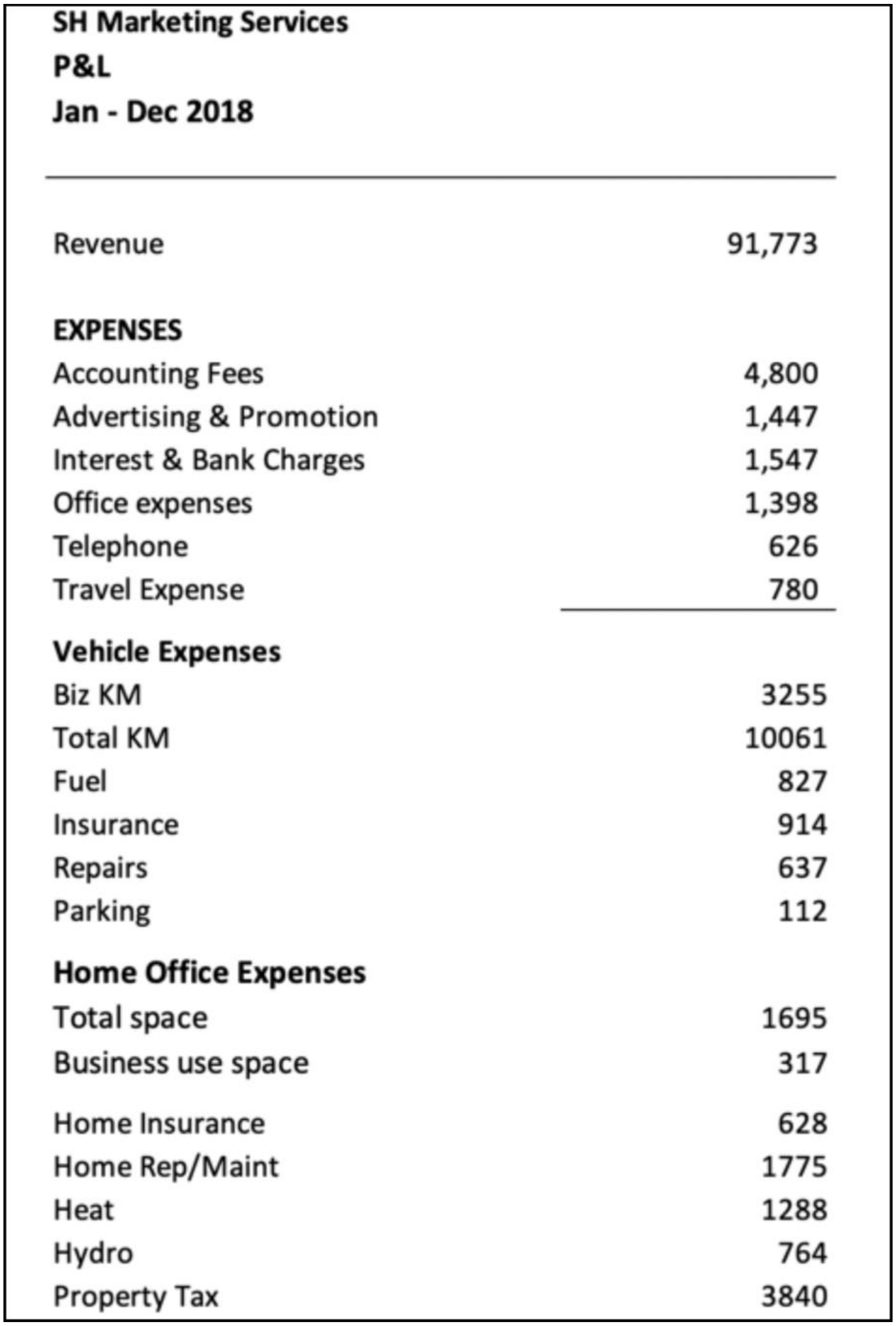
○ Topic was very useful
○ Topic was partially useful
○ Topic was irrelevant

☑ Display comments area
☑ Enable anonymous help tracking

PROFILE AND THE SELF-EMPLOYED

As professional-grade tax software, ProFile can accommodate many types of income scenarios. Examples include rental income, investment income and income from self-employment. This section will illustrate ProFile's ability to accommodate the latter scenario.

Sam Hruzec, runs an un-incorporated marketing business called SH Marketing Services. Sam has asked you to prepare a T1. Sam has no income or expenses, other than the Statement of Revenue and Expenses below.

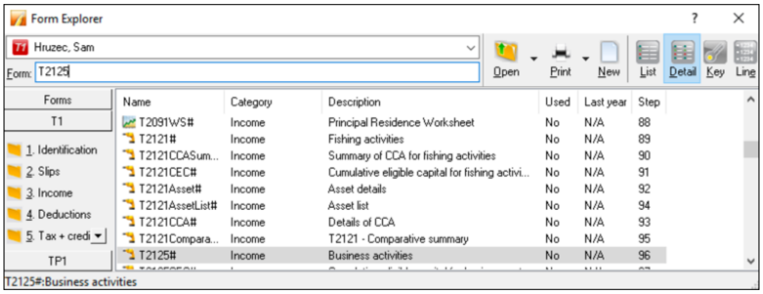


SH Marketing Services
P&L
Jan - Dec 2018

Revenue	91,773
EXPENSES	
Accounting Fees	4,800
Advertising & Promotion	1,447
Interest & Bank Charges	1,547
Office expenses	1,398
Telephone	626
Travel Expense	780
Vehicle Expenses	
Biz KM	3255
Total KM	10061
Fuel	827
Insurance	914
Repairs	637
Parking	112
Home Office Expenses	
Total space	1695
Business use space	317
Home Insurance	628
Home Rep/Maint	1775
Heat	1288
Hydro	764
Property Tax	3840

T2125

You will record all of Sam’s business-related revenue and expenses on form T2125, *Statement of Business or Professional Activities.* After entering Sam’s personal and contact information on the Info page, use Form Explorer to find and open the *T2125*



Hruzec, Sam

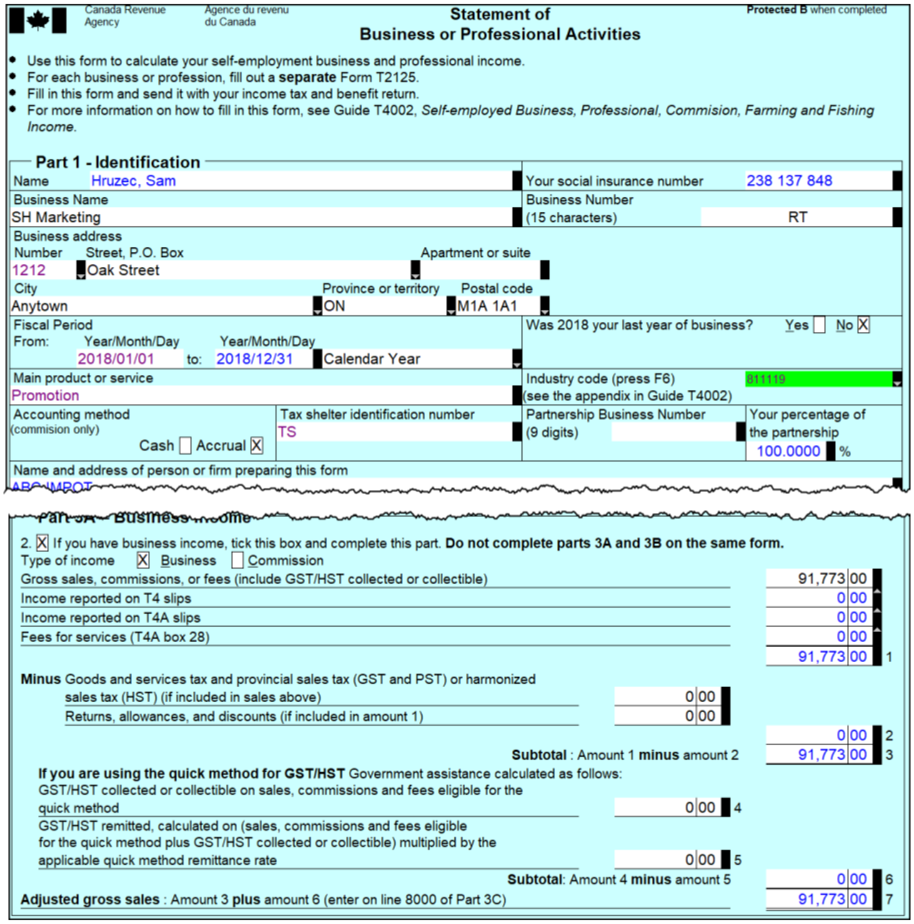
Form: T2125

Name	Category	Description	Used	Last year	Step
T2091WS#	Income	Principal Residence Worksheet	No	N/A	88
T2121#	Income	Fishing activities	No	N/A	89
T2121CCASum...	Income	Summary of CCA for fishing activities	No	N/A	90
T2121CEC#	Income	Cumulative eligible capital for fishing activi...	No	N/A	91
T2121Asset#	Income	Asset details	No	N/A	92
T2121AssetList#	Income	Asset list	No	N/A	94
T2121CCA#	Income	Details of CCA	No	N/A	93
T2121Compara...	Income	T2121 - Comparative summary	No	N/A	95
T2125#	Income	Business activities	No	N/A	96

T2125#:Business activities

Here’s how to complete form T2125

- Enter the business contact details and other required information under identification area, and record the gross sales under Part 3 – Business Income



Protected B when completed

Statement of Business or Professional Activities

- Use this form to calculate your self-employment business and professional income.
- For each business or profession, fill out a **separate** Form T2125.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see Guide T4002, *Self-employed Business, Professional, Commision, Farming and Fishing Income.*

Part 1 - Identification

Name: Hruzec, Sam

Your social insurance number: 238 137 848

Business Name: SH Marketing

Business Number (15 characters): RT

Business address

Number: 1212

Street, P.O. Box: Oak Street

Apartment or suite:

City: Anytown

Province or territory: ON

Postal code: M1A 1A1

Fiscal Period

From: Year/Month/Day 2018/01/01 to: Year/Month/Day 2018/12/31 Calendar Year

Was 2018 your last year of business? Yes ☐ No ☒

Main product or service: Promotion

Industry code (press F6) (see the appendix in Guide T4002): 811119

Accounting method (commision only): Cash ☐ Accrual ☒

Tax shelter identification number: TS

Partnership Business Number (9 digits):

Your percentage of the partnership: 100.0000 %

Name and address of person or firm preparing this form

ABC IMPOT

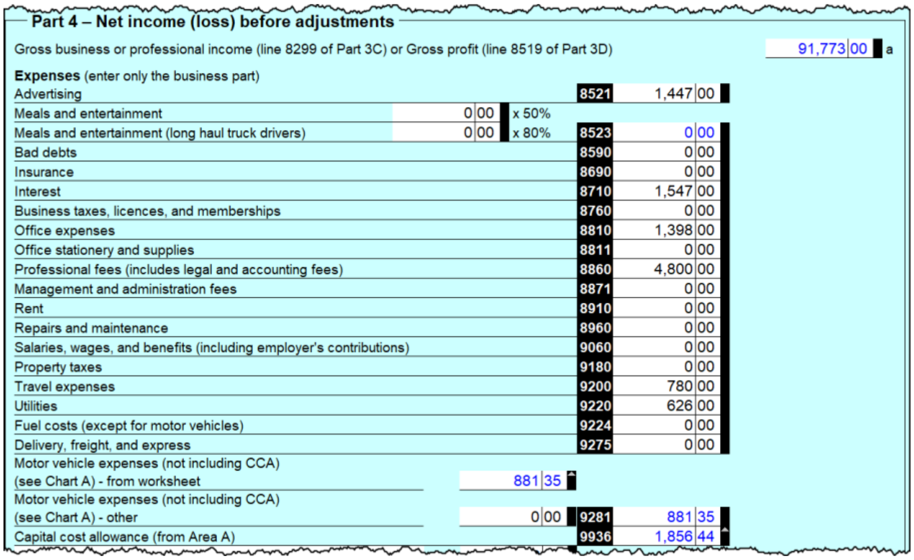
Part 3A – Business Income

2. ☒ If you have business income, tick this box and complete this part. **Do not complete parts 3A and 3B on the same form.**

Type of income ☒ Business ☐ Commission

Gross sales, commissions, or fees (include GST/HST collected or collectible)		91,773 00	
Income reported on T4 slips		0 00	
Income reported on T4A slips		0 00	
Fees for services (T4A box 28)		0 00	
		91,773 00	1
Minus Goods and services tax and provincial sales tax (GST and PST) or harmonized sales tax (HST) (if included in sales above)	0 00		
Returns, allowances, and discounts (if included in amount 1)	0 00		
		0 00	2
Subtotal : Amount 1 **minus** amount 2		91,773 00	3
If you are using the quick method for GST/HST Government assistance calculated as follows:			
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method	0 00 4		
GST/HST remitted, calculated on (sales, commissions and fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate	0 00 5		
Subtotal: Amount 4 **minus** amount 5		0 00	6
Adjusted gross sales : Amount 3 **plus** amount 6 (enter on line 8000 of Part 3C)		91,773 00	7

- Record all business expenses in Part 4 of the T2125



Part 4 – Net income (loss) before adjustments

Gross business or professional income (line 8299 of Part 3C) or Gross profit (line 8519 of Part 3D) 91,773 00 a

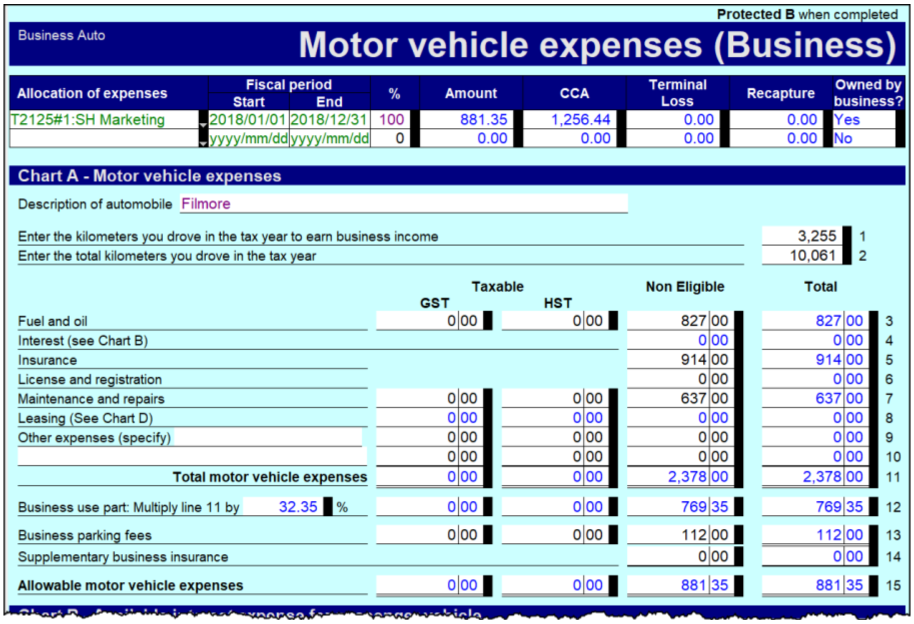
Expenses (enter only the business part)

Advertising			8521	1,447 00
Meals and entertainment	0 00	x 50%		
Meals and entertainment (long haul truck drivers)	0 00	x 80%	8523	0 00
Bad debts			8590	0 00
Insurance			8690	0 00
Interest			8710	1,547 00
Business taxes, licences, and memberships			8760	0 00
Office expenses			8810	1,398 00
Office stationery and supplies			8811	0 00
Professional fees (includes legal and accounting fees)			8860	4,800 00
Management and administration fees			8871	0 00
Rent			8910	0 00
Repairs and maintenance			8960	0 00
Salaries, wages, and benefits (including employer's contributions)			9060	0 00
Property taxes			9180	0 00
Travel expenses			9200	780 00
Utilities			9220	626 00
Fuel costs (except for motor vehicles)			9224	0 00
Delivery, freight, and express			9275	0 00
Motor vehicle expenses (not including CCA) (see Chart A) - from worksheet	881 35			
Motor vehicle expenses (not including CCA) (see Chart A) - other	0 00		9281	881 35
Capital cost allowance (from Area A)			9936	1,856 44

- Note, however, that you don't record vehicle expenses on the T2125 itself, but on the *Business Auto* ancillary form (see illustration below), and you indicate, at the top of the *Business Auto* form, where to send the vehicle expenses

Here are other key points to consider with the *Business Auto* form

- You must indicate the business kilometers and the total number of kilometers driven in the tax year. ProFile uses these values to calculate the allowable vehicle expense
- Any vehicle loan or leasing costs are calculated in a separate area of the *Business Auto* form. See *Chart D*, at the bottom of the window below, which is where the eligible leasing cost is calculated



Protected B when completed

Business Auto

Motor vehicle expenses (Business)

Allocation of expenses	Fiscal period		%	Amount	CCA	Terminal Loss	Recapture	Owned by business?
	Start	End						
T2125#1:SH Marketing	2018/01/01	2018/12/31	100	881.35	1,256.44	0.00	0.00	Yes
	yyyy/mm/dd	yyyy/mm/dd	0	0.00	0.00	0.00	0.00	No

Chart A - Motor vehicle expenses

Description of automobile Filmore

Enter the kilometers you drove in the tax year to earn business income 3,255 1

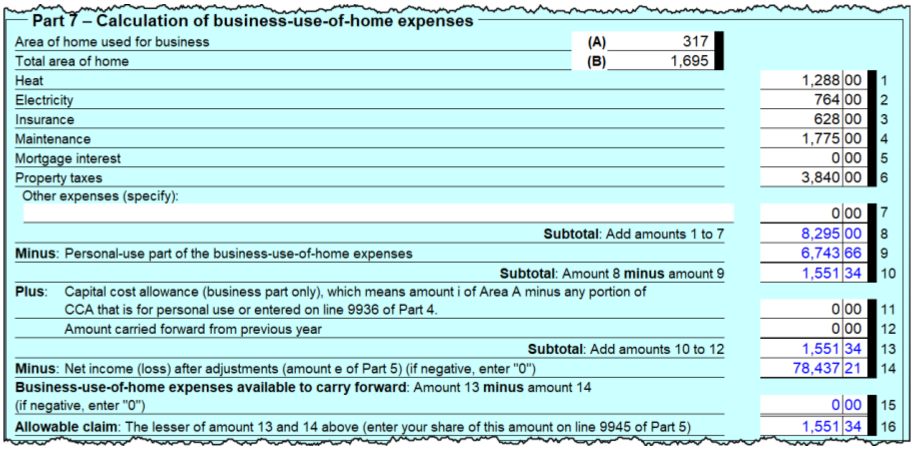
Enter the total kilometers you drove in the tax year 10,061 2

	Taxable		Non Eligible	Total	
	GST	HST			
Fuel and oil	0 00	0 00	827 00	827 00	3
Interest (see Chart B)			0 00	0 00	4
Insurance			914 00	914 00	5
License and registration			0 00	0 00	6
Maintenance and repairs	0 00	0 00	637 00	637 00	7
Leasing (See Chart D)	0 00	0 00	0 00	0 00	8
Other expenses (specify)	0 00	0 00	0 00	0 00	9
	0 00	0 00	0 00	0 00	10
Total motor vehicle expenses	0 00	0 00	2,378 00	2,378 00	11
Business use part: Multiply line 11 by 32.35 %	0 00	0 00	769 35	769 35	12
Business parking fees	0 00	0 00	112 00	112 00	13
Supplementary business insurance			0 00	0 00	14
Allowable motor vehicle expenses	0 00	0 00	881 35	881 35	15

One further step in recording Sam's business expenses is to enter the allowable *home office expense*. As a self-employed individual working from home, Sam can deduct a portion of her home expenses. This portion is calculated by adding up all of Sam's home expenses and multiplying it by a factor that represents the percentage of the home's area used to run her business.

- To record home expenses, scroll down to Part 7 at bottom of the T2125

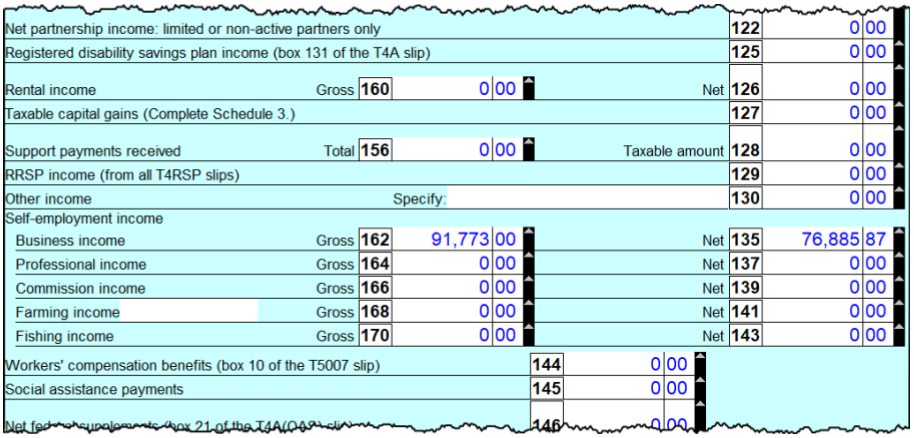
- Enter the home's total area and the area used for business
- Enter the operating costs for the home including heat, electricity, insurance, etc.
- ProFile will calculate the allowable home office expense and include as an eligible business expense on the T2125



Part 7 – Calculation of business-use-of-home expenses

Area of home used for business	(A) 317		
Total area of home	(B) 1,695		
Heat		1,288.00	1
Electricity		764.00	2
Insurance		628.00	3
Maintenance		1,775.00	4
Mortgage interest		0.00	5
Property taxes		3,840.00	6
Other expenses (specify):		0.00	7
Subtotal: Add amounts 1 to 7		8,295.00	8
Minus: Personal-use part of the business-use-of-home expenses		6,743.66	9
Subtotal: Amount 8 **minus** amount 9		1,551.34	10
Plus: Capital cost allowance (business part only), which means amount i of Area A minus any portion of CCA that is for personal use or entered on line 9936 of Part 4.		0.00	11
Amount carried forward from previous year		0.00	12
Subtotal: Add amounts 10 to 12		1,551.34	13
Minus: Net income (loss) after adjustments (amount e of Part 5) (if negative, enter "0")		78,437.21	14
Business-use-of-home expenses available to carry forward: Amount 13 **minus** amount 14 (if negative, enter "0")		0.00	15
Allowable claim: The lesser of amount 13 and 14 above (enter your share of this amount on line 9945 of Part 5)		1,551.34	16

After entering all required information on the T2125, ProFile will calculate the gross and net business income and transfer it to the T1 Jacket.



Net partnership income: limited or non-active partners only				122	0.00
Registered disability savings plan income (box 131 of the T4A slip)				125	0.00
Rental income	Gross 160	0.00	Net	126	0.00
Taxable capital gains (Complete Schedule 3.)				127	0.00
Support payments received	Total 156	0.00	Taxable amount	128	0.00
RRSP income (from all T4RSP slips)				129	0.00
Other income	Specify:			130	0.00
Self-employment income					
Business income	Gross 162	91,773.00	Net	135	76,885.87
Professional income	Gross 164	0.00	Net	137	0.00
Commission income	Gross 166	0.00	Net	139	0.00
Farming income	Gross 168	0.00	Net	141	0.00
Fishing income	Gross 170	0.00	Net	143	0.00
Workers' compensation benefits (box 10 of the T5007 slip)	144	0.00			
Social assistance payments	145	0.00			
Net federal supplements (box 21 of the T4A(OAS) slip)	146	0.00			

PART-YEAR RESIDENTS

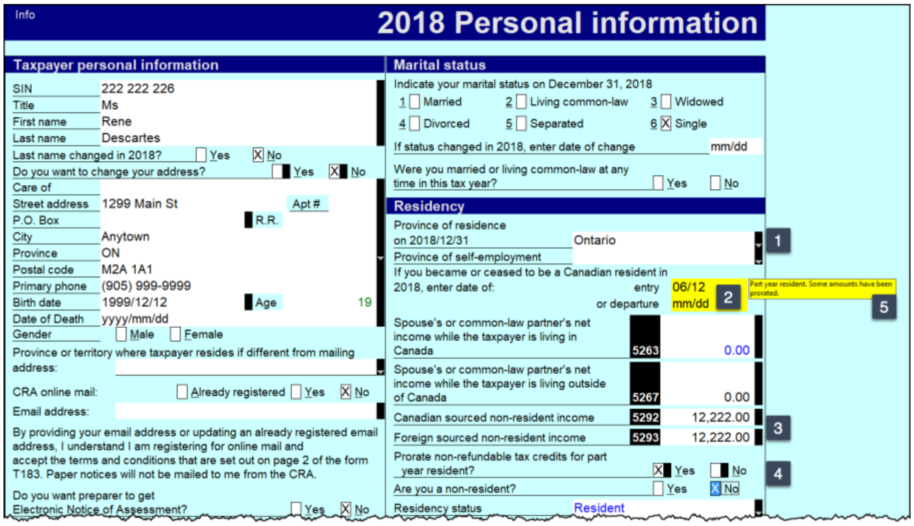
In this section, we'll briefly describe how to set up ProFile for newly-arrived residents.

Working on a part-year resident return

If someone is newly arrived in Canada, follow these steps to set up a T1 return.

- Complete the Info page as you normally would. So that ProFile can prepare the proper schedules, ensure that you select the correct province of residence 1
- Report the date of entry into Canada 2
- After reporting the date of entry, ProFile will open additional fields, including Line 5292 and 5293. In these fields, report Canadian and foreign-sourced non-resident income. In this example, there is $10,000 of foreign-sourced, non-resident income 3

- Once you enter an amount on either Line 5292 or 5293, ProFile will tick the box to prorate non-refundable tax credits 4
- Note how the auditor alerts you that amounts are prorated 5
- You may then complete the rest of the return as you normally would



Info

2018 Personal information

Taxpayer personal information

SIN 222 222 226
Title Ms
First name Rene
Last name Descartes
Last name changed in 2018? ☐ Yes ☒ No
Do you want to change your address? ☐ Yes ☒ No
Care of
Street address 1299 Main St Apt #
P.O. Box R.R.
City Anytown
Province ON
Postal code M2A 1A1
Primary phone (905) 999-9999
Birth date 1999/12/12 Age 19
Date of Death yyyy/mm/dd
Gender ☐ Male ☐ Female
Province or territory where taxpayer resides if different from mailing address:
CRA online mail: ☐ Already registered ☐ Yes ☒ No
Email address:
By providing your email address or updating an already registered email address, I understand I am registering for online mail and accept the terms and conditions that are set out on page 2 of the form T183. Paper notices will not be mailed to me from the CRA.
Do you want preparer to get Electronic Notice of Assessment? ☐ Yes ☒ No

Marital status

Indicate your marital status on December 31, 2018
1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☒ Single
If status changed in 2018, enter date of change mm/dd
Were you married or living common-law at any time in this tax year? ☐ Yes ☐ No

Residency

Province of residence on 2018/12/31 Ontario
Province of self-employment
If you became or ceased to be a Canadian resident in 2018, enter date of: entry 06/12 or departure mm/dd
Part year resident. Some amounts have been prorated.
Spouse's or common-law partner's net income while the taxpayer is living in Canada 5263 0.00
Spouse's or common-law partner's net income while the taxpayer is living outside of Canada 5267 0.00
Canadian sourced non-resident income 5292 12,222.00
Foreign sourced non-resident income 5293 12,222.00
Prorate non-refundable tax credits for part year resident? ☒ Yes ☐ No
Are you a non-resident? ☐ Yes ☒ No
Residency status Resident

Residency rules, for both Canadian citizens and non-Canadians, can be a complex affair. For more information, consult CRA's guides, such as T4058 Non-Residents and Income Tax, and T4055 Newcomers to Canada.

Chapter 5 Quiz

Question 1: The feature that allows you to prepare T1s for married couples and their dependants is called:

A. Hub and Link
B. Synchronization
C. ProFile Review
D. Family Linking

Correct answer is D

Question 2: True or False: ProFile will calculate the allowable RRSP deduction even if no deduction limit indicated:

Correct answer is False

Question 3: Select the best way to create a dependant's T1:

A. Go to the *File* menu and click *New T1*
B. Right-click a T1 Jacket and select *New*
C. Click the *Synchronize* icon
D. Right-click the dependant's name on the *Dependant* form, and click *Return for…*

Correct answer is D

Question 4: True or False: If a dependant has excess tuition credits, ProFile will transfer the excess amount to a parent's linked return

Correct answer is True

Question 5: True or False: ProFile has an option to toggle Family Linking on or off

Correct answer is True

Question 6: Which of following tax situations does ProFile's Optimization verify?

A. Medical expenses
B. Charitable donations
C. Tuition credits
D. All the above

Correct answer is D

Question 7: True or False: The T1032 form allows you to optimize and split pension income between spouses

Correct answer is True

Question 8: True or False: ProFile cannot prepare tax returns for self-employed individuals

Correct answer is False

Question 9: To prepare a T2125, ProFile requires the following. Choose the best answer:

A. ProFile cannot prepare a T2125 return
B. A statement of revenue and expenses (Income Statement or Profit & Loss)
C. A balance sheet
D. None of the above

Correct answer is B

Question 10: True or False: ProFile can prepare a T1 for part-year residents

Correct answer is True

Chapter 6

An Online World

Learning Objectives

At this chapter's end students will understand:

- How to use ProFile's online tools
- How to use CRA's AutoFill My Return
- How to ReFile a T1

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 6: An Online World

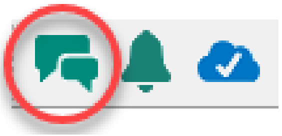
GETTING ONLINE

Every day, more and more businesses are taking things online. Online information is part of our everyday lives. It should come as no surprise, then, that tax preparers too are increasingly using online tools. Canada Revenue Agency, for example, demands that tax preparers EFILE tax returns and, at the same time, with a dedicated *Represent a Client* account, CRA gives tax preparers online access to an array of client information that was unthinkable just a few short years ago. ProFile is building on this cloud trend as well. As a ProFile user, you have access to an increasing number of cloud tools. Let's take a closer look:

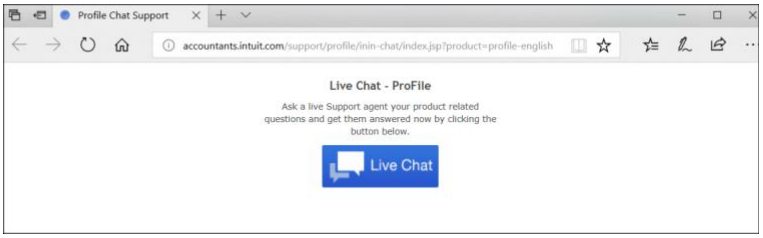
The online toolbar

The *Online* toolbar sits permanently under ProFile's Menu bar. Let's explore these four icons:

- Click the *Live Chat* icon…



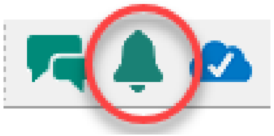
… To engage a ProFile support agent and chat online



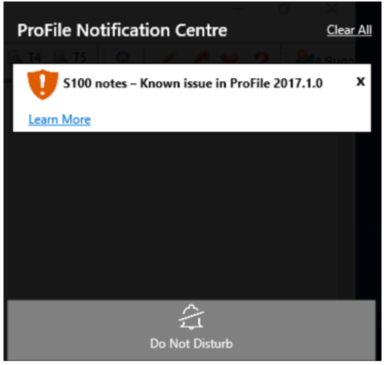
Live Chat - ProFile

Ask a live Support agent your product related questions and get them answered now by clicking the button below.

Click the *Notification Centre*…

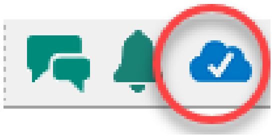


…To view alerts, reminders and other ProFile messages

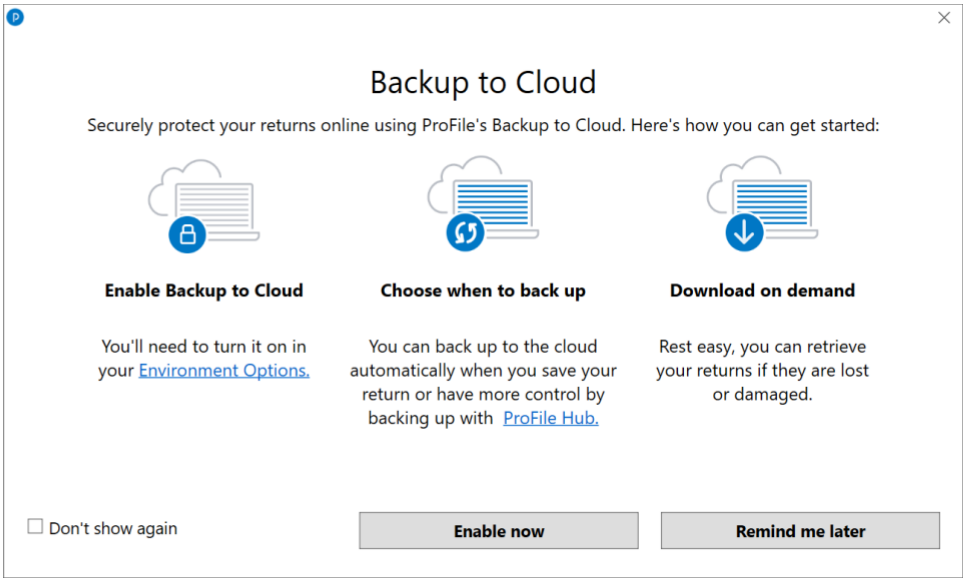


S100 notes – Known issue in ProFile 2017.1.0

- Click the *Online Settings* to access ProFile's online tools…



- …Including a service to back up your files online



Backup to Cloud

Securely protect your returns online using ProFile's Backup to Cloud. Here's how you can get started:

Enable Backup to Cloud

You'll need to turn it on in your Environment Options.

Choose when to back up

You can back up to the cloud automatically when you save your return or have more control by backing up with ProFile Hub.

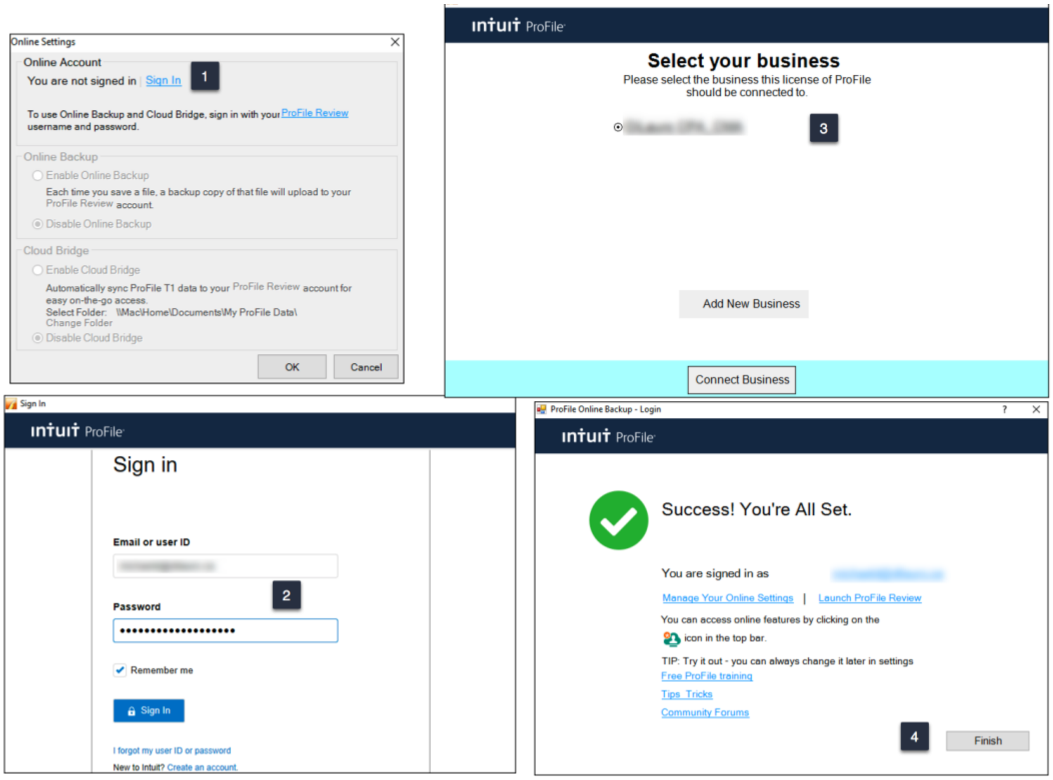
Download on demand

Rest easy, you can retrieve your returns if they are lost or damaged.

Accessing your online account

If you have a ProFile account, getting online is quick and easy:

- From the toolbar, click the *Online Settings* icon and ProFile launches the sign-in window
- Click Sign In [1]
- Enter your user ID and password [2]
- Select your firm (or add a new one) [3]
- Click *Finish* and you're done [4]



Online Settings

Online Account

You are not signed in | Sign In 1

To use Online Backup and Cloud Bridge, sign in with your ProFile Review username and password.

Online Backup

○ Enable Online Backup

Each time you save a file, a backup copy of that file will upload to your ProFile Review account.

● Disable Online Backup

Cloud Bridge

○ Enable Cloud Bridge

Automatically sync ProFile T1 data to your ProFile Review account for easy on-the-go access.

Select Folder: \\Mac\Home\Documents\My ProFile Data\

Change Folder

● Disable Cloud Bridge

OK | Cancel

intuit ProFile

Select your business

Please select the business this license of ProFile should be connected to.

● [redacted] 3

Add New Business

Connect Business

Sign In

intuit ProFile

Sign in

Email or user ID

[redacted]

Password 2

••••••••••••••••••

☑ Remember me

Sign In

I forgot my user ID or password

New to Intuit? Create an account.

ProFile Online Backup - Login

intuit ProFile

Success! You're All Set.

You are signed in as [redacted]

Manage Your Online Settings | Launch ProFile Review

You can access online features by clicking on the icon in the top bar.

TIP: Try it out - you can always change it later in settings

Free ProFile training

Tips, Tricks

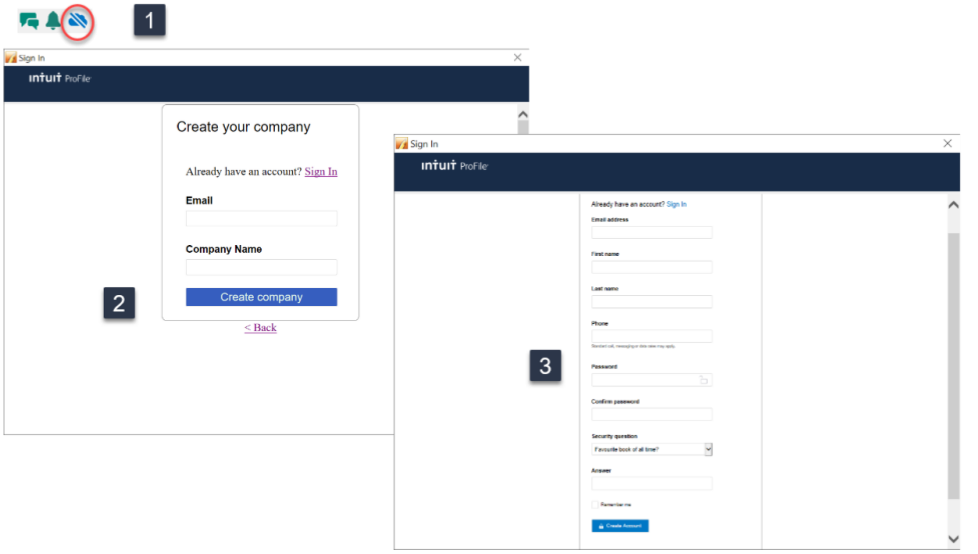
Community Forums

4 Finish

But I don't have an online account

If you don't have one, creating an online account is a snap:

- From the toolbar, click the *Online Settings* icon to launch the sign-in window 1
- Click *Create Company* 2
- Enter your credentials and then click Create account 3



1

Sign In

intuit ProFile

Create your company

Already have an account? Sign In

Email

Company Name

Create company 2

< Back

Sign In

intuit ProFile

Already have an account? Sign In

Email address

First name

Last name

Phone

Standard call, messaging or data rates may apply.

Password 3

Confirm password

Security question

Favourite book of all time?

Answer

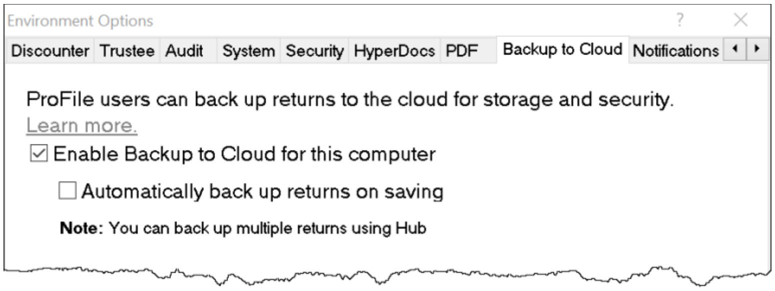
☐ Remember me

Create Account

BACK UP TO THE CLOUD

To back your files up to ProFile's cloud servers, you must first enable the feature:

E. Click *Environment > Options*, select the Backup to Cloud tab and click the appropriate options. Note that you can choose to automatically back up all files upon saving.



ProFile users can back up returns to the cloud for storage and security.
Learn more.

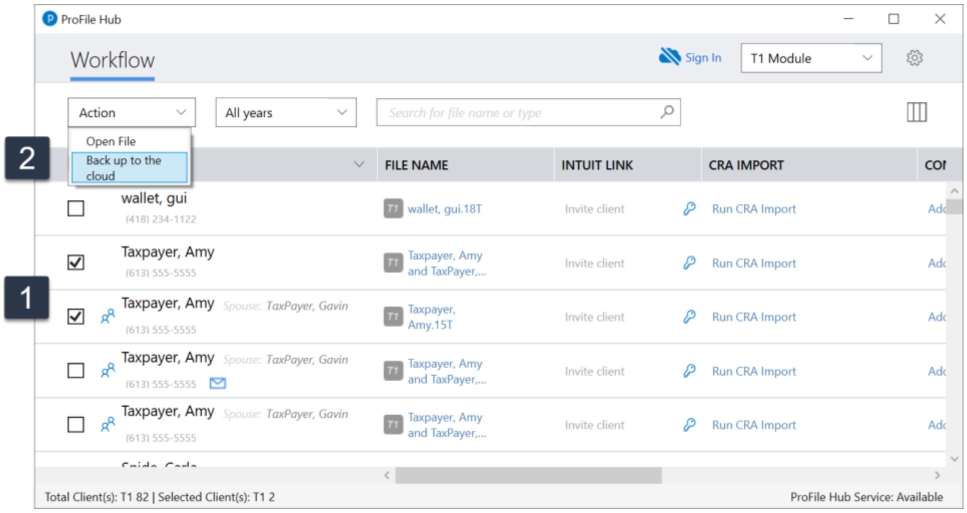
☑ Enable Backup to Cloud for this computer

☐ Automatically back up returns on saving

Note: You can back up multiple returns using Hub

F. To manually back up one or multiple files from the Menu Bar, click *Go to>Hub*, select the desired files [1]

G. Click the *Actions* dropdown and choose *Back up to the Cloud* [2]



		FILE NAME	INTUIT LINK	CRA IMPORT	CO
☐	wallet, gui (418) 234-1122	wallet, gui.18T	Invite client	Run CRA Import	Ad
☑	Taxpayer, Amy (613) 555-5555	Taxpayer, Amy and TaxPayer,...	Invite client	Run CRA Import	Ad
☑	Taxpayer, Amy Spouse: TaxPayer, Gavin (613) 555-5555	Taxpayer, Amy.15T	Invite client	Run CRA Import	Ad
☐	Taxpayer, Amy Spouse: TaxPayer, Gavin (613) 555-5555	Taxpayer, Amy and TaxPayer,...	Invite client	Run CRA Import	Ad
☐	Taxpayer, Amy Spouse: TaxPayer, Gavin (613) 555-5555	Taxpayer, Amy and TaxPayer,...	Invite client	Run CRA Import	Ad

Total Client(s): T1 82 | Selected Client(s): T1 2

ProFile Hub Service: Available

AUTO-FILL MY RETURN

AutoFill My Return (AFR) is a secure Canada Revenue Agency (CRA) service that allows individuals and authorized representatives to automatically fill-in parts of a T1 return with information that the CRA has available at the time of filing the return. Many authorized representatives are already accessing CRA's online services to gather client information. AFR is the logical next step. By filling in key tax data, CRA's AFR simplifies the tax preparation process.

To use the AFR service, a tax preparer must:

- Register and be an approved electronic filer
- Register in CRA's *Represent a Client* and have a RepID, GroupID or business number (BN)
- Have a valid Form T1013 Authorization Form (described in Chapter 3) for each client

It is important to note that AFR service is not mandatory for EFILE certified software products. Some products include the service in their product, but others may not. ProFile falls in the former category and has full AFR functionality.

Summary of Tax Information that CRA delivers with AFMR

Information Slips

- T3, Statement of Trust Income Allocations and Designations
- T4, Statement of Remuneration Paid
- T4A, Statement of Pension, Retirement, Annuity, and Other Income
- T4A(OAS), Statement of Old Age Security
- T4A(P), Statement of Canada Pension Plan Benefits
- T4E, Statement of Employment Insurance and Other Benefits
- T4RIF, Statement of Income from a Registered Retirement Income Fund
- T4RSP, Statement of Registered Retirement Savings Plan Income
- T5, Statement of Investment Income
- T5007, Statement of Benefits
- T5008, Statement of Securities Transactions
- RC62, Universal Child Care Benefit Statement
- RC210, Working Income Tax Benefit Advance Payments Statement
- Registered Retirement Savings Plan contribution receipt
- T1204, Government Service Contract Payments
- RENT ASSIST

Other Tax-Related Information

- RRSP contribution limit
- Lifelong Learning Plan repayment amount
- Capital gains and losses
- Federal tuition, education, and textbook carryover amounts
- Home Buyers’ Plan repayment amount
- Non-capital losses
- Capital gains deductions
- Provincial tuition, education, and textbook carryover amounts

Client Data Enquiry (CDE)

- Home Buyers' Plan
- Social assistance or workers' compensation benefits
- Working income tax benefit advance payments (RC210)
- Reassessment information
- New balance owing message for prior claim(s) on a refund
- Current tax year return
- Insolvency, consumer proposal indicator
- Recent page access
- Provincial tuition, education, and textbook carryforward
- Unfiled returns
- External refund set-off amounts
- Lifelong Learning Plan
- Employment insurance and other benefits (T4E)
- Universal child care benefit (RC62)
- Balance owing
- No debt owing indicators
- Bankruptcy
- Other existing outstanding balances
- Federal tuition, education, and textbook carryforward
- Disability tax credit eligibility
- Review
- Internal refund set-off notification

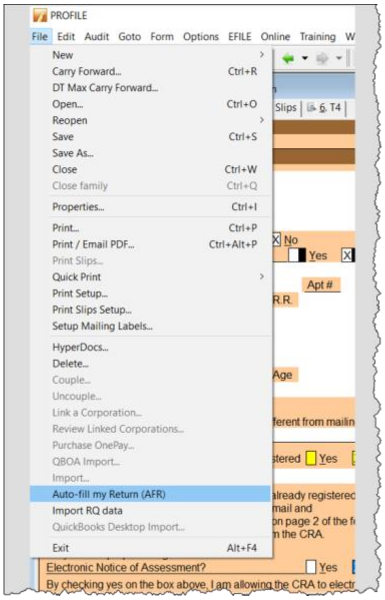
- Reassessment in progress
- CPP payments (T4A(P))
- Working income tax benefit
- Emigration Date
- Direct deposit indicators
- T4A income
- Outstanding GST/HST returns
- Immigration Date
- EFILE ineligibility indicators

AFR Download

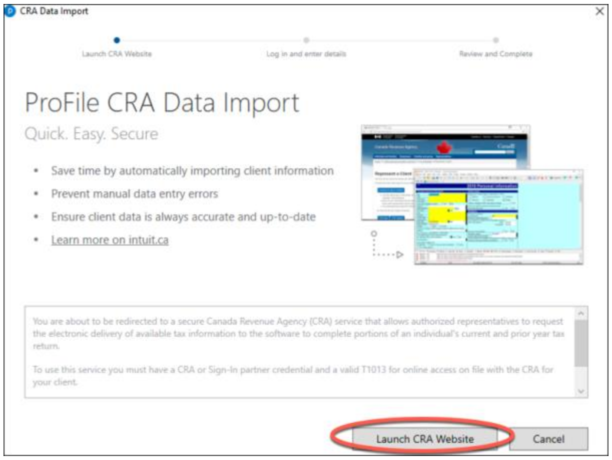
Before you file a tax return with the CRA using the information delivered by Auto-fill My Return, you must make sure that all the proper fields on the return are filled in and that the information provided is true and accurate.
If you notice a mistake on an information slip, contact the employer, payer, or administrator responsible for preparing that slip.
If you notice a mistake in the tax-related information, have an account-specific question about other tax-related information, or need additional information, call the individual income tax and trust enquiries line at 1-800-959-8281.

Using AutoFill My Return (AFR)

- With a client file open in ProFile, click *File>Import CRA Data*



- Click *Launch CRA Website*



ProFile CRA Data Import

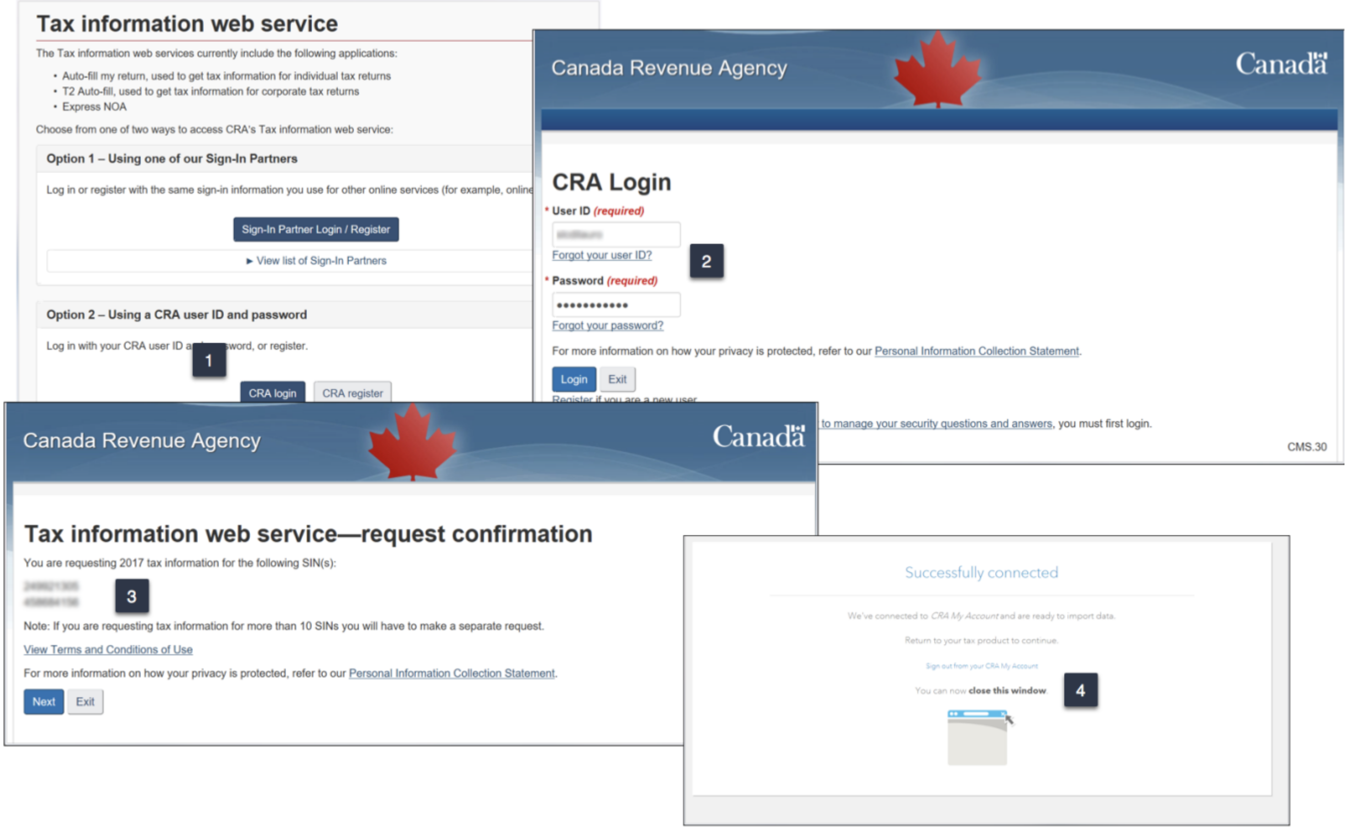
Quick. Easy. Secure

- Save time by automatically importing client information
- Prevent manual data entry errors
- Ensure client data is always accurate and up-to-date
- Learn more on intuit.ca

You are about to be redirected to a secure Canada Revenue Agency (CRA) service that allows authorized representatives to request the electronic delivery of available tax information to the software to complete portions of an individual's current and prior year tax return.

To use this service you must have a CRA or Sign-In partner credential and a valid T1013 for online access on file with the CRA for your client.

- ProFile will open a browser and take you to CRA's website
- Click CRA Login 1
- Enter your credentials 2
- Confirm CRA's request then click *Next* 3
- Close the window to return to ProFile 4



Tax information web service

The Tax information web services currently include the following applications:

- Auto-fill my return, used to get tax information for individual tax returns
- T2 Auto-fill, used to get tax information for corporate tax returns
- Express NOA

Choose from one of two ways to access CRA's Tax information web service:

Option 1 – Using one of our Sign-In Partners

Log in or register with the same sign-in information you use for other online services (for example, online

Option 2 – Using a CRA user ID and password

Log in with your CRA user ID a word, or register.

CRA Login

* User ID *(required)* [redacted]

Forgot your user ID?

* Password *(required)* ●●●●●●●●●●●

Forgot your password?

For more information on how your privacy is protected, refer to our Personal Information Collection Statement.

Register if you are a new user

to manage your security questions and answers, you must first login.

CMS.30

Tax information web service—request confirmation

You are requesting 2017 tax information for the following SIN(s):

[redacted]

Note: If you are requesting tax information for more than 10 SINs you will have to make a separate request.

View Terms and Conditions of Use

For more information on how your privacy is protected, refer to our Personal Information Collection Statement.

Successfully connected

We've connected to *CRA My Account* and are ready to import data.

Return to your tax product to continue.

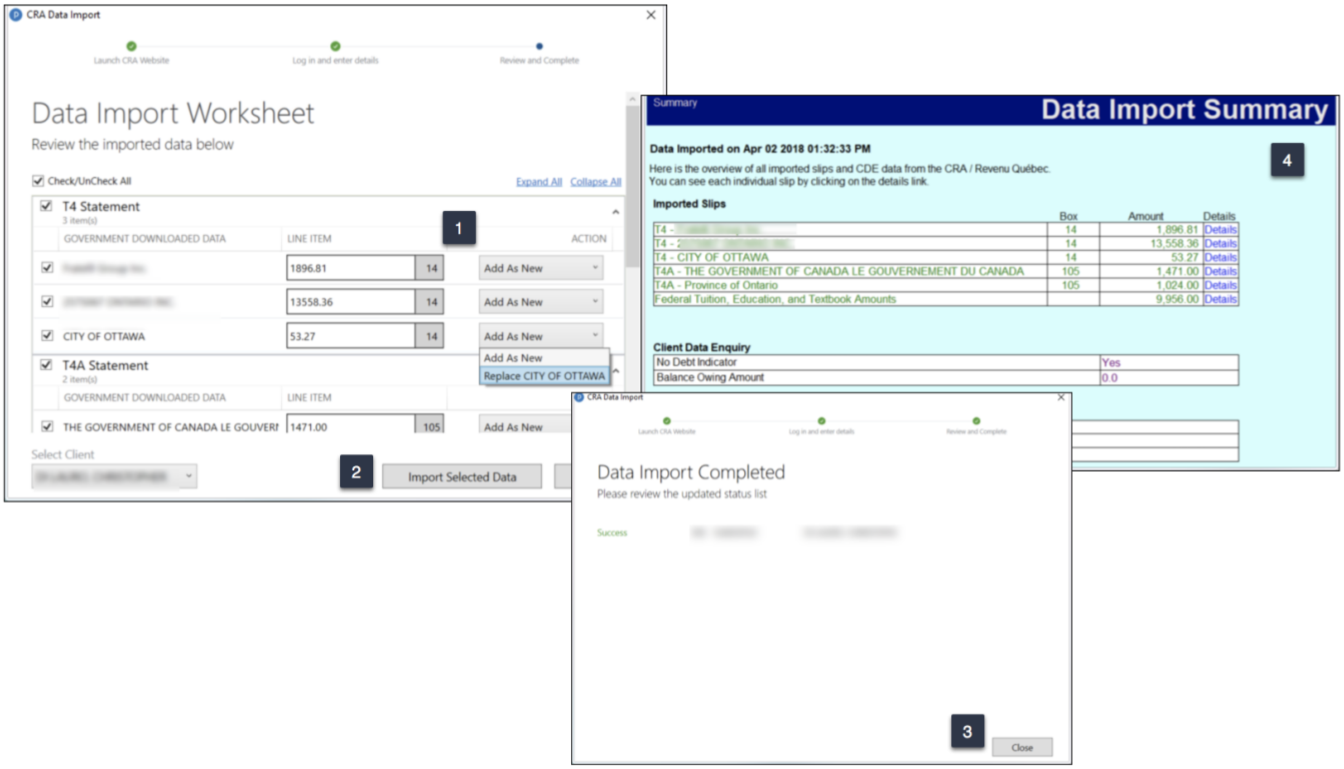
Sign out from your CRA My Account

You can now **close this window**.

- Profile displays the Data Import Worksheet where you can select or deselect the information to import into the tax file 1

- Click *Import Selected Data* 2
- Close the window that confirms the import is complete 3
- ProFile will list the imported information on the *Data Import Summary* form 4 \

- You have successfully used CRA's Autofill My Return



Data Import Worksheet

Review the imported data below

☑ Check/UnCheck All

☑ T4 Statement
3 item(s)

	GOVERNMENT DOWNLOADED DATA	LINE ITEM		ACTION
☑	[redacted]	1896.81	14	Add As New
☑	[redacted]	13558.36	14	Add As New
☑	CITY OF OTTAWA	53.27	14	Add As New

Add As New
Replace CITY OF OTTAWA

☑ T4A Statement
2 item(s)

	GOVERNMENT DOWNLOADED DATA	LINE ITEM		
☑	THE GOVERNMENT OF CANADA LE GOUVERI	1471.00	105	Add As New

Select Client
[redacted]

Summary

Data Import Summary

Data Imported on Apr 02 2018 01:32:33 PM

Here is the overview of all imported slips and CDE data from the CRA / Revenu Québec.
You can see each individual slip by clicking on the details link.

Imported Slips

	Box	Amount	Details
T4 - [redacted]	14	1,896.81	Details
T4 - 2[redacted]	14	13,558.36	Details
T4 - CITY OF OTTAWA	14	53.27	Details
T4A - THE GOVERNMENT OF CANADA LE GOUVERNEMENT DU CANADA	105	1,471.00	Details
T4A - Province of Ontario	105	1,024.00	Details
Federal Tuition, Education, and Textbook Amounts		9,956.00	Details

Client Data Enquiry

No Debt Indicator	Yes
Balance Owing Amount	0.0

Data Import Completed

Please review the updated status list

Success [redacted] [redacted]

ALL ABOUT REFILE

If you are an EFILE service provider, you can use ReFILE to EFILE T1 adjustments for tax years between 2015 and 2018. The ReFILE service lets you change the same lines that individual taxpayers can with the "Change my Return" service in CRA's "My Account" portal.

Who can use ReFILE?

Preparers can use the ReFILE service if the following conditions apply:

- You have ProFile version 2016.4.3 or later (for tax years 2015 though 2018)
- You have level 2 authorization from your client
- The initial return was filed online (EFILE)
- The initial return was assessed
- You have acquired a new sign-off on a revised T183 from client

What does the ReFILE service exclude?

In addition to CRA’s standard EFILE and Change My Return exclusions, you **cannot** use the ReFILE service if the taxpayer:

- is amending an election or wants to make an election (for example, using Form T2057, Election on Disposition of Property by a Taxpayer to a Taxable Canadian Corporation)
- is applying for child and family benefits
- is allocating a refund to other CRA accounts
- is applying for the disability tax credit
- has a reassessment in progress
- has a first return that has not been assessed (you can view the Express Notice of Assessment (NOA); view the regular NOA on Represent a Client or My Account for Individuals; or have a paper NOA on hand to validate that a return has been assessed)
- is subject to provincial or territorial income tax in more than one jurisdiction
- the first return was filed by the CRA as a 152(7) assessment

You **cannot** use ReFILE to change page 1 of the taxpayer's T1 Income Tax and Benefit Return. Instead, individual taxpayers should use My Account to make changes to the following information:

- marital status
- address
- direct deposit
- email address

In addition, you cannot use ReFILE to change:

- a tax return that has not been assessed
- a tax return where nine reassessments exist for a particular tax year
- a bankruptcy return
- a return prior to the year of bankruptcy
- carryback amounts such as capital or non-capital losses
- a return of an international or non-resident client (including deemed residents of Canada, newcomers to Canada, and individuals who left Canada during the year)
- the elected split-pension amount

- a return where you have income from a business with a permanent establishment outside your province or territory of residence (you have to complete Form T2203, Provincial and Territorial Taxes for 2017 - Multiple Jurisdictions)

Service limitations

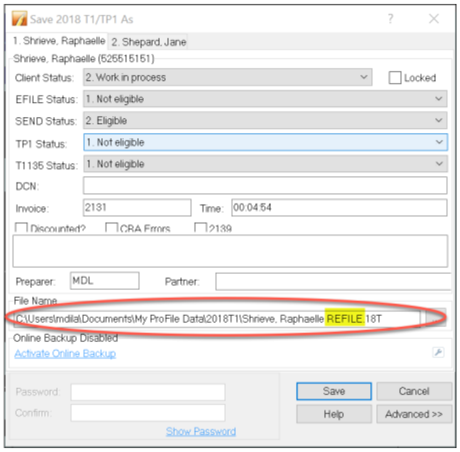
- The online system accepts only nine adjustments per tax year for each taxpayer, whether the taxpayer or you or CRA initiates the adjustments
- If you go over the limit, you will get an automated response saying the limit has been reached and explaining how to send a paper request
- Make additional requests on paper, preferably using Form T1-ADJ, T1 Adjustment Request, and mail them to the CRA

Using ReFILE

Before attempting to ReFILE a return, verify that you have a valid T1013 form--with level 2 authorization—on file with CRA. If CRA already has the authorization information on file, another filing of the T1013 is not required.

To ReFILE a return

- Open a T1 return that has already been filed online, and for which a CRA assessment has been received.
- Go to File >Save As... and save the file under a new name (optional)



Save 2018 T1/TP1 As

1. Shrieve, Raphaelle | 2. Shepard, Jane

Shrieve, Raphaelle (525515151)

Client Status: 2. Work in process ☐ Locked

EFILE Status: 1. Not eligible

SEND Status: 2. Eligible

TP1 Status: 1. Not eligible

T1135 Status: 1. Not eligible

DCN:

Invoice: 2131 Time: 00:04:54

☐ Discounted? ☐ CRA Errors ☐ 2139

Preparer: MDL Partner:

File Name

C:\Users\mdila\Documents\My ProFile Data\2018T1\Shrieve, Raphaelle REFILE.18T

Online Backup Disabled

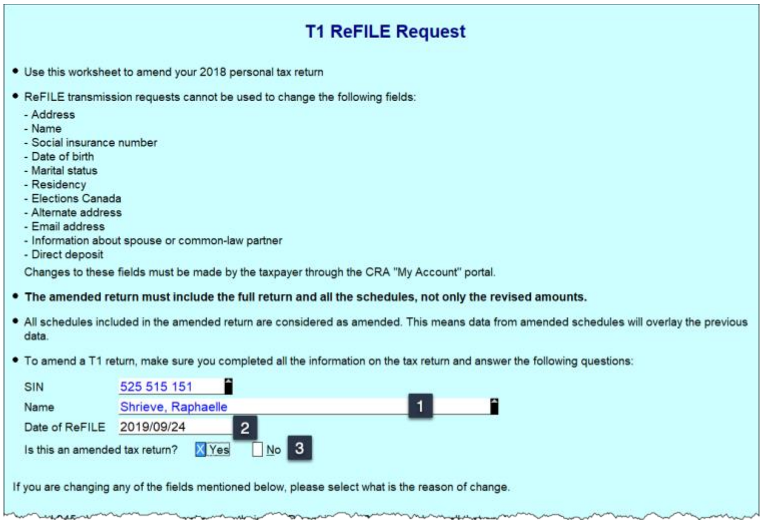
Activate Online Backup

Password:

Confirm:

Show Password

- Enter the new information that mandates a ReFILE. If, for example, a client has received an unexpected T4, then enter that new information on ProFile’s T4 Slip
- After making the necessary changes to the tax file, press F4 to open Form Explorer and, in the Search field, enter T1ReFILE



T1 ReFILE Request

- Use this worksheet to amend your 2018 personal tax return
- ReFILE transmission requests cannot be used to change the following fields:
  - Address
  - Name
  - Social insurance number
  - Date of birth
  - Marital status
  - Residency
  - Elections Canada
  - Alternate address
  - Email address
  - Information about spouse or common-law partner
  - Direct deposit

  Changes to these fields must be made by the taxpayer through the CRA "My Account" portal.
- **The amended return must include the full return and all the schedules, not only the revised amounts.**
- All schedules included in the amended return are considered as amended. This means data from amended schedules will overlay the previous data.
- To amend a T1 return, make sure you completed all the information on the tax return and answer the following questions:

SIN 525 515 151
Name Shrieve, Raphaelle
Date of ReFILE 2019/09/24
Is this an amended tax return? ☒ Yes ☐ No

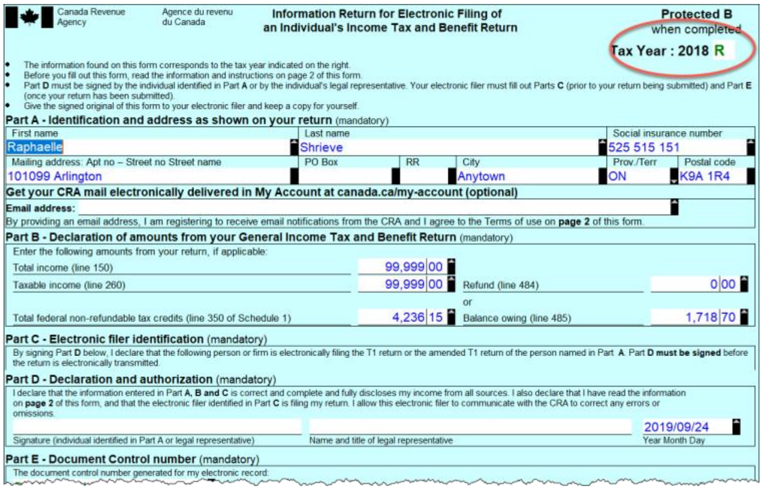
If you are changing any of the fields mentioned below, please select what is the reason of change.

- Ensure the client information (SIN and Name) is correct 1
- Enter the current date in the Date of ReFILE field 2
- Select Yes for the line that reads … "Is this an amended tax return?": 3
- Note: failing to select the "yes" option will produce an error when attempting to ReFILE.
- Answer any other relevant questions on the form

Note: these questions are not mandatory, and preparers are not required to provide answers. Any notices related to these questions may be ignored.

Before completing the submission, you must update the T183 Form

- Open the T183 used for the initial EFILE of the return
- A letter "R" now displays in the *Year* field indicating the form was referenced for ReFILE. This new designation is permanent and cannot be rescinded from the form



Canada Revenue Agency | Agence du revenu du Canada

Information Return for Electronic Filing of an Individual's Income Tax and Benefit Return

Protected B when completed

Tax Year : 2018 R

- The information found on this form corresponds to the tax year indicated on the right.
- Before you fill out this form, read the information and instructions on page 2 of this form.
- Part **D** must be signed by the individual identified in Part **A** or by the individual's legal representative. Your electronic filer must fill out Parts **C** (prior to your return being submitted) and Part **E** (once your return has been submitted).
- Give the signed original of this form to your electronic filer and keep a copy for yourself.

Part A - Identification and address as shown on your return (mandatory)

First name	Last name	Social insurance number
Raphaelle	Shrieve	525 515 151

Mailing address: Apt no – Street no Street name	PO Box	RR	City	Prov./Terr	Postal code
101099 Arlington			Anytown	ON	K9A 1R4

Get your CRA mail electronically delivered in My Account at canada.ca/my-account (optional)

Email address:

By providing an email address, I am registering to receive email notifications from the CRA and I agree to the Terms of use on **page 2** of this form.

Part B - Declaration of amounts from your General Income Tax and Benefit Return (mandatory)

Enter the following amounts from your return, if applicable:

Total income (line 150)	99,999 00		
Taxable income (line 260)	99,999 00	Refund (line 484)	0 00
		or	
Total federal non-refundable tax credits (line 350 of Schedule 1)	4,236 15	Balance owing (line 485)	1,718 70

Part C - Electronic filer identification (mandatory)

By signing Part **D** below, I declare that the following person or firm is electronically filing the T1 return or the amended T1 return of the person named in Part **A**. Part **D must be signed** before the return is electronically transmitted.

Part D - Declaration and authorization (mandatory)

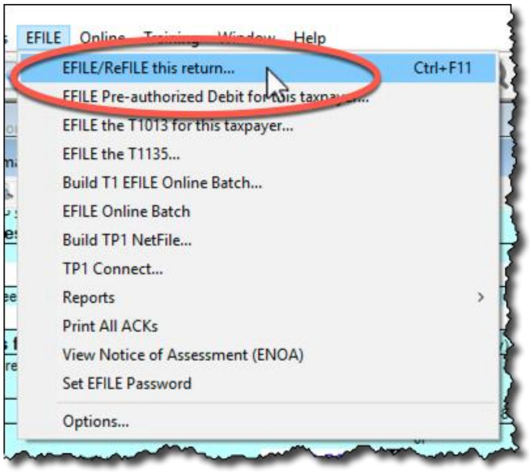
I declare that the information entered in Part **A, B and C** is correct and complete and fully discloses my income from all sources. I also declare that I have read the information on **page 2** of this form, and that the electronic filer identified in Part **C** is filing my return. I allow this electronic filer to communicate with the CRA to correct any errors or omissions.

Signature (individual identified in Part A or legal representative)	Name and title of legal representative	Year Month Day
		2019/09/24

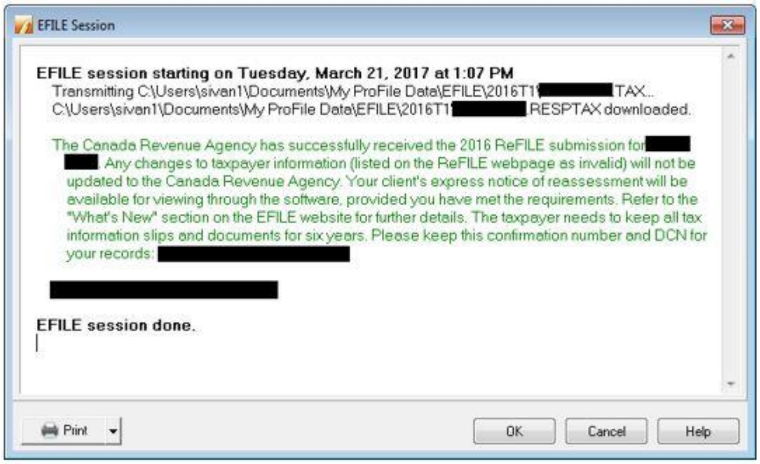
Part E - Document Control number (mandatory)

The document control number generated for my electronic record:

- Acquire a new sign-off from the client on the updated T183 form prior to your ReFILE attempt
- After the client signs the updated T183, click EFILE/ReFILE this return…



After the ReFILE process is successfully completed, ProFile will display a confirmation window



EFILE session starting on Tuesday, March 21, 2017 at 1:07 PM

Transmitting C:\Users\sivan1\Documents\My ProFile Data\EFILE\2016T1[redacted]TAX...

C:\Users\sivan1\Documents\My ProFile Data\EFILE\2016T1[redacted]RESPTAX downloaded.

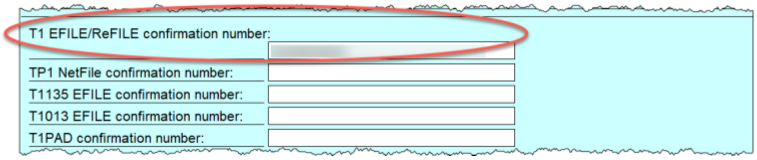
The Canada Revenue Agency has successfully received the 2016 ReFILE submission for[redacted]. Any changes to taxpayer information (listed on the ReFILE webpage as invalid) will not be updated to the Canada Revenue Agency. Your client's express notice of reassessment will be available for viewing through the software, provided you have met the requirements. Refer to the "What's New" section on the EFILE website for further details. The taxpayer needs to keep all tax information slips and documents for six years. Please keep this confirmation number and DCN for your records: [redacted]

[redacted]

EFILE session done.

Confirming the ReFILE submission

ProFile enters the ReFILE confirmation number on the *Info* form. to the return. It matches the number displayed in the ReFILE confirmation message.



T1 EFILE/ReFILE confirmation number: [redacted]

TP1 NetFile confirmation number:

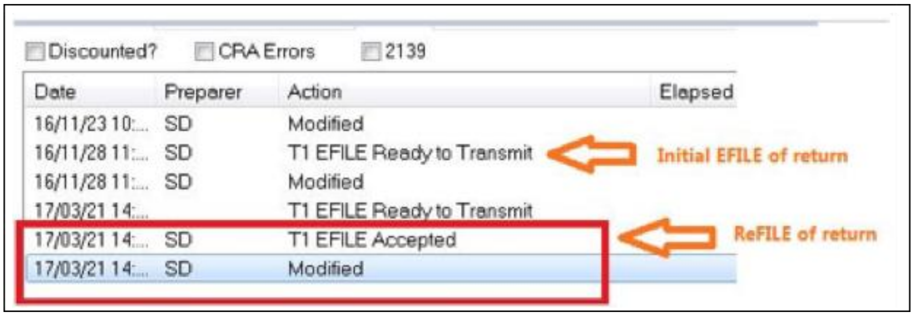
T1135 EFILE confirmation number:

T1013 EFILE confirmation number:

T1PAD confirmation number:

- You can also confirm the history of the submission by selecting *Properties* option under the *File* menu

Review the history of the return; the ReFILE displays as an *EFILE* with the date of the ReFILE displayed in the *Date* field



☐ Discounted? ☐ CRA Errors ☐ 2139

Date	Preparer	Action	Elapsed
16/11/23 10:...	SD	Modified	
16/11/28 11:...	SD	T1 EFILE Ready to Transmit	
16/11/28 11:...	SD	Modified	
17/03/21 14:...		T1 EFILE Ready to Transmit	
17/03/21 14:...	SD	T1 EFILE Accepted	
17/03/21 14:...	SD	Modified	

Initial EFILE of return

ReFILE of return

Chapter 6 Quiz

Question 1: ProFile features a number of Online tools. These tools include:

A. ProFile ReFile
B. ProFile Review
C. Online backup
D. All the above

Correct answer is D

Question 2: ProFile's toolbars include a dedicated set of icons for accessing online features

Correct answer is True

Question 3: The four online icons are:

A. Chat, Notifications, Online Settings, and Review
B. Chat, Explorer, Review and Bridge
C. Run, Synchronize, Archive and Bridge
D. None of the above

Correct answer is A

Question 4: True or False: You can use ProFile Review to view T1 returns online

Correct answer is True

Question 5: True or False: With ProFile you can use CRA's AutoFill My Return to download tax amounts to a T1 file

Correct answer is True

Question 6: To use CRA's AutoFill My Return, you must:

A. Register to become an approved electronic filer
B. Register in CRA's *Represent a Client* program and have current and valid credentials
C. Have a signed T1013 Authorization form for each client
D. All the above

Correct answer is D

Question 7: True or False: With AutoFill My Return, ProFile will be able to autofill all tax data including RRSP contributions, medical expenses and charitable donations

Correct answer is False

Question 8: True or False: ReFile is a CRA service that lets you make adjustments to the same T1 return an unlimited number of times

Correct answer is False

Question 9: What are the ReFile service limits:

A. You cannot change information such as marital status, address or direct deposit information
B. T1 ReFile lets adjust the same tax return up to nine times
C. You must make additional adjustments by paper-filing a T1-ADJ
D. All the above

Correct answer is D

Question 10: True or False: Before ReFiling a T1 on behalf of a client, you must first obtain an updated and signed T183

Correct answer is True

Chapter 7

Data Mining with Client Explorer

Learning Objectives

At this chapter's end students will understand:

- What Client Explorer does and what information it provides
- How to use Client Explorer at a basic level
- How to use Client Explorer's powerful reporting tools

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 7: Data-mining with ProFile’s Powerful Client Explorer

INTRODUCING CLIENT EXPLORER

Client Explorer is a powerful database, built into ProFile, that helps you view and manage all aspects of your client files. With Client Explorer, you can create custom filters that let you open, carry-forward and batch EFILE tax returns. You can also export and print customizable data on your clients and their tax files. Finally, if you want to print groups of returns or file groups of returns by EFILE, you must use Client Explorer.

The first time you save a new client file, Client Explorer automatically adds a record for that client to the database. Then, whenever you make a change to a client file, ProFile updates the record for that client. Client Explorer does not store all of the data found in each individual client file. Instead, it contains references to the file location. However, you can still print reports and export files that include the data from those client files.

It’s important to note that, in addition to Client Explorer, ProFile offers a separate and functionally-different client database called *Classic Database.* This booklet only covers Client Explorer.

***Note**: You can use either the Classic Database or Client Explorer — not both.*

Client Explorer Advantages

The benefits of Client Explorer include:

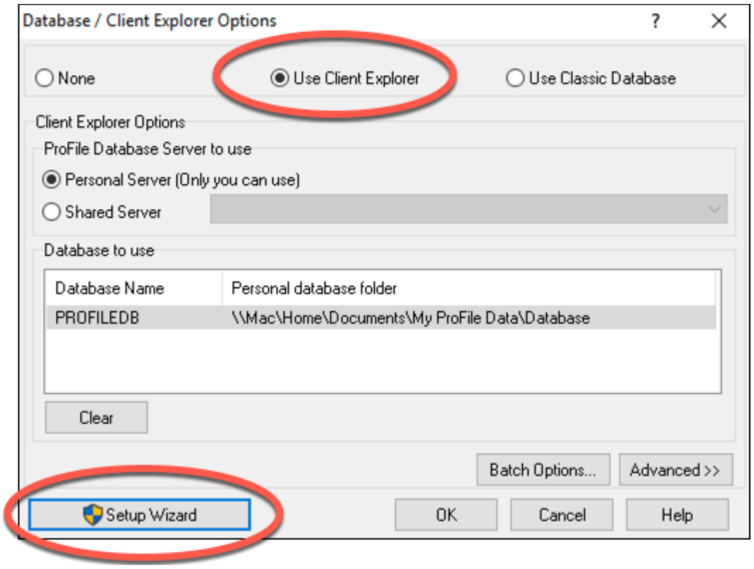
- Faster network access: Client Explorer works on standalone workstations or small networks, and it also provides faster access for larger offices that share a database over a network.
- Client-centred records: Client Explorer groups files for the same client in a single client record, regardless of the type or year of the file. You see all of a client's files and returns in one place.
- Customized views: You can set and personalize Client Explorer views and save those settings. You can use filters to quickly and easily change how you view your files and which files you view.
- Intuitive batch functionality: Most multi-file-select actions work the same way as Microsoft Windows®. You can use filters to view only the files you need, select all of the visible files, and then select an action from the Database menu or from a right-click menu.
- Access to client details: You can use Client Explorer as an address book or contact list. You can change client addresses in the Client Explorer without affecting previously-filed returns. And you can customize the Details pane to include any fields from client returns.

Setting up

You start by setting up Client Explorer, and the set-up options depend on whether you works alone as a sole practitioner or work with others in a shared network environment.

Setting up Client Explorer for a Sole Practitioner

- Click Options -> Database
- Select the *Client Explorer* radio button.
- Click Setup Wizard



Database / Client Explorer Options

○ None ● Use Client Explorer ○ Use Classic Database

Client Explorer Options

ProFile Database Server to use

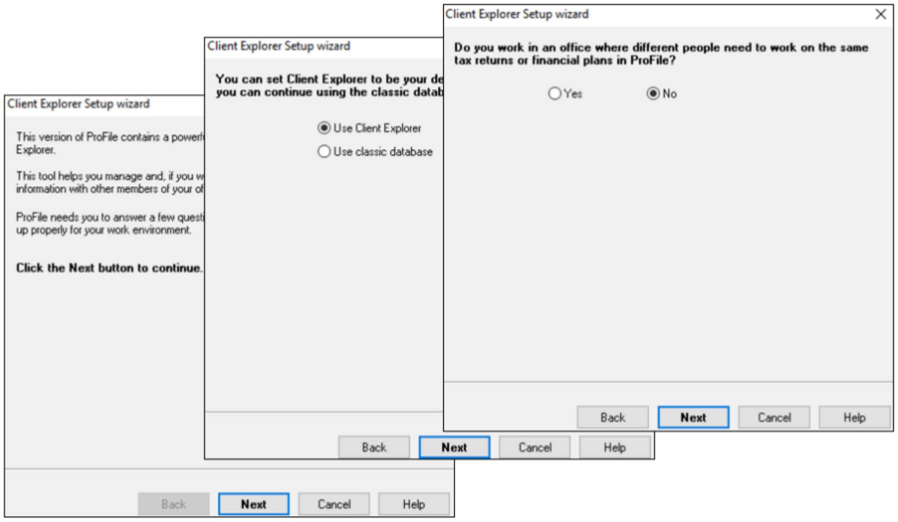
● Personal Server (Only you can use)

○ Shared Server

Database to use

Database Name	Personal database folder
PROFILEDB	\\Mac\Home\Documents\My ProFile Data\Database

- Click *Use Client Explorer* and in the following window, click *No* to indicate that you are a sole practitioner



Client Explorer Setup wizard

This version of ProFile contains a powerf
Explorer.

This tool helps you manage and, if you w
information with other members of your of

ProFile needs you to answer a few questi
up properly for your work environment.

Click the Next button to continue.

Client Explorer Setup wizard

You can set Client Explorer to be your de
you can continue using the classic datab

● Use Client Explorer

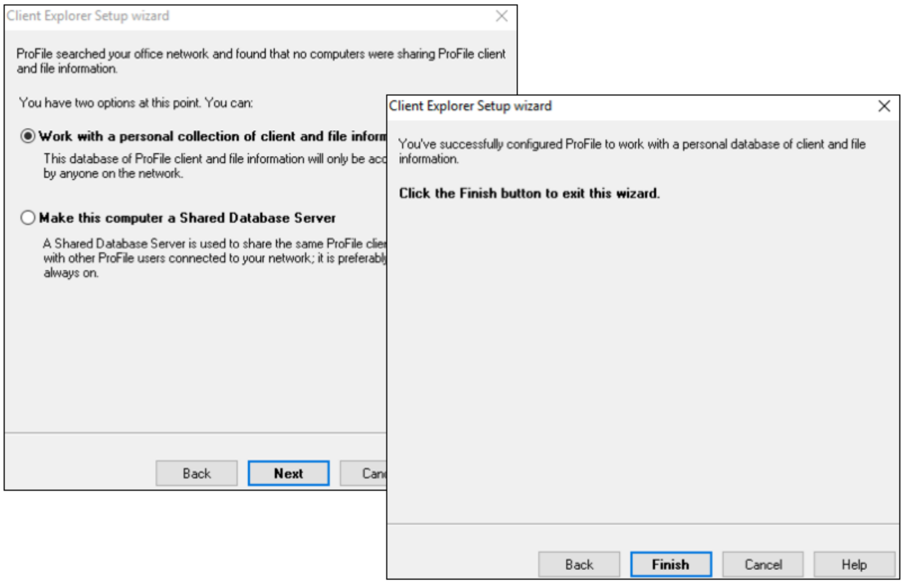
○ Use classic database

Client Explorer Setup wizard

Do you work in an office where different people need to work on the same tax returns or financial plans in ProFile?

○ Yes ● No

- As a sole practitioner, select the first radio button and click *Next*
- Finally, click *Finish*



ProFile searched your office network and found that no computers were sharing ProFile client and file information.

You have two options at this point. You can:

● **Work with a personal collection of client and file inform**

This database of ProFile client and file information will only be acc
by anyone on the network.

○ **Make this computer a Shared Database Server**

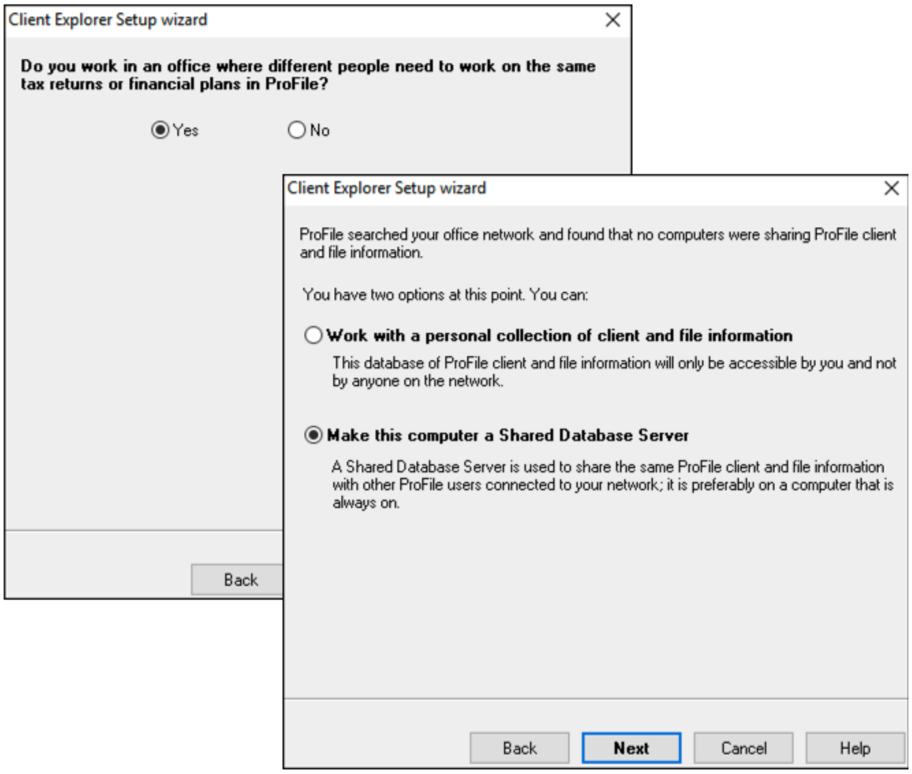
A Shared Database Server is used to share the same ProFile clie
with other ProFile users connected to your network; it is preferabl
always on.

You've successfully configured ProFile to work with a personal database of client and file information.

Click the Finish button to exit this wizard.

Setting up Client Explorer for a Shared Database

- Go back to the Setup Wizard, and click *Yes* at the prompt about *working with different people*
- In a following window, click the second radio button to make the computer a shared database



Do you work in an office where different people need to work on the same tax returns or financial plans in ProFile?

● Yes ○ No

ProFile searched your office network and found that no computers were sharing ProFile client and file information.

You have two options at this point. You can:

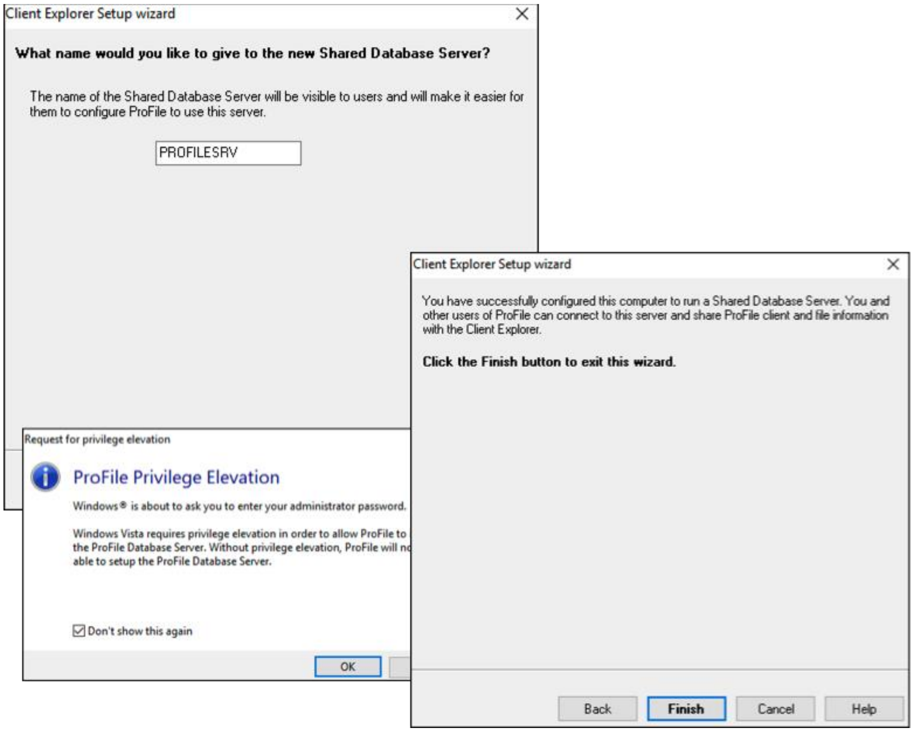
○ **Work with a personal collection of client and file information**

This database of ProFile client and file information will only be accessible by you and not by anyone on the network.

● **Make this computer a Shared Database Server**

A Shared Database Server is used to share the same ProFile client and file information with other ProFile users connected to your network; it is preferably on a computer that is always on.

- Name your shared database, click *OK* to accept any Windows prompts (such as ProFile Privilege Elevation), and click *Finish* to complete the process



Client Explorer Setup wizard

What name would you like to give to the new Shared Database Server?

The name of the Shared Database Server will be visible to users and will make it easier for them to configure ProFile to use this server.

PROFILESRV

Request for privilege elevation

ProFile Privilege Elevation

Windows® is about to ask you to enter your administrator password.

Windows Vista requires privilege elevation in order to allow ProFile to the ProFile Database Server. Without privilege elevation, ProFile will no able to setup the ProFile Database Server.

☑ Don't show this again

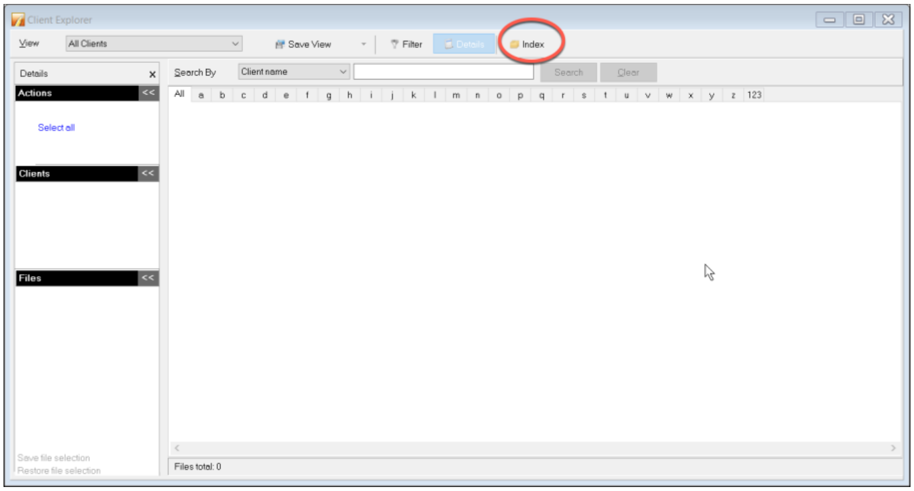
Client Explorer Setup wizard

You have successfully configured this computer to run a Shared Database Server. You and other users of ProFile can connect to this server and share ProFile client and file information with the Client Explorer.

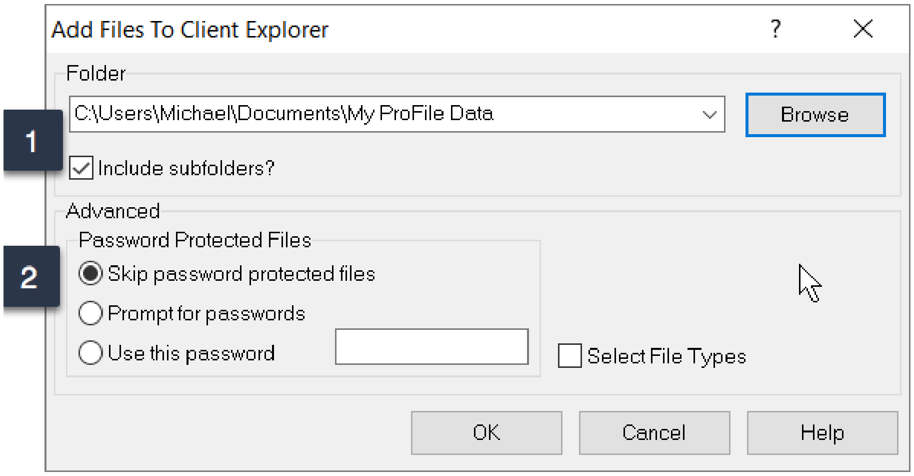
Click the Finish button to exit this wizard.

Using Client Explorer

- To open *Client Explorer* just press the F3 key. The first time it launches, Client Explorer displays an empty window
- You will need to load references to the existing files. To do so, click *Index*



- Browse to the file location (usually *My ProFile Data*) and click *Include subfolders* 1
- Indicate how you want Client Explorer to handle password protected files 2
- Click *OK*



Add Files To Client Explorer

Folder

C:\Users\Michael\Documents\My ProFile Data

☑ Include subfolders?

Advanced

Password Protected Files

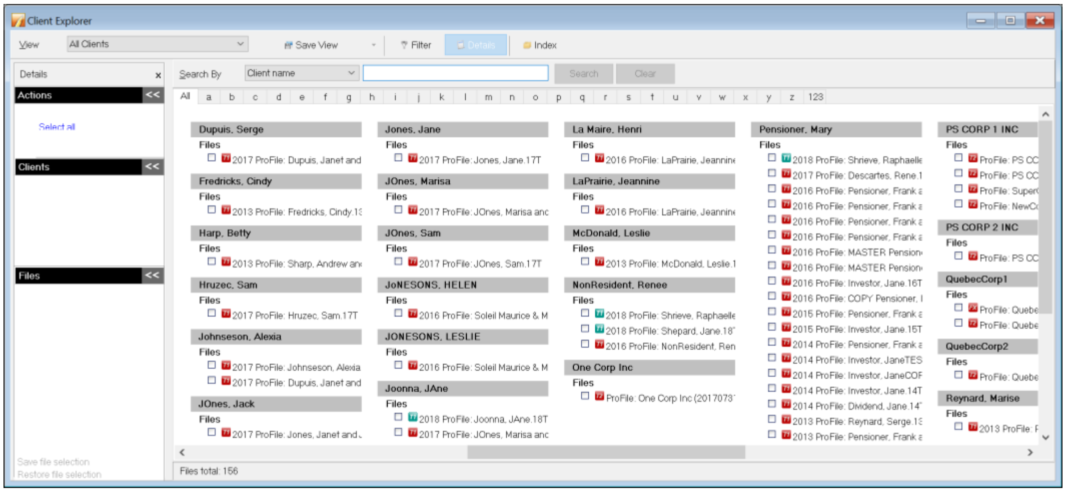
● Skip password protected files

○ Prompt for passwords

○ Use this password

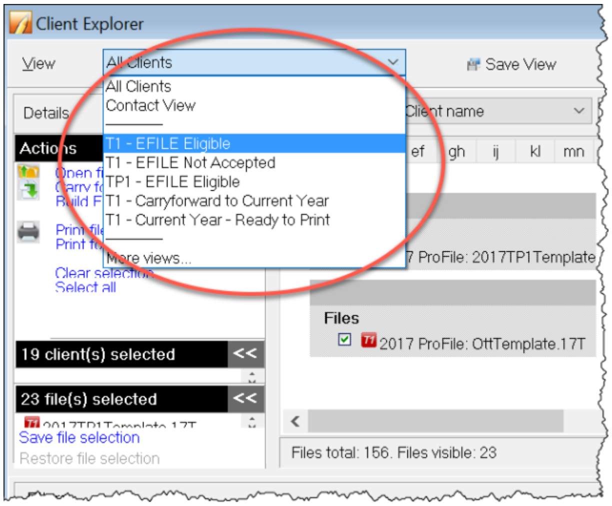
☐ Select File Types

- After the indexing process is finished, Client Explorer displays all tax files stored in the designated folder



Files total: 156

- By default, View is set for *All Clients*. To change that view, just click the dropdown



19 client(s) selected

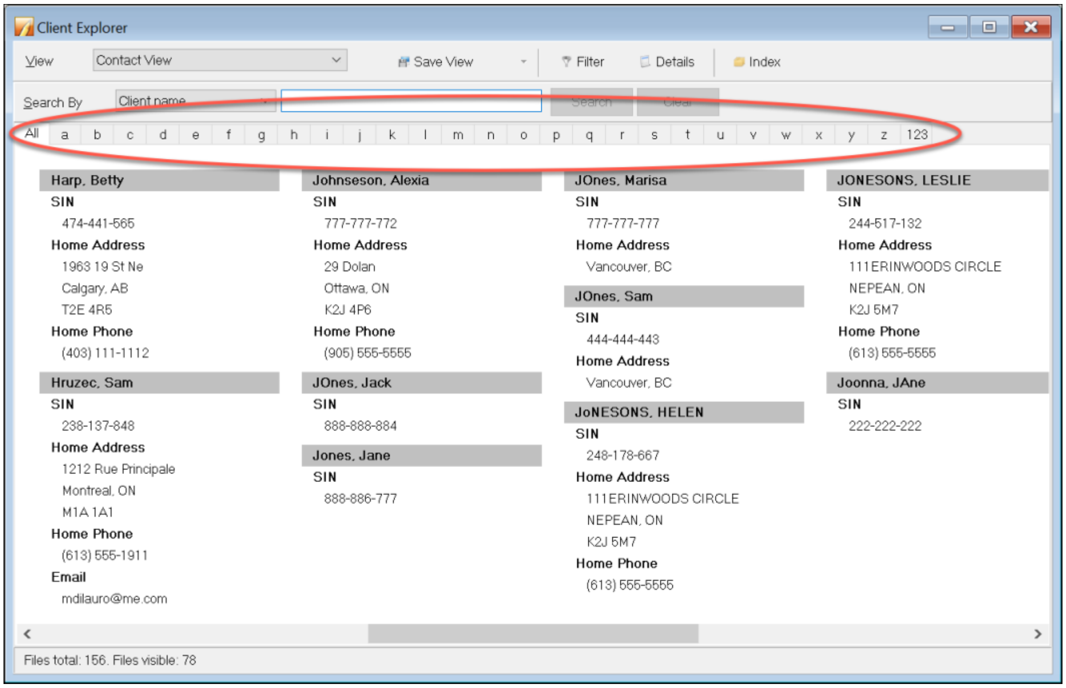
23 file(s) selected

Files

☑ 2017 ProFile: OttTemplate.17T

Files total: 156. Files visible: 23

- The *Contact View*, for example, displays full contact information for all your clients
- Use the tabs to narrow your search parameters



View: Contact View

Search By: Client name

Harp, Betty
SIN
474-441-565
Home Address
1963 19 St Ne
Calgary, AB
T2E 4R5
Home Phone
(403) 111-1112

Hruzec, Sam
SIN
238-137-848
Home Address
1212 Rue Principale
Montreal, ON
M1A 1A1
Home Phone
(613) 555-1911
Email
mdilauro@me.com

Johnseson, Alexia
SIN
777-777-772
Home Address
29 Dolan
Ottawa, ON
K2J 4P6
Home Phone
(905) 555-5555

JOnes, Jack
SIN
888-888-884

Jones, Jane
SIN
888-886-777

JOnes, Marisa
SIN
777-777-777
Home Address
Vancouver, BC

JOnes, Sam
SIN
444-444-443
Home Address
Vancouver, BC

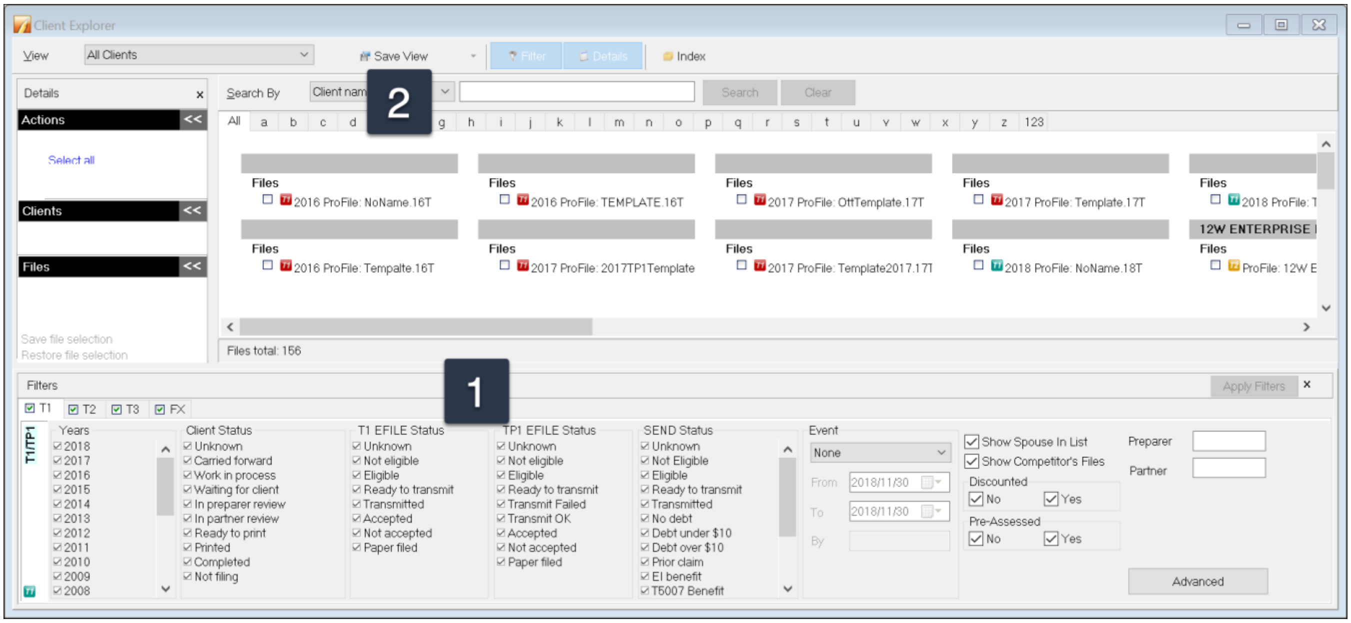
JoNESONS, HELEN
SIN
248-178-667
Home Address
111ERINWOODS CIRCLE
NEPEAN, ON
K2J 5M7
Home Phone
(613) 555-5555

JONESONS, LESLIE
SIN
244-517-132
Home Address
111ERINWOODS CIRCLE
NEPEAN, ON
K2J 5M7
Home Phone
(613) 555-5555

Joonna, JAne
SIN
222-222-222

Files total: 156. Files visible: 78

- *Client Explorer* lets you customize views by setting filters
- Click *Filter* to open the bottom panel and customize the files that *Client Explorer* displays
- The *Filters* panel lets you select a wide range of parameters including, tax types, tax years, client and file status and date-range 1



View: All Clients

Search By: Client nam

Files
☐ 2016 ProFile: NoName.16T

Files
☐ 2016 ProFile: Tempalte.16T

Files
☐ 2016 ProFile: TEMPLATE.16T

Files
☐ 2017 ProFile: 2017TP1Template

Files
☐ 2017 ProFile: OttTemplate.17T

Files
☐ 2017 ProFile: Template2017.17T

Files
☐ 2017 ProFile: Template.17T

Files
☐ 2018 ProFile: NoName.18T

Files
☐ 2018 ProFile: T

12W ENTERPRISE
Files
☐ ProFile: 12W E

Files total: 156

☑ T1 ☑ T2 ☑ T3 ☑ FX

Years
☑ 2018
☑ 2017
☑ 2016
☑ 2015
☑ 2014
☑ 2013
☑ 2012
☑ 2011
☑ 2010
☑ 2009
☑ 2008

Client Status
☑ Unknown
☑ Carried forward
☑ Work in process
☑ Waiting for client
☑ In preparer review
☑ In partner review
☑ Ready to print
☑ Printed
☑ Completed
☑ Not filing

T1 EFILE Status
☑ Unknown
☑ Not eligible
☑ Eligible
☑ Ready to transmit
☑ Transmitted
☑ Accepted
☑ Not accepted
☑ Paper filed

TP1 EFILE Status
☑ Unknown
☑ Not eligible
☑ Eligible
☑ Ready to transmit
☑ Transmit Failed
☑ Transmit OK
☑ Accepted
☑ Not accepted
☑ Paper filed

SEND Status
☑ Unknown
☑ Not Eligible
☑ Eligible
☑ Ready to transmit
☑ Transmitted
☑ No debt
☑ Debt under $10
☑ Debt over $10
☑ Prior claim
☑ EI benefit
☑ T5007 Benefit

Event: None
From: 2018/11/30
To: 2018/11/30
By:

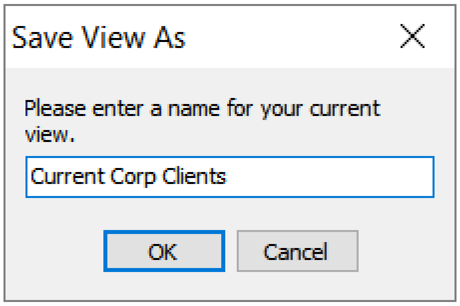
☑ Show Spouse In List
☑ Show Competitor's Files

Discounted
☑ No ☑ Yes

Pre-Assessed
☑ No ☑ Yes

Preparer:
Partner:

- Once you create your customized view (see window above) click *Save View*
- In the dialog box that opens, name your customized view and click *OK*.

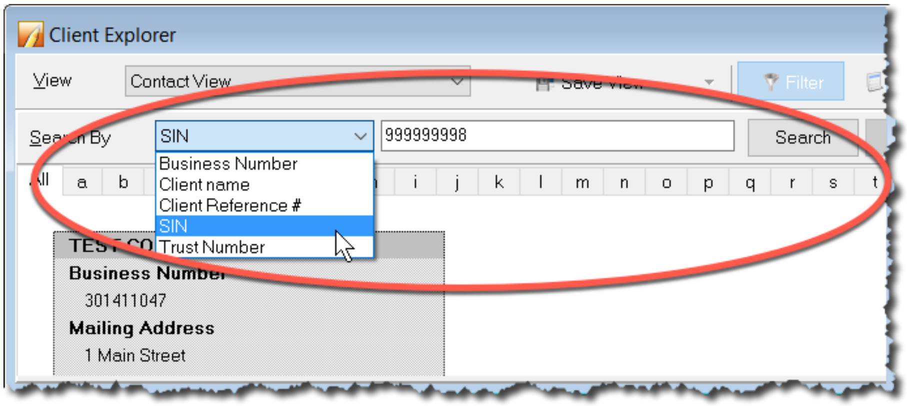

Save View As

Please enter a name for your current view.

Current Corp Clients

Using *Client Explorer* to find files

- *Client Explorer* has a Search tool that helps you find a specific client file
- Use the dropdown field to select the search parameter
- Type the query term, click *Search* and Client Explorer will display all files matching your search query


Client Explorer

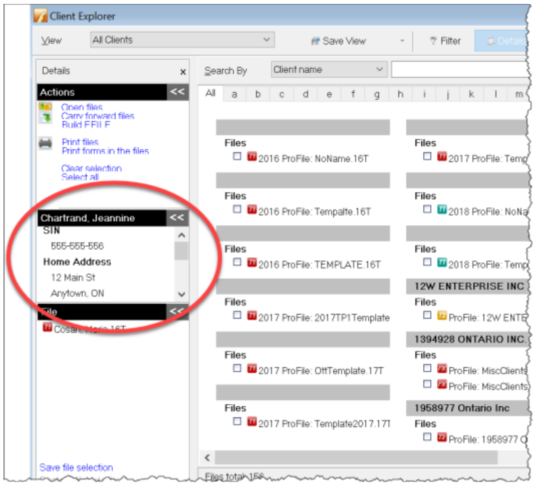
View: Contact View

Search By: SIN 999999998

Business Number
301411047
Mailing Address
1 Main Street

Client Explorer as a Contact Manger

- You can easily use Client Explorer as a Contact Manager. Just select a file (by clicking into its checkbox) and the left pane displays contact information for that client

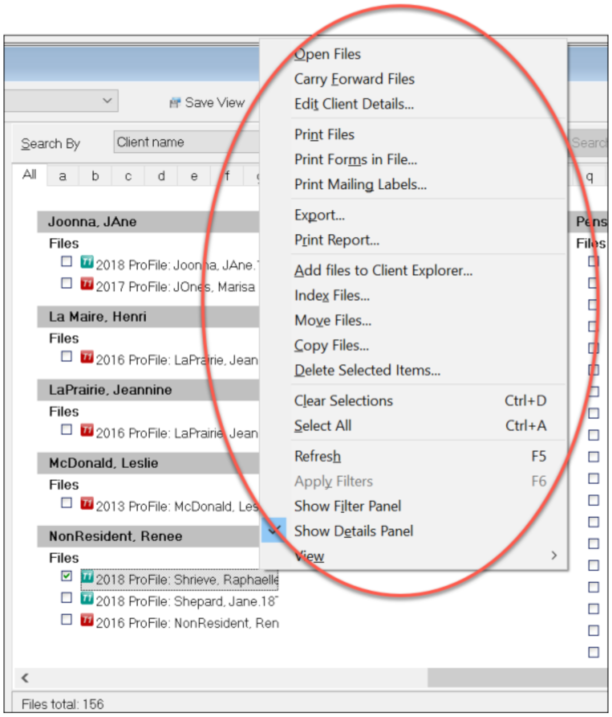

Client Explorer

View: All Clients

Search By: Client name

Chartrand, Jeannine
SIN
555-555-555
Home Address
12 Main St
Anytown, ON

- To carry out more actions, right-click a file to open a context-sensitive window that lets you *Open*, *Carryforward* or *Print Files*, as well as *Export*, *Copy* or *Delete* them



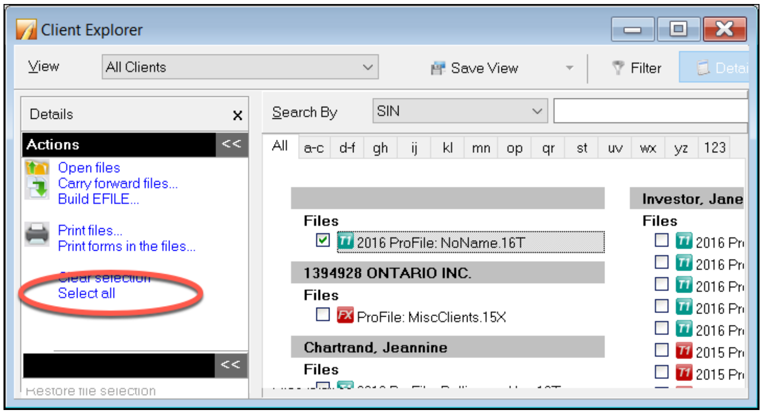
EFILE WITH CLIENT EXPLORER

Chapter 4 introduced CRA's EFILE system and described how a tax preparer uses EFILE to electronically file a client's T1. This section illustrates how you can use Client Explorer to EFILE multiple T1s at the same time.

Batch EFILE with Client Explorer

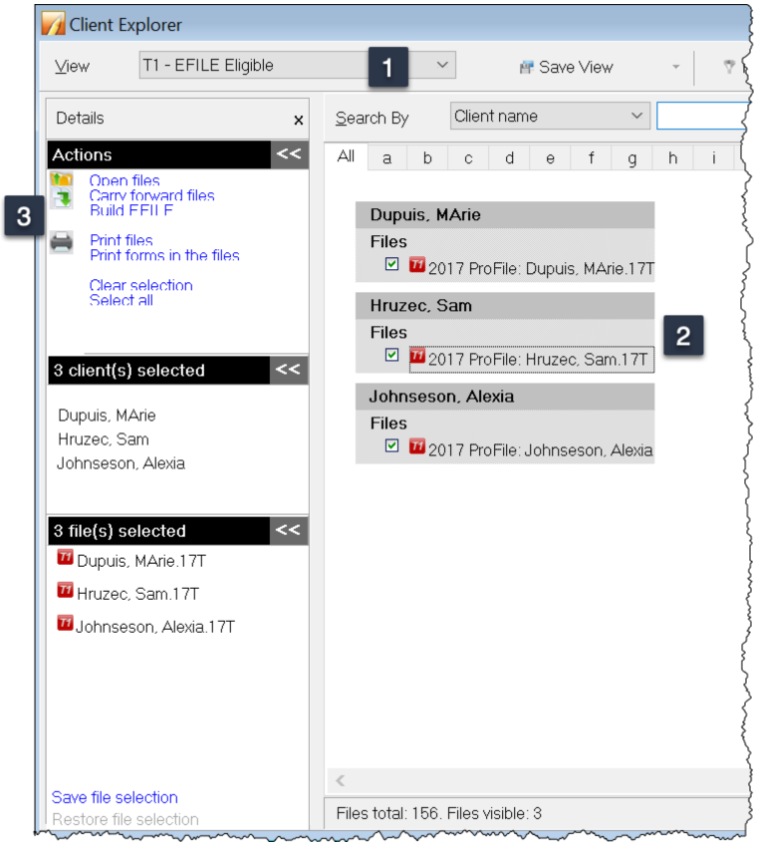
To create EFILE files for a group of returns:

- Press *F3* to open Client Explorer
- In the client list pane, click the Select all tab (on the left)

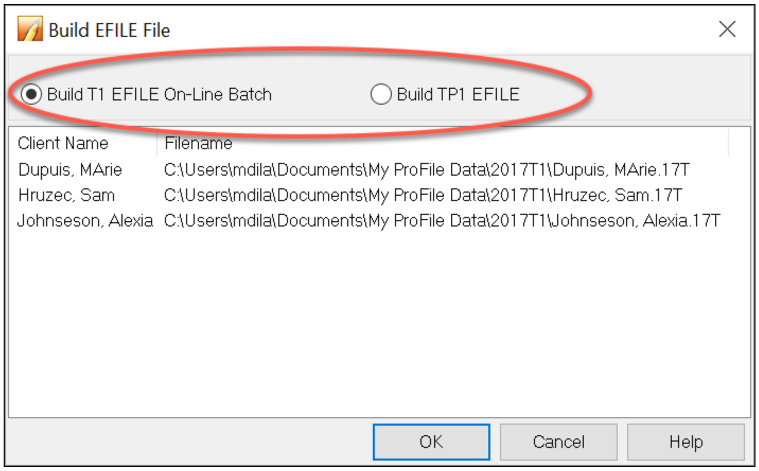


In the View drop-down list, select the type of EFILE operation that you want to perform. ProFile filters the list to display only files with the selected status.

- To view tax files eligible for EFILE, select *T1 – EFILE Eligible* [1]
- From the list of eligible files, select the files that you want to include in the next transmission [2]
- To prepare the files for submission, choose *Build EFILE* [3]



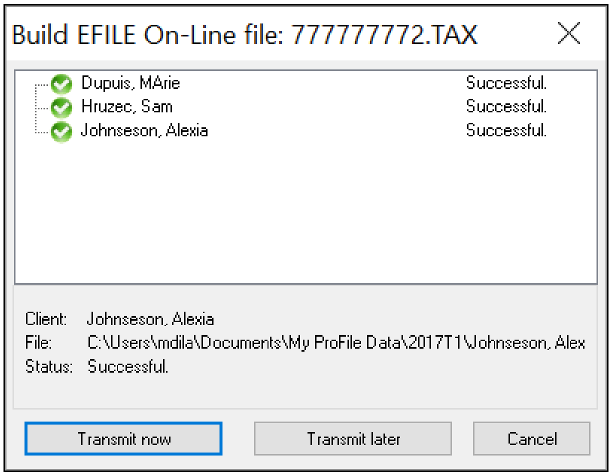
- If necessary, in the Build window that opens, further specify the type of EFILE file to create (or the **Agency**, **Data Type** and **Slip Type** when you are building an electronic media file for slips/relevés).
- Click OK when you're done



● Build T1 EFILE On-Line Batch ○ Build TP1 EFILE

Client Name	Filename
Dupuis, MArie	C:\Users\mdila\Documents\My ProFile Data\2017T1\Dupuis, MArie.17T
Hruzec, Sam	C:\Users\mdila\Documents\My ProFile Data\2017T1\Hruzec, Sam.17T
Johnseson, Alexia	C:\Users\mdila\Documents\My ProFile Data\2017T1\Johnseson, Alexia.17T

- ProFile reports progress on the selected returns as it builds them. A *Successful* build status should appear next to each return
- Click *Transmit Now* to EFILE the batch



Dupuis, MArie	Successful.
Hruzec, Sam	Successful.
Johnseson, Alexia	Successful.

Client: Johnseson, Alexia
File: C:\Users\mdila\Documents\My ProFile Data\2017T1\Johnseson, Alex
Status: Successful.

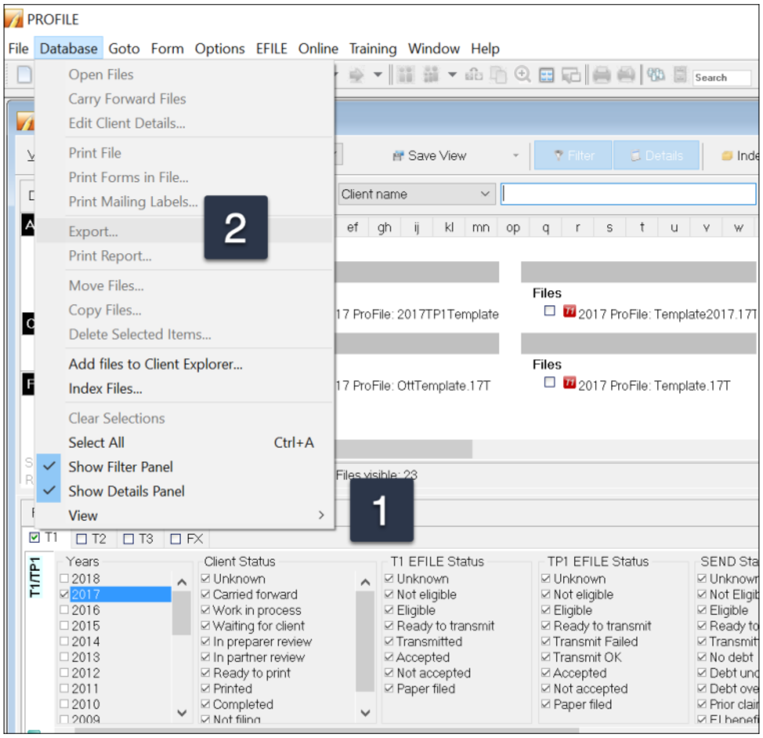
For more details on transmitting T1 and TP1 returns that you prepared in this way, go to ProFile Help and search for "Transmit a batch of EFILE Online files"

PRINTING AND EXPORTING WITH *CLIENT EXPLORER*

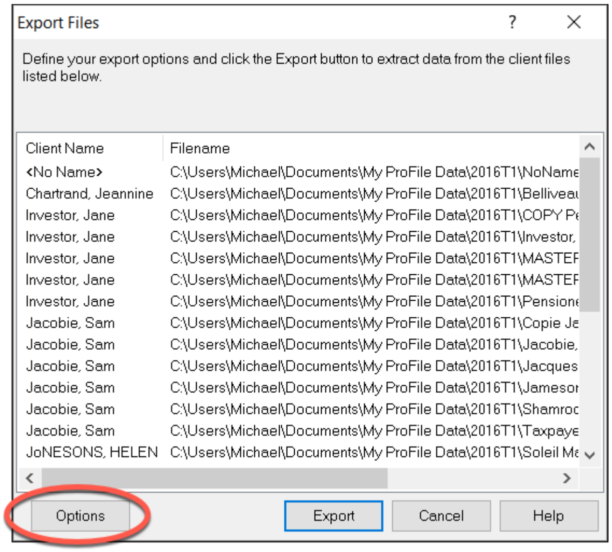
Export to Excel

Here's how you can export data from Client Explorer to Microsoft Excel TM:

- From *Client Explorer*, select the files for the year and module you'd like to export 1
- Click the *Database* menu and select *Export* 2



- From the *Export Files* dialog box, click *Options*

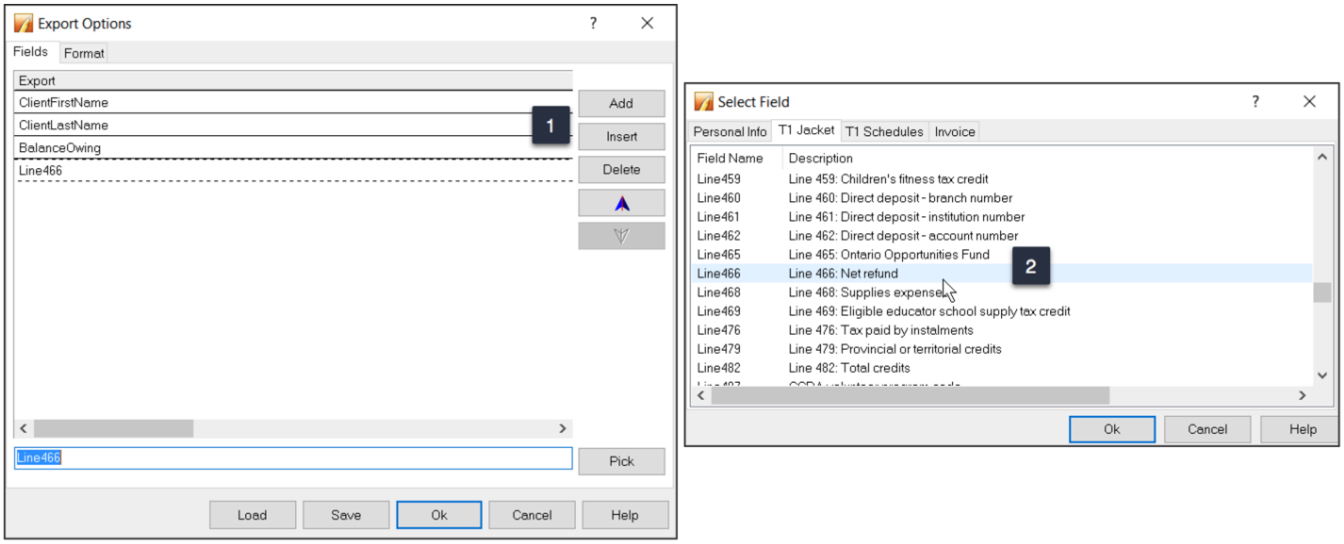


Define your export options and click the Export button to extract data from the client files listed below.

Client Name	Filename
<No Name>	C:\Users\Michael\Documents\My ProFile Data\2016T1\NoName
Chartrand, Jeannine	C:\Users\Michael\Documents\My ProFile Data\2016T1\Belliveau
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\COPY P
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Investor,
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTEF
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTEF
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Pension
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Copie Ja
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacobie,
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacques
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jamesor
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Shamroc
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Taxpaye
JoNESONS, HELEN	C:\Users\Michael\Documents\My ProFile Data\2016T1\Soleil Ma

The Fields tab of the Export Options window (below) is where you choose the fields code for the information that you want to include in your export

- Click *Add* to begin selecting the fields you'd like to export 1
- Select the field to add in your export, then click OK 2
- To include more fields, keep clicking Add 1



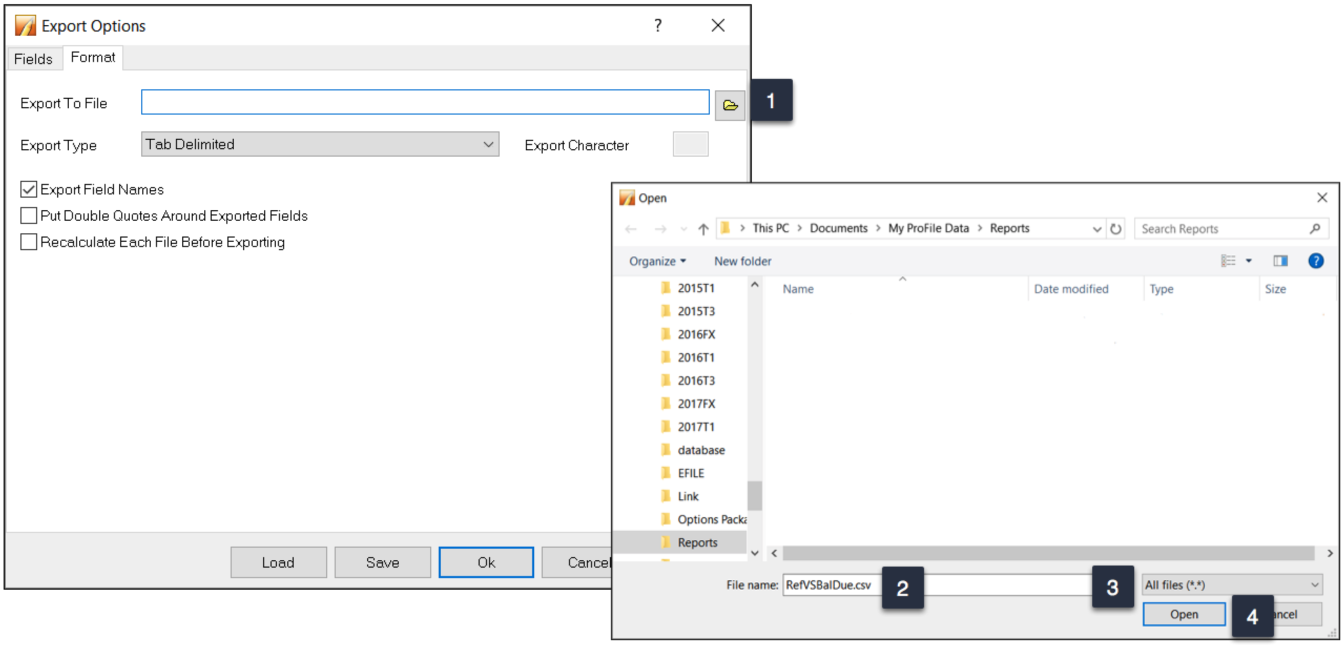
Export
ClientFirstName
ClientLastName
BalanceOwing
Line466

Line466

Field Name	Description
Line459	Line 459: Children's fitness tax credit
Line460	Line 460: Direct deposit - branch number
Line461	Line 461: Direct deposit - institution number
Line462	Line 462: Direct deposit - account number
Line465	Line 465: Ontario Opportunities Fund
Line466	Line 466: Net refund
Line468	Line 468: Supplies expense
Line469	Line 469: Eligible educator school supply tax credit
Line476	Line 476: Tax paid by instalments
Line479	Line 479: Provincial or territorial credits
Line482	Line 482: Total credits

There are two files you need to create. One is the design of the export which indicates what information you need to extract from the ProFile tax files. This file is saved as a .qex file and it is configured on the *Fields* tab of the Export Options window above. The second file stores the actual information that will be used to import into Excel. This second file is usually saved as a .txt or .csv file. You save this file on the *Format* tab of the Export Options window above.

- To create and save the second file, navigate to the *Format* tab and click the *Browse* button to the right of the *Export to File* field 1
- Type in a name for your file 2
- If you're using a .csv extension, click the dropdown and select *All files* 3
- Click *Open* 4



Export To File
Export Type: Tab Delimited
Export Character
☑ Export Field Names
☐ Put Double Quotes Around Exported Fields
☐ Recalculate Each File Before Exporting

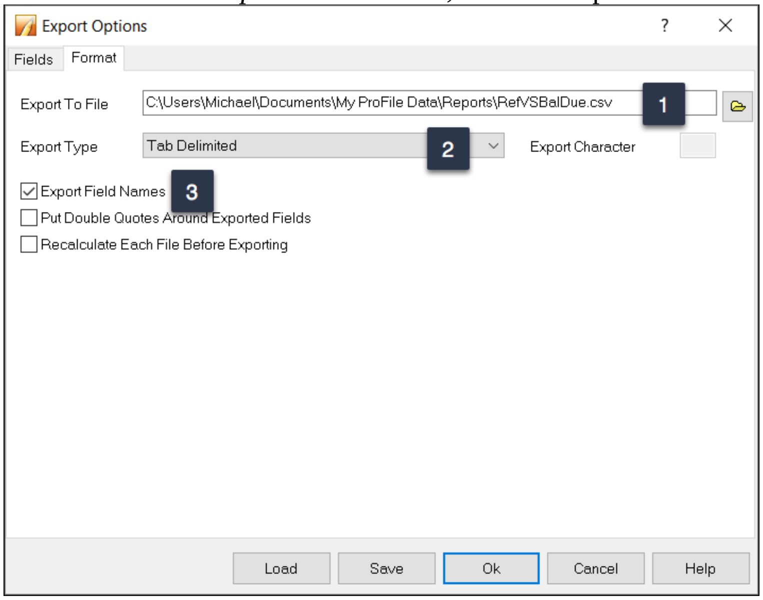
This PC > Documents > My ProFile Data > Reports
Search Reports

2015T1
2015T3
2016FX
2016T1
2016T3
2017FX
2017T1
database
EFILE
Link
Options Packa
Reports

File name: RefVSBalDue.csv
All files (*.*)

ProFile will return to the Export Options window where you can finalize your setup options

- Note that the file is saved in MyProFile Data\Reports and it is here that you will browse to to import the data into Excel 1
- Choose the export type, Tab Delimited, for example 2
- Check *Export Field Names*, which will put the field code at the top of each column in Excel 3



Export To File: C:\Users\Michael\Documents\My ProFile Data\Reports\RefVSBalDue.csv

Export Type: Tab Delimited

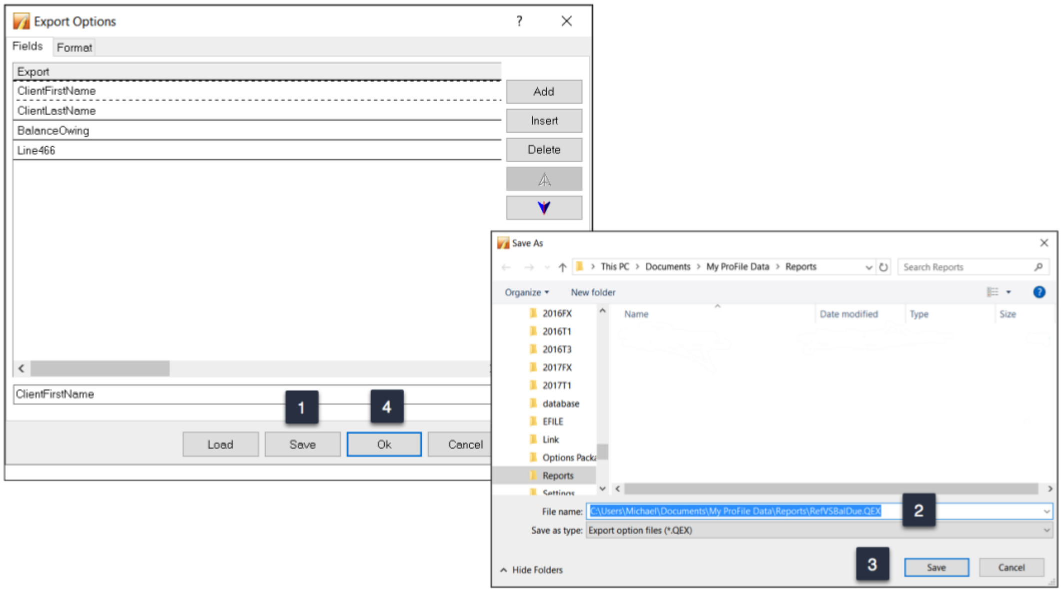
Export Character:

☑ Export Field Names

☐ Put Double Quotes Around Exported Fields

☐ Recalculate Each File Before Exporting

- Go back to the Field tab and click *Save* 1
- ProFile will save the design of the report as a .qex file 2
- Click Save once more to save the .qex file 3
- Click *OK*, and you'll be taken back to the main export window 4



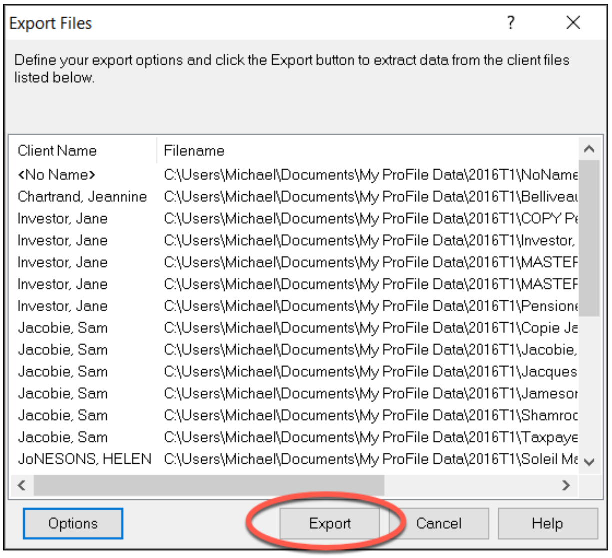
Export
ClientFirstName
ClientLastName
BalanceOwing
Line466

ClientFirstName

File name: C:\Users\Michael\Documents\My ProFile Data\Reports\RefVSBalDue.QEX

Save as type: Export option files (*.QEX)

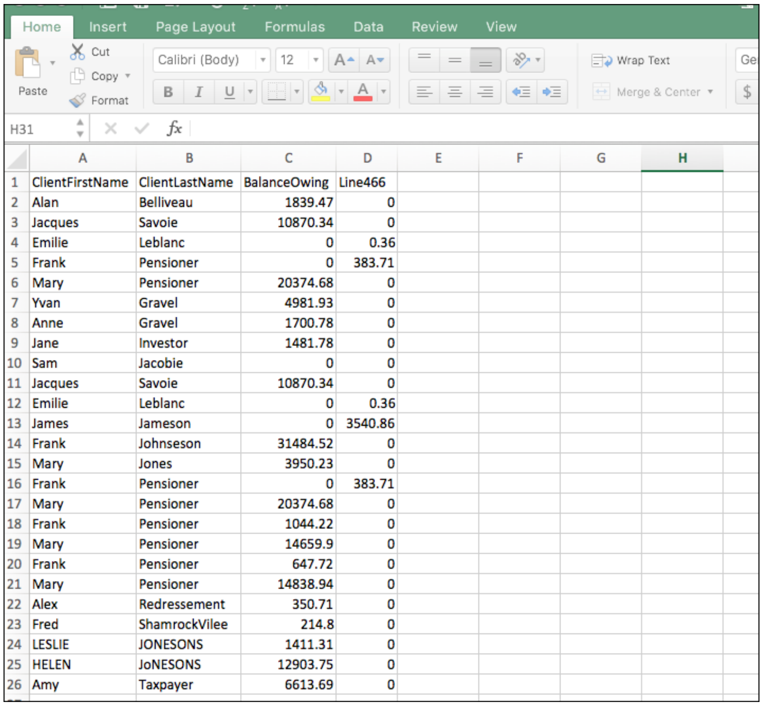
- At the Export File window, click *Export* and the information will be sent to the .csv file that you created earlier



Define your export options and click the Export button to extract data from the client files listed below.

Client Name	Filename
<No Name>	C:\Users\Michael\Documents\My ProFile Data\2016T1\NoName
Chartrand, Jeannine	C:\Users\Michael\Documents\My ProFile Data\2016T1\Belliveau
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\COPY Pe
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Investor,
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTEF
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTEF
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Pensione
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Copie Je
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacobie,
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacques
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jamesor
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Shamroc
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Taxpaye
JoNESONS, HELEN	C:\Users\Michael\Documents\My ProFile Data\2016T1\Soleil Ma

- You are now ready to import the data to Excel, all you need to do is find the .csv file and open it in Excel

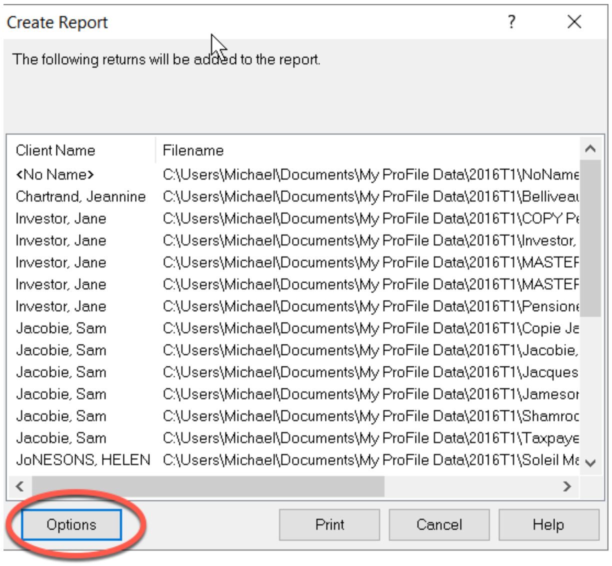


	A	B	C	D
1	ClientFirstName	ClientLastName	BalanceOwing	Line466
2	Alan	Belliveau	1839.47	0
3	Jacques	Savoie	10870.34	0
4	Emilie	Leblanc	0	0.36
5	Frank	Pensioner	0	383.71
6	Mary	Pensioner	20374.68	0
7	Yvan	Gravel	4981.93	0
8	Anne	Gravel	1700.78	0
9	Jane	Investor	1481.78	0
10	Sam	Jacobie	0	0
11	Jacques	Savoie	10870.34	0
12	Emilie	Leblanc	0	0.36
13	James	Jameson	0	3540.86
14	Frank	Johnseson	31484.52	0
15	Mary	Jones	3950.23	0
16	Frank	Pensioner	0	383.71
17	Mary	Pensioner	20374.68	0
18	Frank	Pensioner	1044.22	0
19	Mary	Pensioner	14659.9	0
20	Frank	Pensioner	647.72	0
21	Mary	Pensioner	14838.94	0
22	Alex	Redressement	350.71	0
23	Fred	ShamrockVilee	214.8	0
24	LESLIE	JONESONS	1411.31	0
25	HELEN	JoNESONS	12903.75	0
26	Amy	Taxpayer	6613.69	0

Printing Reports

The steps for printing reports are similar to what you just learned for exporting data. As illustrated in the previous example from Client Explorer, select the files to print, and then click *Database* > *Print Report*

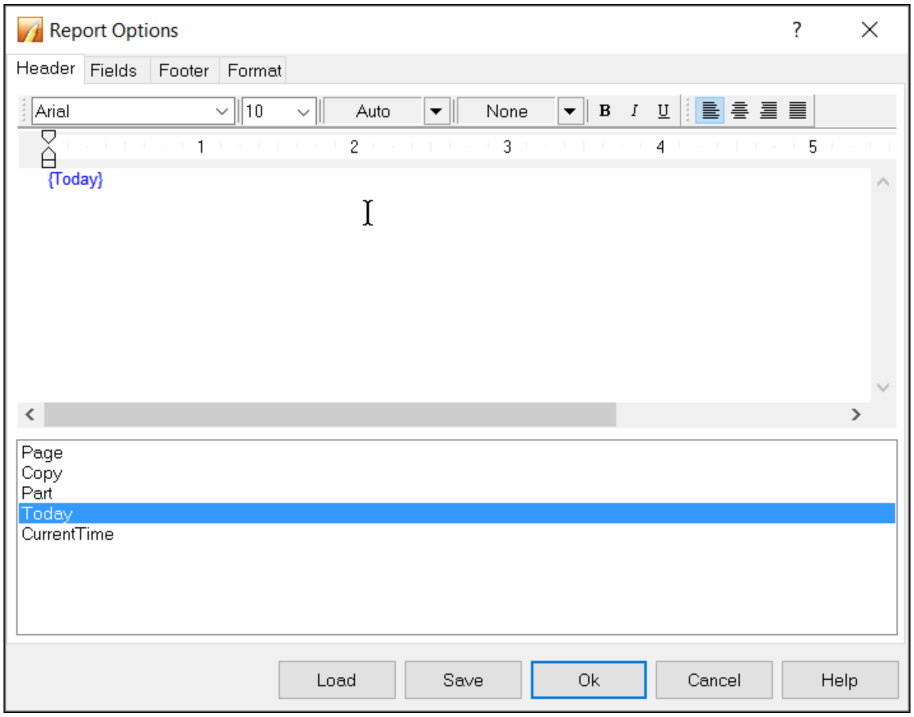
- In the Create Report window, click Options.



The following returns will be added to the report.

Client Name	Filename
<No Name>	C:\Users\Michael\Documents\My ProFile Data\2016T1\NoName
Chartrand, Jeannine	C:\Users\Michael\Documents\My ProFile Data\2016T1\Bellivea
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\COPY P
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Investor,
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTE
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTE
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Pension
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Copie J
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacobie,
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacques
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jameso
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Shamroc
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Taxpaye
JoNESONS, HELEN	C:\Users\Michael\Documents\My ProFile Data\2016T1\Soleil M

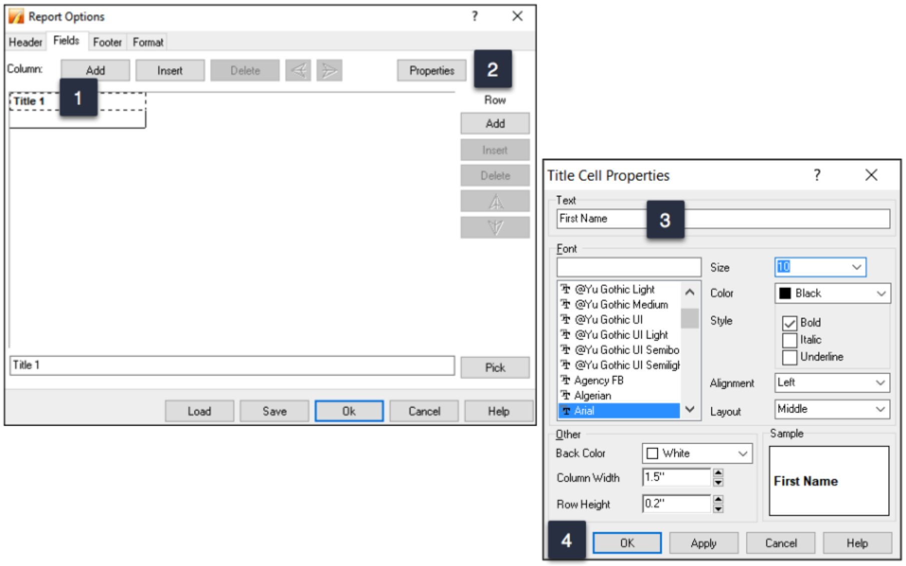
- On the *Header* tab, select text that will appear on all pages. For example, to use today's date, double-click on *Today*



{Today}

Page
Copy
Part
Today
CurrentTime

- The top row of the *Fields* tab displays column headings. Select the first cell and then click *Properties*
- In the *Title Cell Properties* window, you can set up text formatting and enter the text for Title 1
- Click *OK* to close the window



Title 1

Title 1

Text: First Name

Font:
@Yu Gothic Light
@Yu Gothic Medium
@Yu Gothic UI
@Yu Gothic UI Light
@Yu Gothic UI Semibo
@Yu Gothic UI Semiligh
Agency FB
Algerian
Arial

Size: 10

Color: Black

Style:
☑ Bold
☐ Italic
☐ Underline

Alignment: Left

Layout: Middle

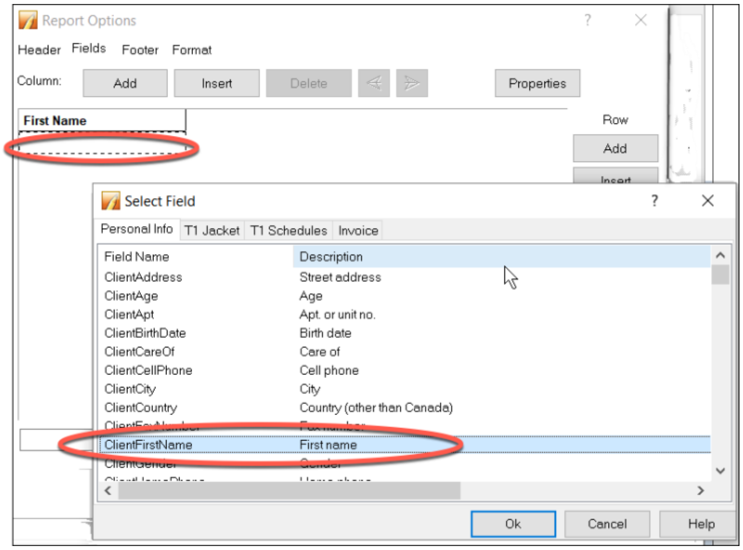
Back Color: White

Column Width: 1.5"

Row Height: 0.2"

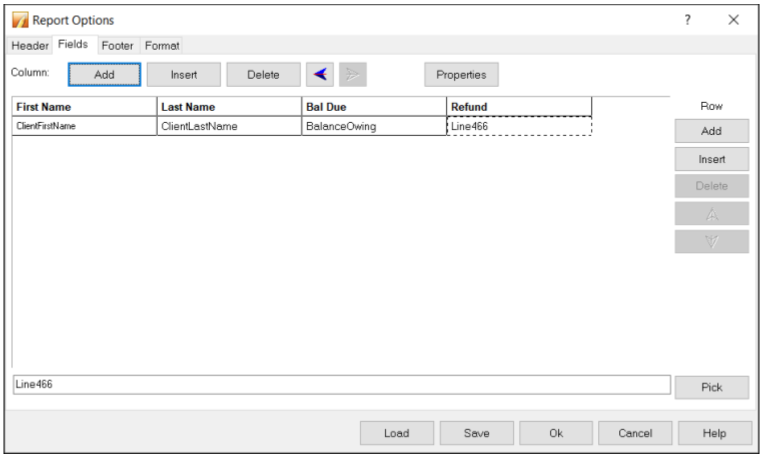
Sample: **First Name**

- You now need to input data for the report. Double-click the cell directly under *First Name* and choose from a list of *Field Codes*.
- In the *Select Field* window, choose *ClientFistName* and click *OK*



Field Name	Description
ClientAddress	Street address
ClientAge	Age
ClientApt	Apt. or unit no.
ClientBirthDate	Birth date
ClientCareOf	Care of
ClientCellPhone	Cell phone
ClientCity	City
ClientCountry	Country (other than Canada)
ClientFaxNumber	Fax number
ClientFirstName	First name
ClientGender	Gender

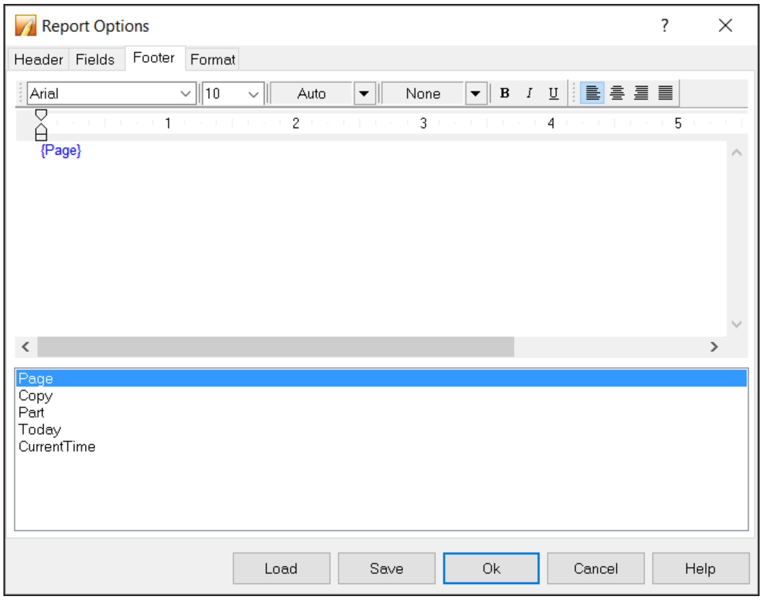
- Click *Add* and repeat the step above to add more fields. Once done, your report template will look like this



First Name	Last Name	Bal Due	Refund
ClientFirstName	ClientLastName	BalanceOwing	Line466

Line466

- Use the Footer tab to set up footnotes that appear at the bottom of each page.

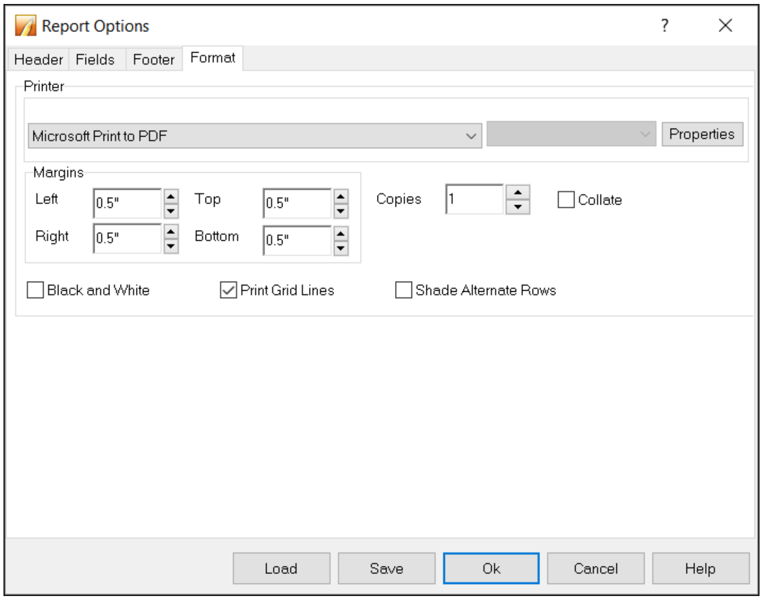


Arial
10
Auto
None

{Page}

Page
Copy
Part
Today
CurrentTime

- Use the *Format* tab to set up other options such as the printer that will generate the report.



Printer

Microsoft Print to PDF

Margins

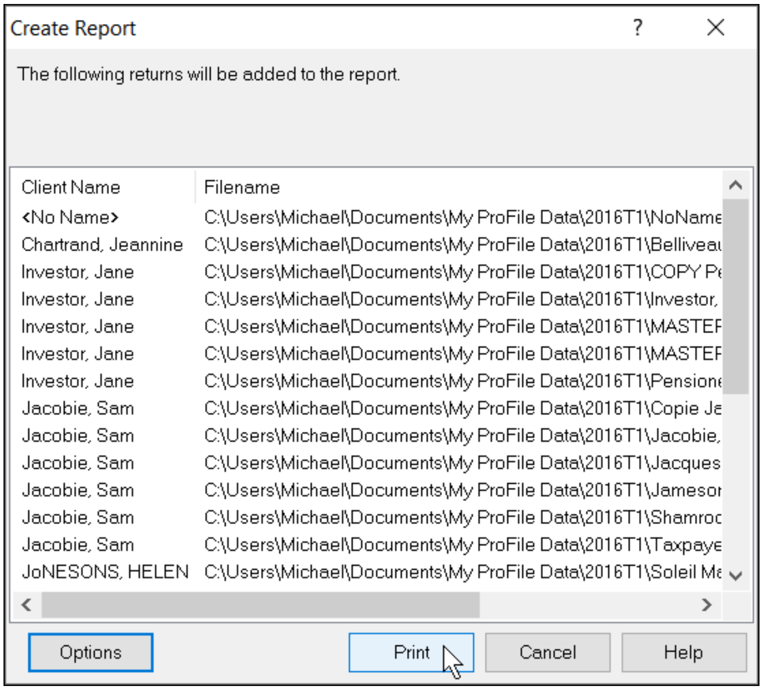
Left 0.5"
Top 0.5"
Right 0.5"
Bottom 0.5"

Copies 1

☐ Collate

☐ Black and White
☑ Print Grid Lines
☐ Shade Alternate Rows

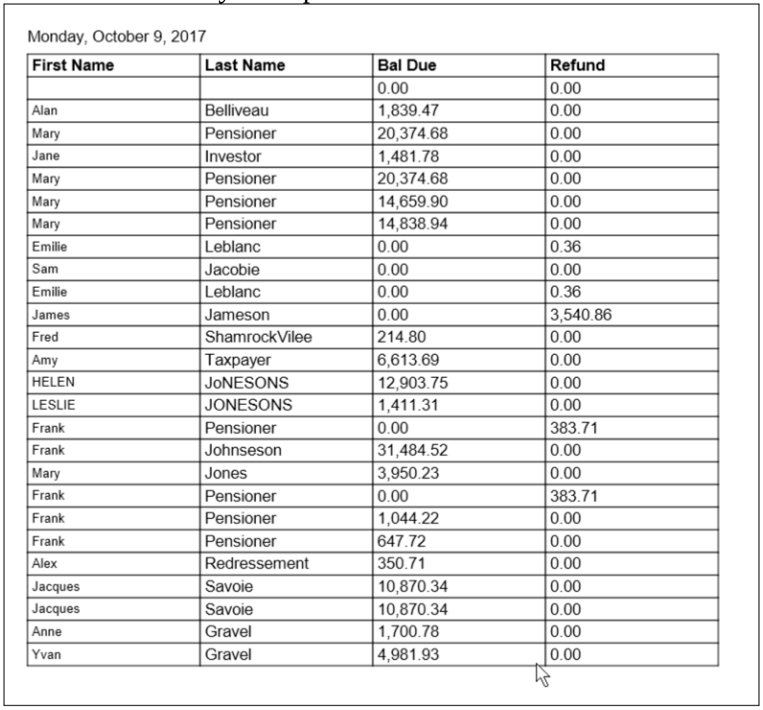
- Save your setup options and click *OK* to open the *Create Report* window. Click *Print* to run the report.



The following returns will be added to the report.

Client Name	Filename
<No Name>	C:\Users\Michael\Documents\My ProFile Data\2016T1\NoNam
Chartrand, Jeannine	C:\Users\Michael\Documents\My ProFile Data\2016T1\Bellivea
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\COPY P
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Investor,
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTE
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\MASTE
Investor, Jane	C:\Users\Michael\Documents\My ProFile Data\2016T1\Pension
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Copie J
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacobie,
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jacques
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Jameso
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Shamroc
Jacobie, Sam	C:\Users\Michael\Documents\My ProFile Data\2016T1\Taxpay
JoNESONS, HELEN	C:\Users\Michael\Documents\My ProFile Data\2016T1\Soleil M

- Here is your report



Monday, October 9, 2017

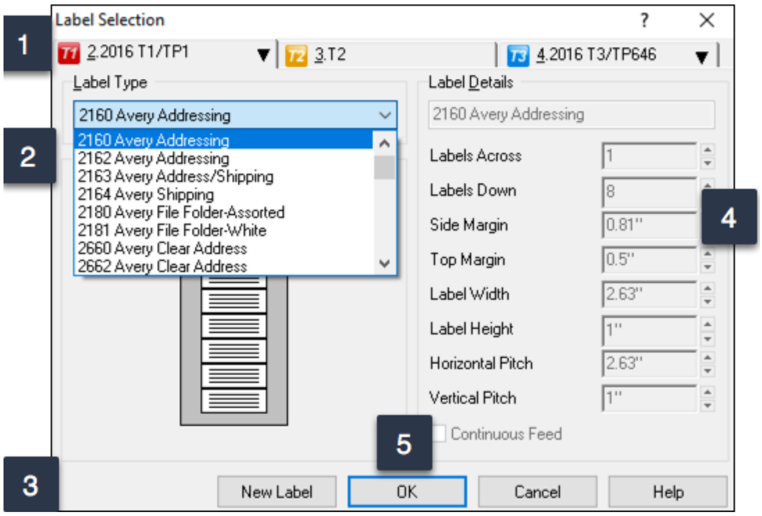
First Name	Last Name	Bal Due	Refund
		0.00	0.00
Alan	Belliveau	1,839.47	0.00
Mary	Pensioner	20,374.68	0.00
Jane	Investor	1,481.78	0.00
Mary	Pensioner	20,374.68	0.00
Mary	Pensioner	14,659.90	0.00
Mary	Pensioner	14,838.94	0.00
Emilie	Leblanc	0.00	0.36
Sam	Jacobie	0.00	0.00
Emilie	Leblanc	0.00	0.36
James	Jameson	0.00	3,540.86
Fred	ShamrockVilee	214.80	0.00
Amy	Taxpayer	6,613.69	0.00
HELEN	JoNESONS	12,903.75	0.00
LESLIE	JONESONS	1,411.31	0.00
Frank	Pensioner	0.00	383.71
Frank	Johnseson	31,484.52	0.00
Mary	Jones	3,950.23	0.00
Frank	Pensioner	0.00	383.71
Frank	Pensioner	1,044.22	0.00
Frank	Pensioner	647.72	0.00
Alex	Redressement	350.71	0.00
Jacques	Savoie	10,870.34	0.00
Jacques	Savoie	10,870.34	0.00
Anne	Gravel	1,700.78	0.00
Yvan	Gravel	4,981.93	0.00

Creating Mailing Labels with Client Explorer

Before using Client Explorer to print labels, you will have to set up your mailing labels.

- Go to the File menu and select Setup Mailing Labels [1]

- Click a Module tab 2
- Click the dropdown to choose your label type 3
- If you'd like to format your own label, click *New Label* (ProFile will designate it as User Label 1) and enter the label rows, columns on the right side of the window below. 4
- Click *OK* 5

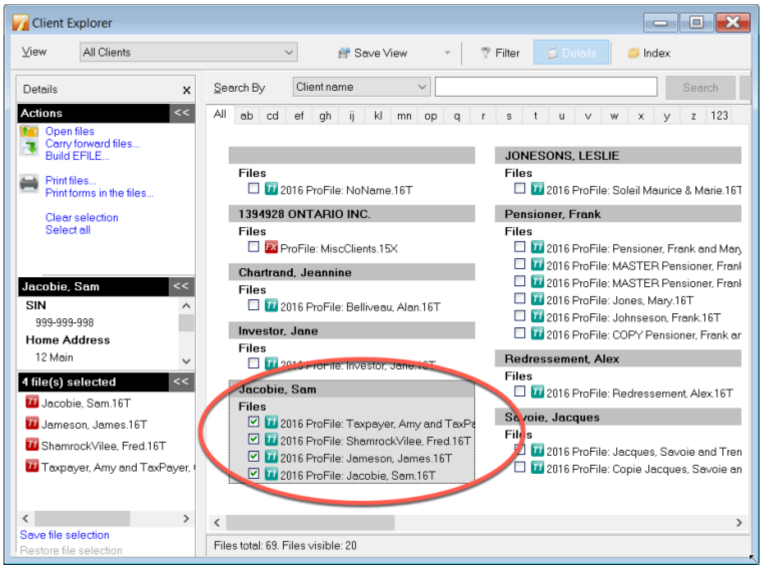


Label Details: 2160 Avery Addressing
Labels Across: 1
Labels Down: 8
Side Margin: 0.81"
Top Margin: 0.5"
Label Width: 2.63"
Label Height: 1"
Horizontal Pitch: 2.63"
Vertical Pitch: 1"

- To print mailing labels, follow these steps.

Note that when printing a group of labels, all files must be of the same module and tax year.

- Press *F3* and from Client Explorer, choose just a few files for a test run



- Click *Database* > *Print Mailing labels* 1
- Mailing labels for spousal returns will show both spouses' names. To avoid printing two labels for each spousal return, check the box marked *Print only one label for coupled returns* 2

- Click *OK* 3

Make sure to feed the correct labels into your printer, before starting the print job.

Chapter 7 Quiz

Question 1: Client Explorer is a database that lets you:

A. View and manage your clients and their tax files
B. Create custom filters for selecting only certain types of files
C. Print or export customized reports
D. All the above

Correct answer is D

Question 2: True or False: ProFile has two different database tools: Client Explorer and Classic Database, and you can use both at the same time

Correct answer is False

Question 3: The first time you launch Client Explorer you must:

A. Index the existing files
B. Copy files from the data folder and paste them into Client Explorer
C. Run the Synchronize and Archive feature
D. Ensure that all files are linked to each other

Correct answer is A

Question 4: True or False: You cannot share a Client Explorer database with other tax preparers

Correct answer is False

Question 5: True or False: Client Explorer can only access files stored in one folder and its nested subfolders

Correct answer is True

Question 6: To use Client Explorer as a contact manager, you should:

A. Create a customized report and export it to Excel
B. Extract the names and addresses from within the T1 view
C. You cannot, in fact, use Client Explorer as a contact manager
D. Click the dropdown arrow in the *View* field and select *Contact View*

Correct answer is D

Question 7: True or False: You can create your own customized view options (called Filters) in Client Explorer

Correct answer is True

Question 8: True or False: You can use Client Explorer to prepare mailing labels

Correct answer is True

Question 9: Client explorer lets you:

A. Carry forward prior-year tax files
B. EFILE tax returns in a batch
C. Select and print tax files
D. All the above

Correct answer is D

Question 10: There are two special types of files Client Explorer prepares for print jobs and for exporting. The file extensions of these two files are:

A. .qex and .qrp
B. .pdf and .atf
C. .qex and .csv
D. .gt1 and .at2

Correct answer is A

Chapter 8

Advanced Features

Learning Objectives

At this chapter's end students will understand:

- The purpose of a file template
- How to attach ancillary documents to a T1
- How to pay CRA using T1 PAD

Additional Resources

This document provides numerous resources to accounting professionals. Refer to these sites to explore additional training opportunities

Professional Accounting Software

Tax Preparation & efiling Return Software

Professional Tax Software Training

Chapter 8: Advanced Features

FILE TEMPLATE

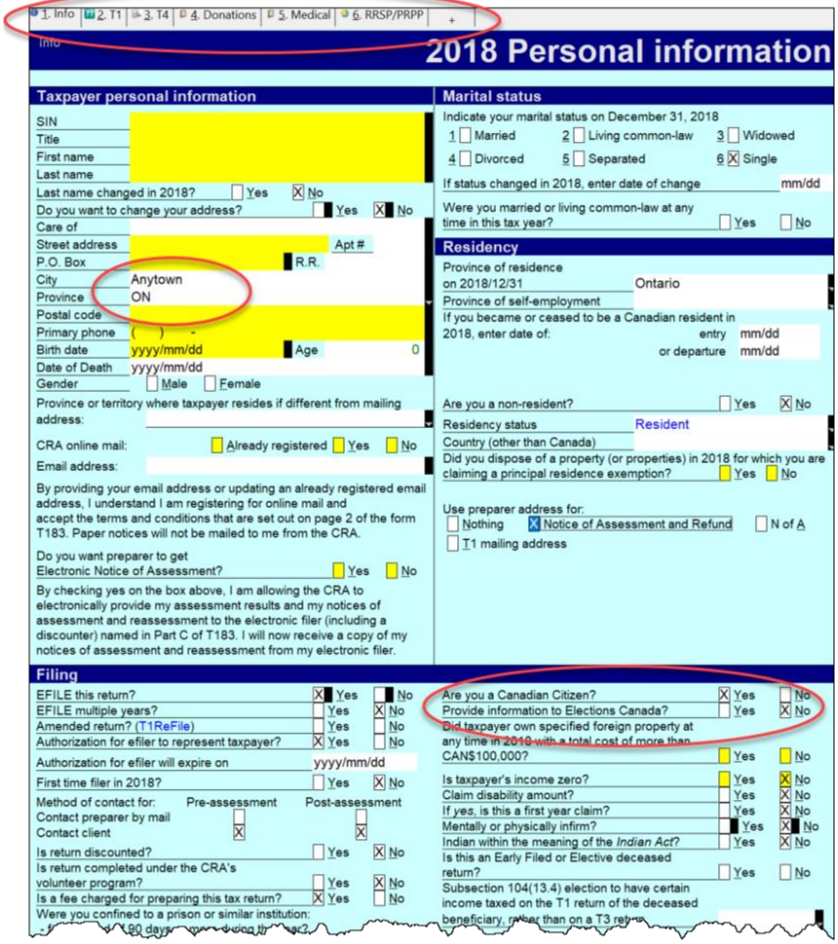
If you find that you are constantly checking the same boxes on ProFile's Info page (for example, the Elections Canada question), or if you find that most of your clients live in the same city or province, you can set up a file template that automatically fills in those fields for you. This capability is called a file template and, once you've set it up, Profile uses the settings in the file template to automatically fill in the fields of any new tax return.

In addition to pre-filling fields, you can also set the forms (and the sequence of forms) you want ProFile to open when you create a new file. You can create a separate file template for each ProFile module.

Note: When you carry forward prior-year files, information from the previous year will always overwrite any file template data.

To set up a file template:

- Create a new tax return.
- Enter data into any field on any form. The example below has data for City and Province, as well as Canadian Resident, Elections Canada, and Language fields
- Open any forms that you want ProFile to open automatically when you create a new client file that is based on this file template



2018 Personal information

Taxpayer personal information

SIN
Title
First name
Last name
Last name changed in 2018? ☐ Yes ☒ No
Do you want to change your address? ☐ Yes ☒ No
Care of
Street address | Apt #
P.O. Box | R.R.
City: Anytown
Province: ON
Postal code
Primary phone: ( ) -
Birth date: yyyy/mm/dd | Age: 0
Date of Death: yyyy/mm/dd
Gender: ☐ Male ☐ Female
Province or territory where taxpayer resides if different from mailing address:
CRA online mail: ☐ Already registered ☐ Yes ☐ No
Email address:

By providing your email address or updating an already registered email address, I understand I am registering for online mail and accept the terms and conditions that are set out on page 2 of the form T183. Paper notices will not be mailed to me from the CRA.

Do you want preparer to get Electronic Notice of Assessment? ☐ Yes ☐ No

By checking yes on the box above, I am allowing the CRA to electronically provide my assessment results and my notices of assessment and reassessment to the electronic filer (including a discounter) named in Part C of T183. I will now receive a copy of my notices of assessment and reassessment from my electronic filer.

Marital status

Indicate your marital status on December 31, 2018
1 ☐ Married 2 ☐ Living common-law 3 ☐ Widowed
4 ☐ Divorced 5 ☐ Separated 6 ☒ Single
If status changed in 2018, enter date of change: mm/dd
Were you married or living common-law at any time in this tax year? ☐ Yes ☐ No

Residency

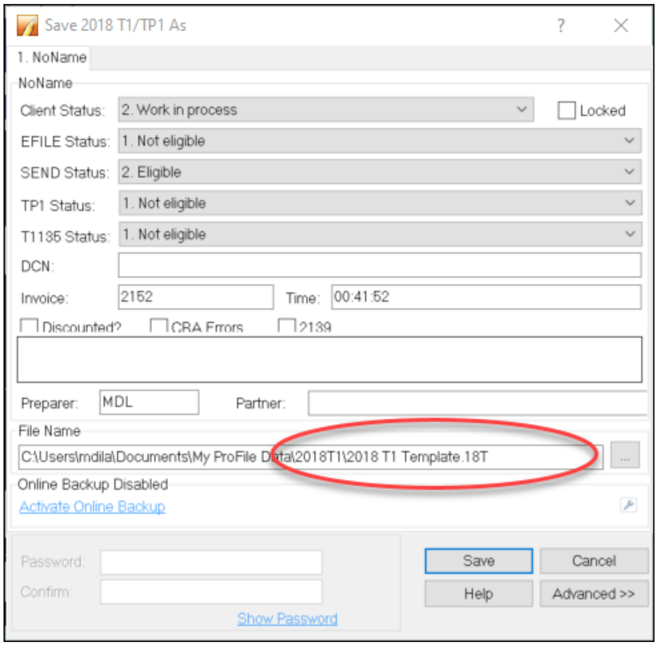
Province of residence on 2018/12/31: Ontario
Province of self-employment
If you became or ceased to be a Canadian resident in 2018, enter date of: entry mm/dd
or departure mm/dd
Are you a non-resident? ☐ Yes ☒ No
Residency status: Resident
Country (other than Canada)
Did you dispose of a property (or properties) in 2018 for which you are claiming a principal residence exemption? ☐ Yes ☐ No
Use preparer address for:
☐ Nothing ☒ Notice of Assessment and Refund ☐ N of A
☐ T1 mailing address

Filing

EFILE this return? ☒ Yes ☐ No
EFILE multiple years? ☐ Yes ☒ No
Amended return? (T1ReFile) ☐ Yes ☐ No
Authorization for efiler to represent taxpayer? ☒ Yes ☐ No
Authorization for efiler will expire on: yyyy/mm/dd
First time filer in 2018? ☐ Yes ☒ No
Method of contact for: Pre-assessment | Post-assessment
Contact preparer by mail ☐ | ☐
Contact client ☒ | ☒
Is return discounted? ☐ Yes ☒ No
Is return completed under the CRA's volunteer program? ☐ Yes ☒ No
Is a fee charged for preparing this tax return? ☒ Yes ☐ No
Were you confined to a prison or similar institution:

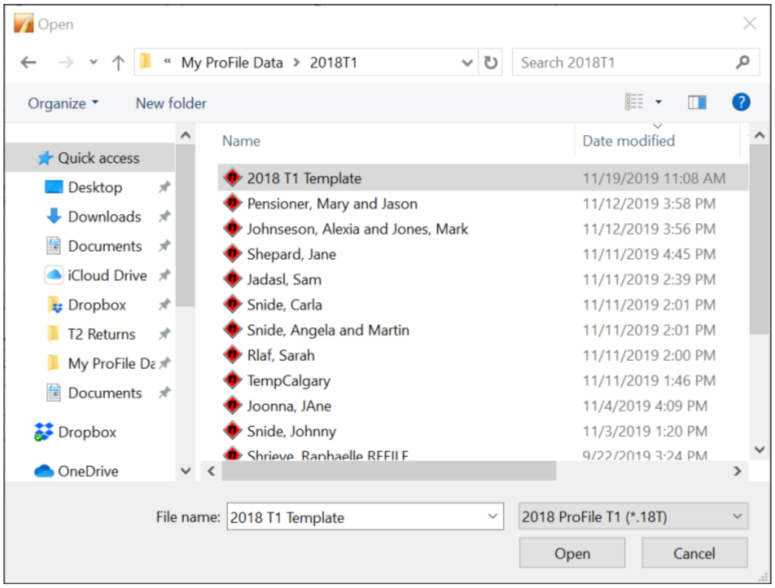
Are you a Canadian Citizen? ☒ Yes ☐ No
Provide information to Elections Canada? ☐ Yes ☒ No
Did taxpayer own specified foreign property at any time in 2018 with a total cost of more than CAN$100,000? ☐ Yes ☐ No
Is taxpayer's income zero? ☐ Yes ☒ No
Claim disability amount? ☐ Yes ☒ No
If *yes*, is this a first year claim? ☐ Yes ☒ No
Mentally or physically infirm? ☐ Yes ☒ No
Indian within the meaning of the *Indian Act*? ☐ Yes ☒ No
Is this an Early Filed or Elective deceased return? ☐ Yes ☐ No
Subsection 104(13.4) election to have certain income taxed on the T1 return of the deceased beneficiary, rather than on a T3 return

- Save the file with a generic name, perhaps naming it something like 2018 *T1 Template*



Client Status: 2. Work in process ☐ Locked
EFILE Status: 1. Not eligible
SEND Status: 2. Eligible
TP1 Status: 1. Not eligible
T1135 Status: 1. Not eligible
DCN:
Invoice: 2152 Time: 00:41:52
☐ Discounted? ☐ CRA Errors ☐ 2139
Preparer: MDL Partner:
File Name
C:\Users\mdila\Documents\My ProFile Data\2018T1\2018 T1 Template.18T
Online Backup Disabled
Activate Online Backup
Password:
Confirm:
Show Password

- In order for ProFile to open any new file with the settings established about, go to the *Options* menu and select *Module*
- Click the *Browse* button beside the File Template field, search and select the *T1_Template* file on your hard drive



Name	Date modified
2018 T1 Template	11/19/2019 11:08 AM
Pensioner, Mary and Jason	11/12/2019 3:58 PM
Johnseson, Alexia and Jones, Mark	11/12/2019 3:56 PM
Shepard, Jane	11/11/2019 4:45 PM
Jadasl, Sam	11/11/2019 2:39 PM
Snide, Carla	11/11/2019 2:01 PM
Snide, Angela and Martin	11/11/2019 2:01 PM
Rlaf, Sarah	11/11/2019 2:00 PM
TempCalgary	11/11/2019 1:46 PM
Joonna, JAne	11/4/2019 4:09 PM
Snide, Johnny	11/3/2019 1:20 PM
Shrieve, Raphaelle REFILE	9/22/2019 3:24 PM

File name: 2018 T1 Template
2018 ProFile T1 (*.18T)

- Click *OK*

Going forward, ProFile will use the default settings in this template file whenever you create a new file of the same type.

- If you want to share the template with other users on a network, save the template into a shared server folder.
- In Client Explorer, files will display by client name or SIN. On a template, both these fields are blank. When you look for your template on the Client Explorer, the template file appears as *NoName*.
- Select the *NoName* file in the database client list. Below it, you will see the file name you assigned, such as *T1 Template*, in the file details area.
- Open the template when you need to modify the defaults for all your new clients.

HYPERDOCS

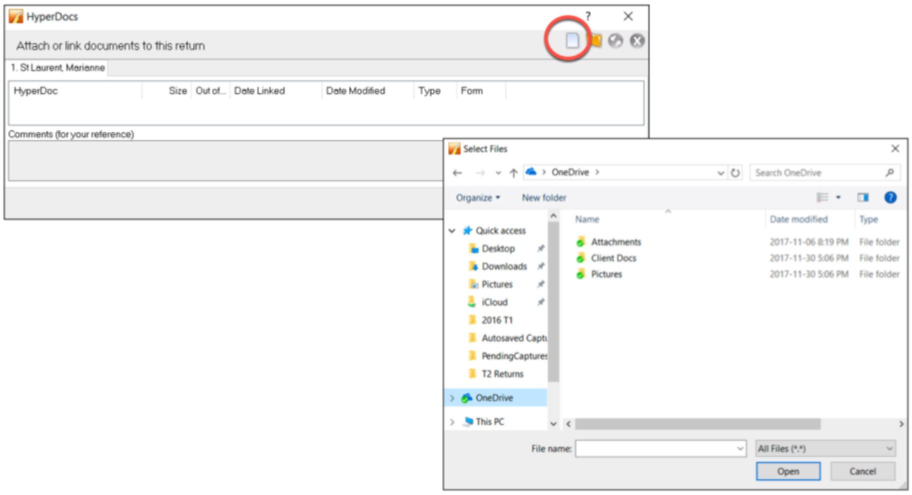
It may happen that you'd like to attach or link an electronic document to a tax file. For example, you may want to attach a PDF of a CRA document such as a tax ruling or an interpretation bulletin. Or you may want to link to an image file itemizing details of charitable donations or medical receipts. With ProFile's HyperDocs, you can do exactly that. In other words, HyperDocs lets you attach multiple documents, in any format, to a form or field of a T1 return.

It's important to note that any HyperDocs document attached to a tax file will be stored for internal purposes only. This means that no HyperDocs attachment will ever get transmitted to CRA.

Adding a HyperDocs document

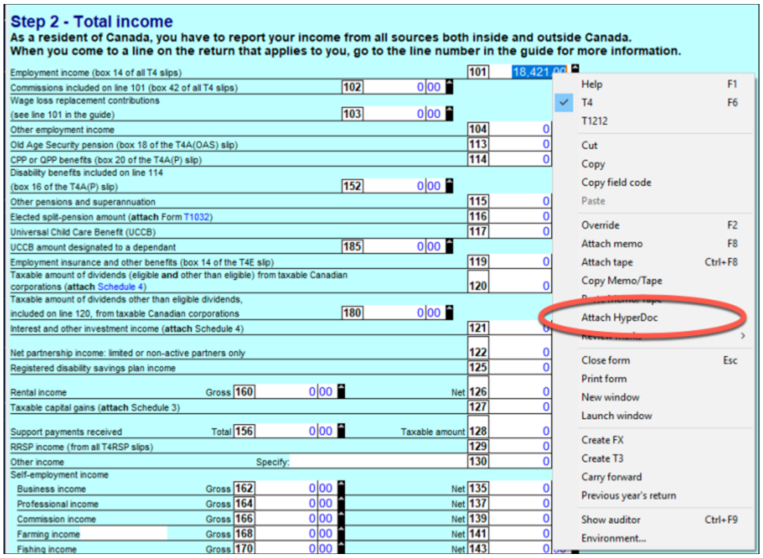
You can choose to attach a HyperDocs to a tax file, or to a specific form or line in a tax file.

- To add a new HyperDocs document to the tax file itself, go to *File* > *HyperDocs* and click the *Add* icon (circled in the image below)
- A window will open letting you select the file you wish to add



Name	Date modified	Type
Attachments	2017-11-06 8:19 PM	File folder
Client Docs	2017-11-30 5:06 PM	File folder
Pictures	2017-11-30 5:06 PM	File folder

- To attach a HyperDocs to a specific field on a client form, right-click on the field and select *Attach HyperDocs*

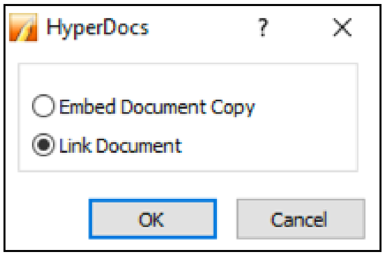


Step 2 - Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada.
When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips) 101 18,421.00
Commissions included on line 101 (box 42 of all T4 slips) 102 0|00
Wage loss replacement contributions (see line 101 in the guide) 103 0|00
Other employment income 104 0
Old Age Security pension (box 18 of the T4A(OAS) slip) 113 0
CPP or QPP benefits (box 20 of the T4A(P) slip) 114 0
Disability benefits included on line 114 (box 16 of the T4A(P) slip) 152 0|00
Other pensions and superannuation 115 0
Elected split-pension amount (**attach** Form T1032) 116 0
Universal Child Care Benefit (UCCB) 117 0
UCCB amount designated to a dependant 185 0|00
Employment insurance and other benefits (box 14 of the T4E slip) 119 0
Taxable amount of dividends (eligible **and** other than eligible) from taxable Canadian corporations (**attach** Schedule 4) 120 0
Taxable amount of dividends other than eligible dividends, included on line 120, from taxable Canadian corporations 180 0|00
Interest and other investment income (**attach** Schedule 4) 121 0
Net partnership income: limited or non-active partners only 122 0
Registered disability savings plan income 125 0
Rental income Gross 160 0|00 Net 126 0
Taxable capital gains (**attach** Schedule 3) 127 0
Support payments received Total 156 0|00 Taxable amount 128 0
RRSP income (from all T4RSP slips) 129 0
Other income Specify: 130 0
Self-employment income
Business income Gross 162 0|00 Net 135 0
Professional income Gross 164 0|00 Net 137 0
Commission income Gross 166 0|00 Net 139 0
Farming income Gross 168 0|00 Net 141 0
Fishing income Gross 170 0|00 Net 143 0

- After you select the file, ProFile asks whether to embed or link your document



HyperDocs

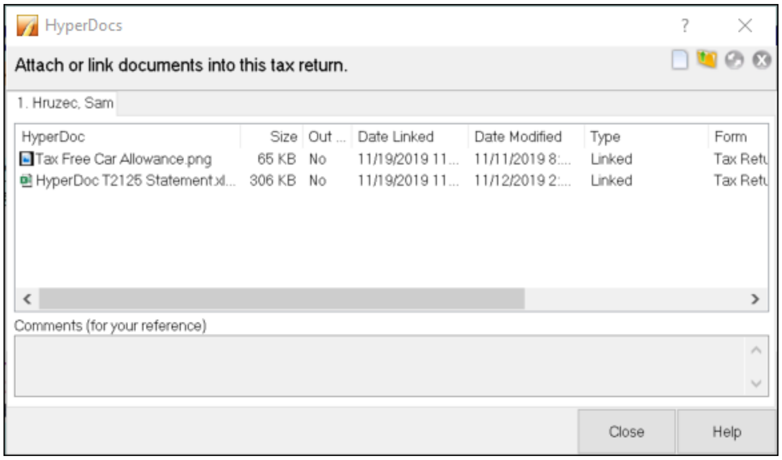
○ Embed Document Copy
● Link Document

- Embedded documents open as read-only and cannot be edited in ProFile
- Linked documents open from the source, so you can edit them directly in ProFile, and your changes will be saved to the source document on your computer

Managing attached documents via HyperDocs

Whether you add a HyperDocs to the tax file in general or to a specific area of the tax file, you will find all attached documents in the HyperDocs window. To view all attached documents:

- Go to *File > HyperDocs*
- All attached documents appear in the HyperDocs window along with any comments that you entered. The HyperDocs window also lists key information that includes:
- The date the document was attached and/or modified
- The process you chose to attach the file (linked or embedded)
- And the form to which the document was attached



Attach or link documents into this tax return.

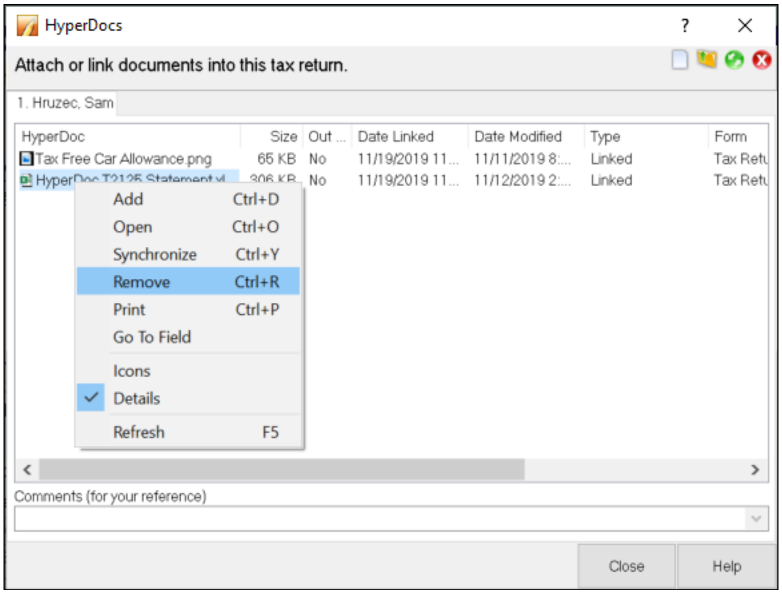
1. Hruzec, Sam

HyperDoc	Size	Out ...	Date Linked	Date Modified	Type	Form
Tax Free Car Allowance.png	65 KB	No	11/19/2019 11...	11/11/2019 8:...	Linked	Tax Retu
HyperDoc T2125 Statement.xl...	306 KB	No	11/19/2019 11...	11/12/2019 2:...	Linked	Tax Retu

Comments (for your reference)

Removing a HyperDocs document

- To remove a HyperDocs document, right-click on the document in the HyperDocs window and choose *Remove*



Attach or link documents into this tax return.

1. Hruzec, Sam

HyperDoc	Size	Out ...	Date Linked	Date Modified	Type	Form
Tax Free Car Allowance.png	65 KB	No	11/19/2019 11...	11/11/2019 8:...	Linked	Tax Retu
HyperDoc T2125 Statement.xl	306 KB	No	11/19/2019 11...	11/12/2019 2:...	Linked	Tax Retu

Comments (for your reference)

Deleted forms

If you delete a form that had HyperDocs attached to it, the HyperDocs will also be deleted. Deleting a HyperDocs document will only remove the link or embedded document from ProFile - it will not affect the source file stored on your computer.

Opening attached documents

From the HyperDocs window, double click on the document. If the document is linked, ProFile opens it from its source and saves any changes you make directly to the source file stored on your computer. If the document is embedded, ProFile opens a read-only version.

You can keep HyperDocs documents open while you continue working in ProFile.

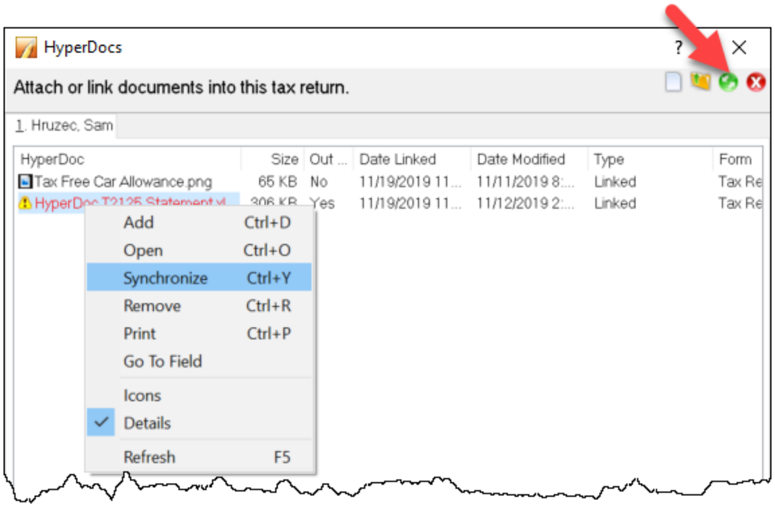
Synchronizing out-of-date documents via HyperDocs

If you alter a linked document outside of ProFile, you may need to synchronize the document so that ProFile has the latest version of the file.

- Because embedded documents open as read-only, to make changes to an embedded file, you must edit the source file and synchronize it in ProFile
- You can edit linked documents directly in ProFile, as they open from the source and your changes are saved to the source file

Any out-of-date, or unsynchronized, documents are displayed in red in the HyperDocs window along with an exclamation point icon.

- To synchronize an out-of-date file, right click the document and select *Synchronize*
- Alternatively, after selecting the document, click the green *Snyc* icon



HyperDoc	Size	Out ...	Date Linked	Date Modified	Type	Form
Tax Free Car Allowance.png	65 KB	No	11/19/2019 11...	11/11/2019 8:...	Linked	Tax Re
⚠ HyperDoc T2125 Statement.xl	306 KB	Yes	11/19/2019 11...	11/12/2019 2:...	Linked	Tax Re

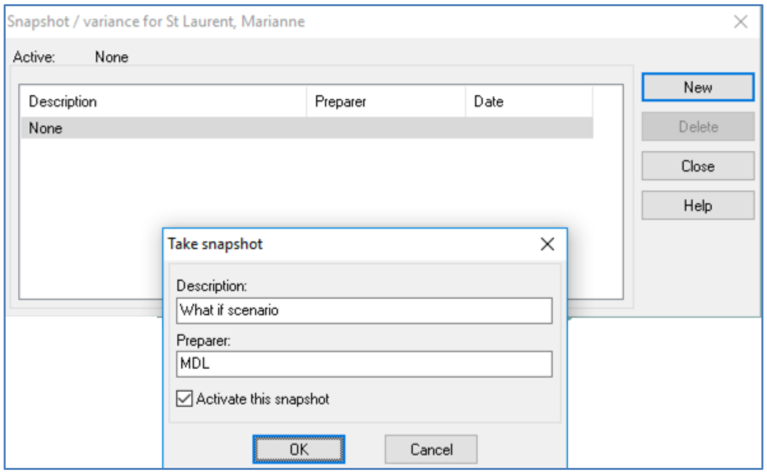
- Once ProFile has synchronized the document, the exclamation point will disappear, and any red lettering will revert to black font

VARIANCE AND SNAPSHOT

Variance is a feature that you use to highlight significant changes on a tax return. Variance lets you experiment with different scenarios and quickly identify the impact of those change. Variance is only calculated for fields with CRA line numbers. So, not all fields (for example on worksheets) will be included in the variance comparison. You activate the variance feature by taking a snapshot of the tax return.

To take a snapshot of your current return

- From the Audit menu, select *Snapshot/variance* and click the *New* button. This will take a picture of the current contents of the tax return
- Give the snapshot a name that will remind you of the purpose of the scenario
- Select the *Activate this snapshot* option to have ProFile compare any changes you make in the file to this snapshot and click *OK*



Active: None

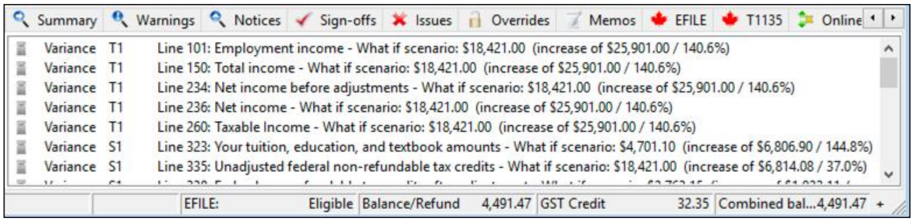
Description	Preparer	Date
None		

Description: What if scenario

Preparer: MDL

☑ Activate this snapshot

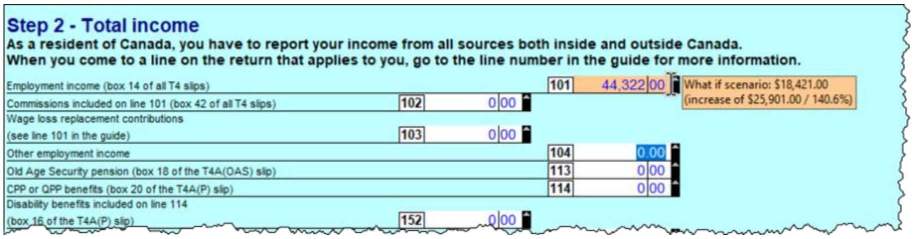
- As you make changes in the file, you can see the variance analysis on the *Variance* tab of the Active Auditor



Variance	T1	Line 101: Employment income - What if scenario: $18,421.00 (increase of $25,901.00 / 140.6%)
Variance	T1	Line 150: Total income - What if scenario: $18,421.00 (increase of $25,901.00 / 140.6%)
Variance	T1	Line 234: Net income before adjustments - What if scenario: $18,421.00 (increase of $25,901.00 / 140.6%)
Variance	T1	Line 236: Net income - What if scenario: $18,421.00 (increase of $25,901.00 / 140.6%)
Variance	T1	Line 260: Taxable Income - What if scenario: $18,421.00 (increase of $25,901.00 / 140.6%)
Variance	S1	Line 323: Your tuition, education, and textbook amounts - What if scenario: $4,701.10 (increase of $6,806.90 / 144.8%)
Variance	S1	Line 335: Unadjusted federal non-refundable tax credits - What if scenario: $18,421.00 (increase of $6,814.08 / 37.0%)

EFILE: Eligible | Balance/Refund 4,491.47 | GST Credit 32.35 | Combined bal...4,491.47

- And you can also view the changes in ‘fly-over’ messages when your cursor is over a yellow variance field



Step 2 - Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada.
When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips)			101	44,322 00
Commissions included on line 101 (box 42 of all T4 slips)	102	0 00		
Wage loss replacement contributions (see line 101 in the guide)	103	0 00		
Other employment income			104	0.00
Old Age Security pension (box 18 of the T4A(OAS) slip)			113	0 00
CPP or QPP benefits (box 20 of the T4A(P) slip)			114	0 00
Disability benefits included on line 114 (box 16 of the T4A(P) slip)	152	0 00		

What if scenario: $18,421.00
(increase of $25,901.00 / 140.6%)

Shelf-life of a snapshot

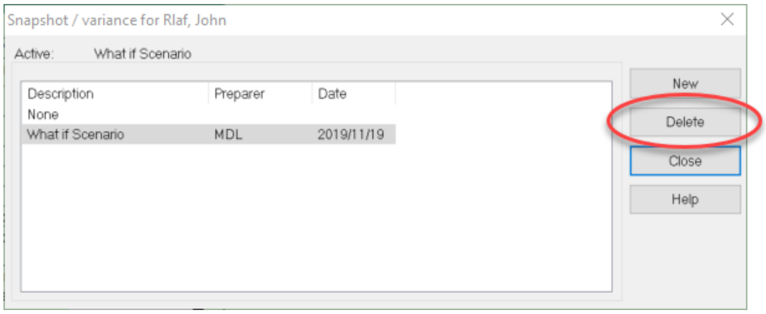
Snapshots may have a short self-life. For example, you may have created a snapshot last week using a client RRSP contribution of $5,000. This week you may want to evaluate the impact of reducing that contribution to $3,000.

However, if you also added a new T3 slip since taking the first snapshot, variance will detect the impact of both the T3 and the RRSP. To best use variance, make sure you carefully manage which data fields you've changed since taking a snapshot.

Deleting a snapshot

If you change other data in the return, like adding income from a forgotten contract job, you will need to delete your original snapshot and create a new one, reflecting the extra income, before comparing that scenario to current data.

- On the Snapshot Variance dialog (go to the *Audit* menu and select *Snapshot/variance*, select a snapshot that you no longer need and click the *Delete* button to remove that snapshot.



Active: What if Scenario

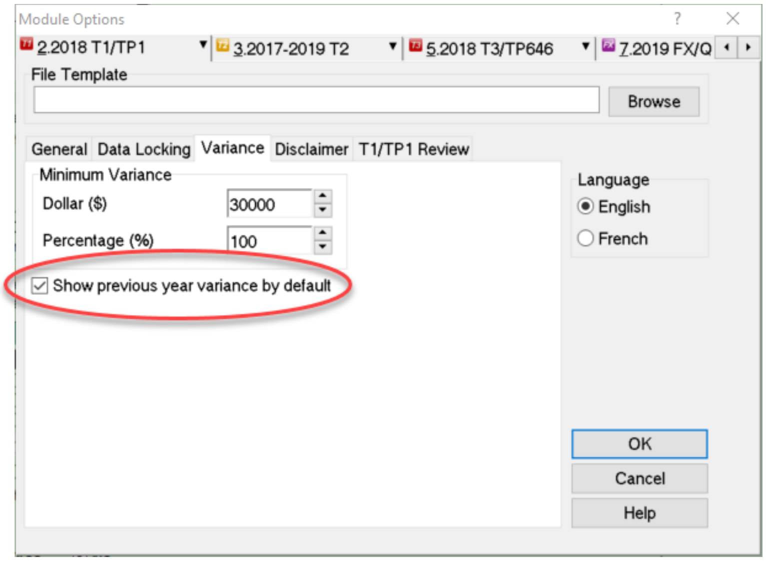
Description	Preparer	Date
None		
What if Scenario	MDL	2019/11/19

Previous year variance

ProFile includes several features to help you identify and analyze variances between two tax scenarios. If you carry forward information from a previous year's return, you can use these variance features to find out how much a field changed in comparison to the previous year.

To turn on previous year variance:

- Go to the Options menu and select Module
- Click a module tab, for example, *2017T1*
- Click the *Variance* tab.
- Select the *Show previous year variance by default checkbox*
- Click *OK*



Dollar ($) 30000

Percentage (%) 100

☑ Show previous year variance by default

● English

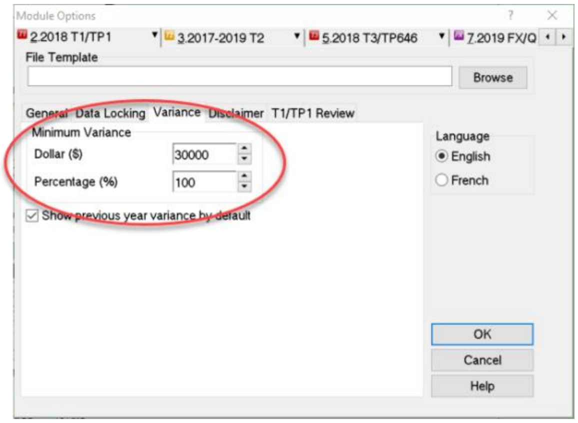
○ French

When you carry forward a return and there is a difference between the previous and current year amounts, ProFile highlights the changed fields with an orange background. Move your cursor over the field to see the message associated with that field.

Variance thresholds

You can set variance thresholds to meet your own requirements. Go to the *Options* > *Module* and click the *Variance* tab.

Set a minimum dollar value or percentage of change that will trigger a variance calculation. If you set both a dollar and a percentage amount, ProFile calculates a variance only when the amount differs by more than the dollar value and the minimum percentage.



Minimum Variance

Dollar ($) 30000

Percentage (%) 100

☑ Show previous year variance by default

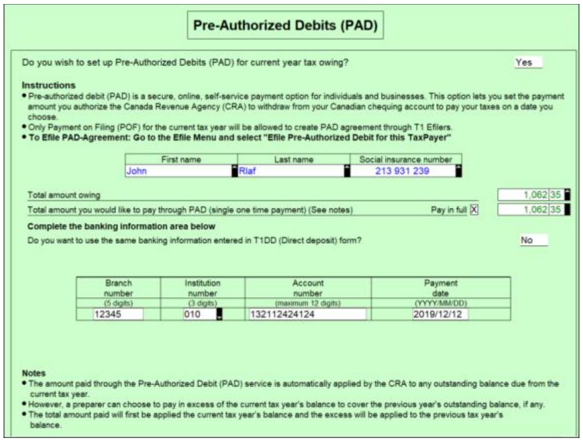
● English
○ French

T1 PAD

Pre-authorized debit (PAD) is a secure, online, self-service payment option for individuals and businesses. This option lets you set the payment amount you authorize CRA to withdraw from a Canadian chequing account to pay taxes on a date, or multiple dates.
Due to the processes that must take place between the CRA and the financial institution, the selected payment date must be at least five business-days from the date your PAD agreement is created or managed.

A PAD agreement can only be done online. Here's how to do it in ProFile:

- Use Form Explorer to Open *T1PAD*
- Type *Yes* to set up PAD
- Click the *Pay in full* checkbox
- If you are already set up for Direct Deposit and you want to pay from that account, enter YES. Otherwise enter NO and enter the bank transit info



Pre-Authorized Debits (PAD)

Do you wish to set up Pre-Authorized Debits (PAD) for current year tax owing? Yes

Instructions

- Pre-authorized debit (PAD) is a secure, online, self-service payment option for individuals and businesses. This option lets you set the payment amount you authorize the Canada Revenue Agency (CRA) to withdraw from your Canadian chequing account to pay your taxes on a date you choose.
- Only Payment on Filing (POF) for the current tax year will be allowed to create PAD agreement through T1 Efilers.
- **To Efile PAD-Agreement: Go to the Efile Menu and select "Efile Pre-Authorized Debit for this TaxPayer"**

First name	Last name	Social insurance number
John	Rlaf	213 931 239

Total amount owing 1,062 35

Total amount you would like to pay through PAD (single one time payment) (See notes) Pay in full ☒ 1,062 35

Complete the banking information area below

Do you want to use the same banking information entered in T1DD (Direct deposit) form? No

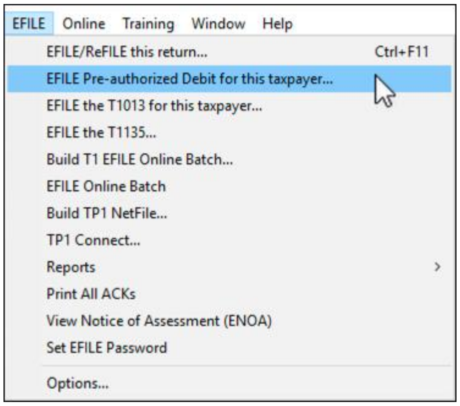
Branch number	Institution number	Account number	Payment date
(5 digits)	(3 digits)	(maximum 12 digits)	(YYYY/MM/DD)
12345	010	132112424124	2019/12/12

Notes

- The amount paid through the Pre-Authorized Debit (PAD) service is automatically applied by the CRA to any outstanding balance due from the current tax year.
- However, a preparer can choose to pay in excess of the current tax year's balance to cover the previous year's outstanding balance, if any.
- The total amount paid will first be applied the current tax year's balance and the excess will be applied to the previous tax year's balance.

- Go to EFILE and select *EFILE Pre-Authorized Debit for this Taxpayer*

- Once EFILED, ProFile will record the T1PAD confirmation number in the yellow field above, and on the INFO form as well



EXPRESS NOTICE OF ASSESSMENT

Express Notice of Assessment (NOA) is a CRA service that allows you to view the basic result of an assessment immediately after filing a return and to receive the full notice of assessment the next day.
This instant assessment provides the status of your client's return with a summary of the refund, amount owing, or a zero balance and deposit information, if applicable.
The full notice of assessment provides an account summary with the result of the assessed return showing a refund, a zero balance, or a balance owing, tax assessment summary, explanation of changes and other information, and RRSP/PRPP deduction limit statement. It may also contain the Home Buyers' Plan statement and Lifelong Learning Plan statement.

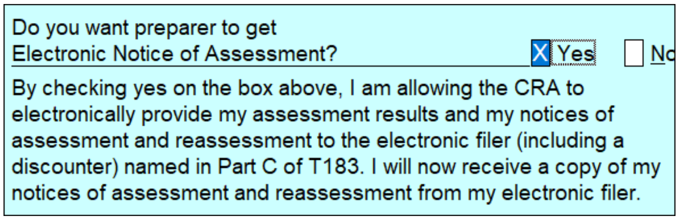
ENOA requirements

To use the Express NOA service, you must:

- be a registered electronic filer
- be registered in Represent a Client and have a RepID, GroupID or business number
- have a valid Form T1013, Authorizing or Cancelling a Representative with Level 1 (or higher) authorization for online access on file with the CRA
- have a valid Form T183 and have completed Part C for the Express NOA function

Follow these steps to activate ENOA in ProFile:

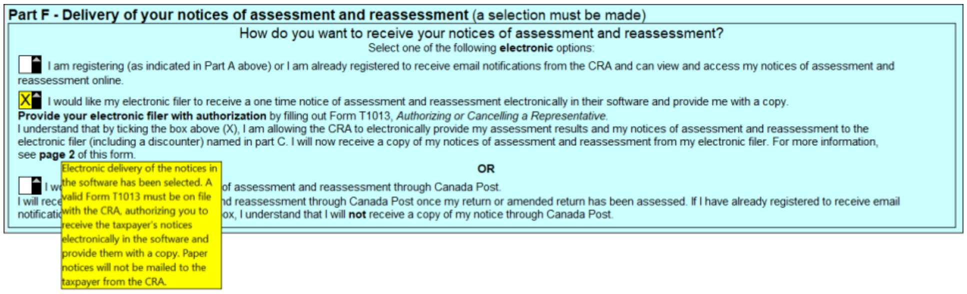
- Navigate to the Info page and click the ENOA checkbox



Do you want preparer to get Electronic Notice of Assessment? ☒ Yes ☐ N

By checking yes on the box above, I am allowing the CRA to electronically provide my assessment results and my notices of assessment and reassessment to the electronic filer (including a discounter) named in Part C of T183. I will now receive a copy of my notices of assessment and reassessment from my electronic filer.

- Open the *T183* Form and confirm that you'd like to receive a one-time electronic notice of assessment. Note that ProFile warns you if you don't have a valid T1013 on file with CRA



Part F - Delivery of your notices of assessment and reassessment (a selection must be made)

How do you want to receive your notices of assessment and reassessment?

Select one of the following **electronic** options:

☐ I am registering (as indicated in Part A above) or I am already registered to receive email notifications from the CRA and can view and access my notices of assessment and reassessment online.

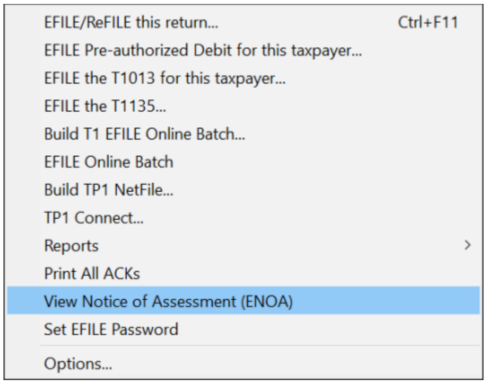
☒ I would like my electronic filer to receive a one time notice of assessment and reassessment electronically in their software and provide me with a copy.
Provide your electronic filer with authorization by filling out Form T1013, *Authorizing or Cancelling a Representative.*
I understand that by ticking the box above (X), I am allowing the CRA to electronically provide my assessment results and my notices of assessment and reassessment to the electronic filer (including a discounter) named in part C. I will now receive a copy of my notices of assessment and reassessment from my electronic filer. For more information, see **page 2** of this form.

OR

☐ I w of assessment and reassessment through Canada Post.
I will rece nd reassessment through Canada Post once my return or amended return has been assessed. If I have already registered to receive email notificati ox, I understand that I will **not** receive a copy of my notice through Canada Post.

Electronic delivery of the notices in the software has been selected. A valid Form T1013 must be on file with the CRA, authorizing you to receive the taxpayer's notices electronically in the software and provide them with a copy. Paper notices will not be mailed to the taxpayer from the CRA.

- To proceed to CRA's website and then onto your client's notice of assessment, click *EFILE > View Notice of Assessment (ENOA)*



Chapter 8 Quiz

Question 1: A file template is used to:

A. Ensure that all data is recorded properly
B. Create returns for various family members
C. Pre-select the fields and forms ProFile will set up on a new tax return
D. Verify the accuracy of the tax amounts

Correct answer is C

Question 2: True or False: A different file template can be set up for each ProFile module

Correct answer is True

Question 3: HyperDocs is designed to:

A. Link or embed an electronic file to a tax return
B. Add audit messages to a tax file
C. Link an amount on a tax return to the relevant information on CRA's website
D. Create a hyperlink that can be emailed to a client

Correct answer is A

Question 4: True or False: You can use HyperDocs to send documents such as donations receipts to CRA

Correct answer is False

Question 5: True or False: HyperDocs lets you attach a document to either the tax return itself or to a line on the return

Correct answer is True

Question 6: You synchronize a Hyperdocs file by clicking:

A. On the *Synchronize* command in the File menu
B. The source document in Windows Explorer
C. On the green *Synchronize* icon in the HyperDocs window
D. You cannot, in fact, synchronize a HyperDocs file

Correct answer is C

Question 7: True or False: Once you attach a HyperDocs file to a tax return, you cannot remove it

Correct answer is False

Question 8: True or False: Profile uses a Snapshot to EFILE the tax return to CRA

Correct answer is False

Question 9: Select one reason you would use ProFile's *Variance* feature:

A. To compare the difference between two spouses' T1 files
B. To highlight significant changes between the prior and current year's T1 files
C. To track the last time you opened a T1 file
D. To make sure all tax preparers are using the same version of the tax file

Correct answer is B

Question 10: CRA's T1 Pad is used to

A. Send an electronic payment to CRA
B. Keep track of all amounts already paid to CRA
C. Ensure that all client notes are saved in a notepad
D. Modify a file that you EFILED with CRA

Correct answer is A
