

Tax tips & investment tax slip checklist

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TAX TIP #1 – GET INFORMED

For more information about what you will need to report – and what credits or deductions you may be entitled to receive – download a copy of the CRA's *2011 General Income Tax and Benefit Guide* at www.cra-arc.gc.ca, or pick one up at your local post office.

TAX TIP #2 – ORGANIZE YOUR PAPERWORK

It's easy to get buried under all the tax slips, receipts and other paperwork leading up to tax time. As you receive information, organize it into categories such as:

- › Income you need to report – employment, business, rental, investment/dividend, etc.
- › Credits/deductions you may be entitled to receive – eligible registered plan contributions, charitable or political donations, medical and health-care expenses, etc.

TAX TIP #3 – MAXIMIZE YOUR TAX-PLANNING STRATEGIES

- › Transfer taxable income from higher-income to lower-income family members, who are taxed at lower rates. Pension income-splitting, spousal RRSPs, spousal loans, family trusts and funding Tax-Free Savings Accounts are some of the ways you can do this.
- › Reduce or eliminate taxable capital gains by offsetting capital gains with capital losses.
- › Allocate fully taxable income sources such as GICs and bonds to tax-sheltered registered accounts, and tax-advantaged income sources like dividend-paying stocks to regular taxable accounts.

TAX TIP #4 – FILE YOUR RETURN ON TIME

Deadline: Monday, April 30, 2012
(delivered to CRA or postmarked no later than Monday, April 30, 2012).

Deadline for self-employed individuals: June 15, 2012.

ONLINE RESOURCES

Canada Revenue Agency | www.cra-arc.gc.ca

RBC Dominion Securities Tax Reporting Guide | www.rbc.com/TaxReporting/home.html

Internal Revenue Service (U.S. tax information) | www.irs.gov

UNDERSTANDING INVESTMENT INCOME SLIPS

The number of tax slips you receive for your investments, and when you receive them in the mail depends on the types of investments you hold. In general, issuers of income trusts, mutual funds, and limited partnerships tend to issue tax slips later than other investments such as GICs.

The RBC Dominion Securities Canadian Tax Information Checklist is a helpful guide that can help you understand and organize the investment-related tax documents. You can download your complete checklist at www.rbc.com/TaxReporting/tax-information-checklist.

Here is a summary of the checklist.

Non-registered investments

Tax form name	Approximate mailing date	Summary of information reported
T5 package/ Relevé 3	Mid-February*	If you received \$50 or more from Canadian or foreign stocks, bonds or interest on credit balances, your T5 package will include the following documents where applicable: - Summary of Investment Income and Expenses - Summary of Security Dispositions - Income Trust Disposition Gain/Loss Worksheet - Important Information Regarding Outstanding Tax Documents
NR4	Mid-February	Issued to Canadian non-residents, reports income received and any Canadian non-resident taxes withheld.
T5/ Relevé 3 for Split Corps	Late February	Summary of Investment Income and Expenses for Split Corps securities.
T5 / Relevé 3 or T3 / Relevé 16 for Mutual Funds	Throughout March	Summary of distributions will be sent directly from each mutual fund management company.
T3 / Relevé 16 for Income Trusts	Throughout March*	Summarizes all distributions received from Canadian Based Real Estate Investment Trusts (REITs), Income Trusts and Royalty Trusts during the year.
T3 / Relevé 16 for LifePoints	Throughout March	Summarizes all LifePoints account distributions, sent directly from Russell Investments.
T3 / Relevé 16 for Russell Sovereign	Throughout March	Summarizes all Russell Sovereign account distributions, sent directly from Russell Investments.
T5013 / T5013A / Relevé 15 for Limited Partnerships	Throughout March*	You will receive one T5013 for each Limited Partnership you are invested in, and a T5013A if the Limited Partnership is a tax shelter.

*Issuers may file amendments even after you receive your tax slips. In such a case, we will issue an amended tax slip as soon as possible.

Registered investments

RRIF / LIF / LRIF / PRIF Evaluation Letter	Late January	Summarizes (i) value of the assets at Dec 31, 2011 (ii) the minimum amount that must be withdrawn, (iii) the maximum amount that can be withdrawn (if it is a LIF or LRIF) and (iv) your desired payment amounts and frequency.
RRSP Contribution Receipt	January – for contributions made in the last 10 months of 2011 February to early March – for contributions made in the first 60 days of 2012	Reports RRSP contribution values for 2011.
Relevé 7	Mid-February	Sent when there is a qualified transaction in your Québec Stock Savings Plan.
T4A / Relevé 2	Mid-February	Will be issued to (i) a beneficiary of a Registered Education Savings Plan (RESP) who received Educational Assistance Payments from the plan during the year, and (ii) Subscribers who received Accumulated Income Payments during the year.
T4RSP / T4RIF/ Relevé 2	Mid-February	Income tax slips for payments from your RRSP, RRIF, LIF, LRIF and PRIF accounts.

Please note: Relevé forms are only provided to clients who reside in Quebec and are mailed along with their corresponding federal equivalent.

➤ Please contact us to discuss if you have any questions about your 2011 investment tax slips.
Or contact your tax accountant to explore strategies discussed in this article.



RBC Wealth Management
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