



Mia started her first job! ... Now what?



Mia is 17 years old and she just started her first job at her university's coffee shop. That means she will have to do her taxes next year if she wants to claim deductions and get credits, and possibly a tax refund too!

What's in it for Mia?

GST/HST credit

She could get up to **\$443** per year in GST/HST credit payments once she turns 19.

Tax credits

She could claim non-refundable tax credits on her income tax and benefit return to reduce any tax she may have to pay. These include the basic personal amount, the Canada employment amount, her tuition fees, and her moving expenses (if she moved at least 40 kilometres closer to her school). If she doesn't need all of her tax credits to reduce her income tax to zero, she can transfer some of them to an eligible family member or keep them to claim in future years when she will have income tax to pay.

Tax refund

As soon as she was hired, Mia filled out Form TD1, Personal Tax Credits Return, and gave it to her employer so that they could determine how much income tax to deduct from her pay. By doing her taxes, she could get some of that money back if she paid more income tax than she should have in the year.

RRSP deduction limit

By reporting her income, Mia's registered retirement savings plan (RRSP) deduction limit for future years will be higher. This will benefit her in the future, because she'll be able to invest more for her retirement.

How can Mia do her taxes?

Online: This is the fastest and easiest way for Mia to do her taxes! She can find free tax software at canada.ca/netfile. The tax software will guide her through the process of doing her taxes, will do all the calculations for her, and will help her make sure she doesn't miss out on any benefits and credits she may be eligible for.

By mail: Mia can download a tax package, fill out the forms and mail them to the Canada Revenue Agency (CRA). Tax packages are available at canada.ca/taxes-general-package.

She could even get her taxes done for free! Because Mia has a modest income and a simple tax situation, a volunteer could do her taxes for her at a free tax clinic. She can find out if she's eligible and find a tax clinic near her at revenuquebec.ca/volunteers or by calling Revenu Québec or the CRA.

What documents does Mia need to do her taxes?

Tax information slips

Before the end of February, Mia's employer will give her a T4 slip, Statement of Remuneration Paid. If Mia had more than one job during the year, each of her employers would give her a T4 slip.

The T4 slip will show Mia's income for the year, as well as the income tax, Canada Pension Plan contributions, and employment insurance premiums her employer deducted from her income. She will use this information to fill out her return.

If Mia doesn't receive her T4 slip on time, she will have to use the information from her pay stubs to fill out her return, and attach a copy of her pay stubs to her return if she does her taxes on paper. If Mia doesn't get her T4 slip or loses it, she should ask her employer for a copy. If that fails, she can call the CRA to ask that a copy be mailed to her.

Because Mia received tips from the clients she served, it's possible that her employer will include them on her T4 slip. If not, Mia will need to keep track of the amount of all the tips she received during the year to report them on her return.

Receipts and supporting documents

Mia will need all her receipts and supporting documents if she wants to claim certain deductions and tax credits. To claim her moving expenses, she will need the receipts that show the expenses she paid to move for school. To claim her tuition fees, she will need her Form T2202, Tuition and Enrolment Certificate, that her school will provide.

She will need to keep these for 6 years, in case the CRA asks to see them later, even if she does her taxes online.

For more information

Online

Tax information for students
canada.ca/taxes-students

GST/HST credit
canada.ca/gst/hst-credit

Get ready to do your taxes
canada.ca/taxes-get-ready

Understanding taxes
canada.ca/understanding-taxes

My Account
canada.ca/my-cra-account

Forms and publications
canada.ca/cra-forms

Underground economy
canada.ca/taxes-underground-economy

By phone

To ask about benefits
1-800-387-1193

For other questions and to get forms
1-800-959-8281

Revenu Québec
1-800-267-6299

Canada Revenue Agency
@CanRevAgency



Don't get scammed! Beware of tax fraud schemes. If you get a call or an email that sounds like a scam, it probably is! When in doubt, verify your information in My Account or call the CRA. For more information, go to canada.ca/taxes-fraud-prevention.