

T1-2018

## Canada Pension Plan Contributions and Overpayment for 2018

Schedule 8

Complete this schedule and **attach** it to your return to calculate your required Canada Pension Plan (CPP) contributions or overpayment for 2018 if you were a **resident of a province or territory other than Quebec** on December 31, 2018, and have **no earned income from the province of Quebec**.

**Do not use this schedule** if any of your T4 slips have Quebec Pension Plan (QPP) contributions. Instead, get and complete Form RC381, Inter-Provincial Calculation for CPP and QPP Contributions and Overpayments for 2018.

Complete the parts that apply to you.

**Part 1** – Complete this part if you are electing to stop contributing to the CPP or revoking a prior election.

**Part 2** – Complete this part to determine the number of months for the CPP calculation.

**Part 3** – Complete this part if you are reporting employment income.

**Part 4** – Complete this part if you are reporting **only** self-employment income or other earnings for which you are electing to pay CPP contributions.

**Part 5** – Complete this part if you are reporting employment income **and** self-employment income or other earnings for which you are electing to pay CPP contributions. You must first complete **Part 3**.

For more information, see line 222 in the guide.

### Part 1 – Election to stop contributing to the Canada Pension Plan or revocation of a prior election

If in 2018 you were 60 to 70 years of age, you received a CPP or QPP retirement pension, and you had employment and/or self-employment income, you were considered a CPP working beneficiary and you were required to make CPP contributions. However, if you were at least 65 years of age but under 70, you can elect to stop paying CPP contributions.

If you have **employment income** for 2018 and elected in 2018 to stop paying CPP contributions or revoked in 2018 an election made in a prior year, you should have already completed Form CPT30, Election to Stop Contributing to the Canada Pension Plan, or Revocation of a Prior Election, and sent it to the CRA and your employer(s).

If you had **only self-employment** income for 2018 and elect in 2018 to stop paying CPP contributions on your self-employment earnings, enter in **box 372** below the month in 2018 for which you choose to start this election. The date cannot be earlier than the month you turn 65 and you are receiving a CPP or QPP retirement pension. For example, if you turn 65 in June, you can choose any month from June to December. If you choose the month of June, enter 06 in box 372 because June is the sixth month of the year. If in 2018 you are revoking an election made in a prior year on contributions for self-employment earnings, enter in **box 374** below the month in 2018 for which you choose to revoke this election. Your election remains valid until you revoke it or you turn 70. If you start receiving employment income (other than employment income earned in Quebec) in a future year, you will have to complete Form CPT30 in that year to keep your election valid.

If you had **both** employment income and self-employment income in 2018 and wanted to elect to stop paying CPP contributions in 2018, or to revoke in 2018 an election made in a prior year, you should have completed Form CPT30 in 2018. An election filed using Form CPT30 applies to all income from pensionable earnings, including self-employment earnings, as of the first day of the month after the date you gave this form to your employer. If you completed and submitted Form CPT30 when you became employed in 2018 but your intent was to elect in 2018 to stop paying CPP contributions or to revoke an election made in a prior year on your self-employment income before you became employed, enter in **box 372** below the month you want to stop contributing, or if you want to revoke in 2018 an election made in a prior year, enter in **box 374** below the month you want to resume contributing. If you did not complete and submit Form CPT30 for 2018 when you became employed, you cannot elect to stop paying CPP contributions or revoke an election made in a prior year on your self-employment earnings for 2018 on this schedule. To be valid, an election or revocation that begins in 2018 must be filed on or before June 15, 2020.

I elect to **stop** contributing to the Canada Pension Plan on my self-employment earnings on the first day of the month that I entered in box 372.

Month  
**372**

I want to **revoke** an election made in a prior year to stop contributing to the Canada Pension Plan on my self-employment earnings and resume contributing on the first day of the month that I entered in box 374.

Month  
**374**

Continue on the next page.

**Part 2 – Determine the number of months for the CPP calculation**

Enter 12 in box A **unless** one or more of the situations below apply:

- if you turned 18 years of age in 2018, enter the number of months in the year after the month you turned 18
- if for all of 2018 you were receiving a CPP or QPP disability pension, enter "0". If you started or stopped receiving a CPP or QPP disability pension in 2018, enter the number of months during which you were not receiving a disability pension
- if you were 65 to 70 years of age in 2018, you were receiving a CPP or QPP retirement pension, and you elected to stop paying CPP contributions in 2018, enter the number of months in the year up to and including the month you made the election. If you had self-employment income in 2018 and have an entry in box 372, enter the number of months in the year prior to the month you entered in box 372
- if you were 65 to 70 years of age in 2018, you were receiving a CPP or QPP retirement pension, you elected to stop paying CPP contributions in a prior year, and you have not revoked that election, enter "0"
- if you were 65 to 70 years of age in 2018, you were receiving a CPP or QPP retirement pension, you elected to stop paying CPP contributions in a prior year, and you revoked that election in 2018, enter the number of months in the year after the month you revoked the election. If you had self-employment income in 2018 and have an entry in box 374, enter the number of months in the year after and including the month you entered in box 374
- if you turned 70 years of age in 2018 and you did not elect to stop paying CPP contributions, enter the number of months in the year up to and including the month you turned 70 years of age
- if for all of 2018 you were 70 years of age or older, enter "0"
- if the individual died in 2018, enter the number of months in the year up to and including the month the individual died

Enter the number of months during which the **CPP** applies in 2018.  A

**Part 3 – Calculating your CPP contributions and overpayment on employment income**

Enter your yearly maximum **CPP** pensionable earnings (see the monthly proration table below to find the amount that corresponds to the number of months entered in box A of Part 2).

(maximum \$55,900)

1

**Total CPP pensionable earnings**

Enter the total of box 26 amounts from all your T4 slips (maximum \$55,900 per slip).  
If box 26 is blank, enter the amount from box 14.

5549

2

Enter the amount from line 1 or the amount from line 2, **whichever is less**.

3

Enter your maximum basic **CPP** exemption (see the monthly proration table below to find the amount that corresponds to the number of months entered in box A of Part 2).

(maximum \$3,500)

4

Earnings subject to CPP contributions: Line 3 minus line 4 (if negative, enter "0") (maximum \$52,400)

=

5

Actual CPP contributions: Enter the total CPP contributions deducted from box 16 of all your T4 slips.

5034

6

Required contributions on CPP pensionable earnings:  
Multiply the amount from line 5 by 4.95%.

(maximum \$2,593.80)

-

7

Line 6 minus line 7 (if negative, enter "0")

**CPP overpayment**

=

8

If you are **self-employed** and/or you are **electing to pay additional** CPP contributions on other earnings, enter the amount, in dollars and cents, from line 6 on **line 308** of your Schedule 1 and, if applicable, on **line 5824** of your Form 428. Then continue with Part 5.

Otherwise, enter the amount, in dollars and cents, from line 6 or line 7, **whichever is less**, on **line 308** of your Schedule 1 and, if applicable, on **line 5824** of your Form 428. If the amount from line 8 is **positive**, enter it on **line 448** of your return. If the amount from line 8 is **negative**, you may be able to make additional CPP contributions. See Form CPT20, Election To Pay Canada Pension Plan Contributions.

**Monthly proration table for 2018**

Part 3			Part 3 continued		
Applicable number of months	Line 1 Maximum CPP pensionable earnings	Line 4 Maximum basic CPP exemption <sup>(1)</sup>	Applicable number of months	Line 1 Maximum CPP pensionable earnings	Line 4 Maximum basic CPP exemption <sup>(1)</sup>
1	\$4,658.33	\$291.67	7	\$32,608.33	\$2,041.67
2	\$9,316.67	\$583.33	8	\$37,266.67	\$2,333.33
3	\$13,975.00	\$875.00	9	\$41,925.00	\$2,625.00
4	\$18,633.33	\$1,166.67	10	\$46,583.33	\$2,916.67
5	\$23,291.67	\$1,458.33	11	\$51,241.67	\$3,208.33
6	\$27,950.00	\$1,750.00	12	\$55,900.00	\$3,500.00

(1) If you started receiving CPP retirement benefits in 2018, your basic exemption may be prorated by the CRA.

**Part 4 – CPP contributions on self-employment income and other earnings ONLY (no employment income)**

Pensionable net self-employment earnings <sup>(2)</sup> (amounts from line 122 and lines 135 to 143 of your return)			1
Employment earnings <b>not shown</b> on a T4 slip on which you elect to pay additional CPP contributions. (Get and complete Form CPT20.)	373	+	2
Add lines 1 and 2 (if negative enter "0").		=	3
Basic exemption (maximum \$3,500) <sup>(2)</sup>		-	4
Line 3 minus line 4 (maximum \$52,400)		=	5
CPP rate		x	6
<b>CPP contributions payable on self-employment and other earnings:</b> Multiply line 5 by line 6. Enter this amount on line 421 of your return.		=	7
<b>Deduction and tax credit for CPP contributions on self-employment and other earnings:</b> Multiply the amount from line 7 by 50%.		=	8

Enter the amount, in dollars and cents, from line 8 on line 222 of your return and on line 310 of your Schedule 1.

<sup>(2)</sup> Self-employment earnings, CPP pensionable earnings, and the basic exemption should be prorated according to the number of months entered in box A of Part 2 (do not prorate the self-employment earnings if the individual died in 2018).

**Part 5 – CPP contributions on self-employment income and other earnings when you have employment income**

Pensionable net self-employment earnings <sup>(3)</sup> (amounts from line 122 and lines 135 to 143 of your return)				1
Employment earnings <b>not shown</b> on a T4 slip on which you elect to pay additional CPP contributions (Get and complete Form CPT20.)	373	+		2
Employment earnings <b>shown</b> on a T4 slip on which you elect to pay additional CPP contributions. (Get and complete Form CPT20.)	399	+		3
Add lines 1, 2, and 3.		=		4
Enter the amount from line 6 of Part 3.				5
<b>Actual CPP contributions</b>				
If the amount on line 8 of Part 3 is positive, complete lines 6 to 8. Otherwise, enter "0" on line 8 and continue on line 9.				
Enter the amount from line 5 above.				6
Enter the amount from line 7 of Part 3.	-			7
Line 6 minus line 7 (if negative, enter "0")	=			8
Line 5 minus line 8		=		9
Multiply the amount from line 9 by 20.202.		=		10
Enter the amount from line 1 of Part 3.				11
<b>CPP pensionable earnings</b>				
Enter the amount from line 4 of Part 3.				12
<b>Basic exemption</b> (maximum \$52,400)		-		13
Line 11 minus line 12 (if negative, enter "0")		=		14
Enter the amount from line 10.		-		15
Line 13 minus line 14 (if negative, enter "0")		=		16
Enter the amount from line 4 or line 15, <b>whichever is less.</b>				17
If the amount on line 2 of Part 3 is less than the amount on line 4 of Part 3, complete lines 17 to 19. Otherwise, enter "0" on line 19 and continue on line 20.				
Line 4 of Part 3 minus line 2 of Part 3				18
Line 4 minus line 13 (if negative, enter "0")	-			19
Line 17 minus line 18 (if negative, enter "0")	=			20
Earnings subject to contributions: line 16 minus line 19 (if negative, enter "0")		=		21
Multiply the amount from line 20 by 9.9%.		=		22
Multiply the amount from line 8 of Part 3 (if positive only) by 2.		-		23
<b>CPP contributions payable on self-employment and other earnings:</b> Line 21 minus line 22 (if negative, enter "0"). Enter this amount on line 421 of your return. <sup>(4)</sup>		=		24
<b>Deduction and tax credit for CPP contributions on self-employment and other earnings:</b> Multiply the amount from line 23 by 50%.		=		25

Enter the amount, in dollars and cents, from line 24 on line 222 of your return and on line 310 of your Schedule 1.

<sup>(3)</sup> Self-employment earnings should be prorated according to the number of months entered in box A of Part 2 (do not prorate the self-employment earnings if the individual died in 2018).

<sup>(4)</sup> If the result on line 23 is negative, you may have an overpayment. If so, the CRA will calculate it for you.