Practice with case studies

Students

Part-time student with a scholarship

Pre-test question

Select **True** or **False**

The scholarship exemption for part-time students is equivalent to the $500 basic scholarship exemption.

○ True

Sorry, that is incorrect

The scholarship exemption for part-time students is equal to the tuition paid, plus the costs of program-related materials, plus the $500 basic scholarship exemption.

○ False

That is correct

The scholarship exemption for part-time students is equal to the tuition paid, plus the costs of program-related materials, plus the $500 basic scholarship exemption.

Instructions

1. Open the tax software

2. Review the **Background information** and **Required slips** (tax slips, receipts, etc.)

3. Provide all required information for the appropriate sections of the tax software

4. Once completed, compare your results with the solution provided

5. Afterwards, refer to the **Takeaway points**

Background information

Situation

Antoine is working full time, and pursuing a part-time degree at the University of Canada which granted him a scholarship. Antoine received a T2202 from the school. He does not wish to transfer his tuition fees.

Antoine's 2022 notice of assessment (NOA) indicates that his Canada training credit limit (CTCL) for 2023 is $250 and he wants to claim this amount. He does not have any unused tuition amounts from prior years. He also wishes to claim $300 for program-related materials he paid for during his studies.

Identification information

Name	Antoine Grey
Social insurance number (SIN)	000 000 000
Address	123 Main Street City, Province X0X 0X0
Date of birth	August 17, 1980
Marital status	Single

Slips required

T4 – Statement of Remuneration Paid (Foodock Co.)

Field		
Employer's name – Nom de l'employeur	**Foodock Co.**	

Canada Revenue Agency / Agence du revenu du Canada

Year / Année

T4
Statement of Remuneration Paid
État de la rémunération payée

	Employment income – Revenus d'emploi	Income tax deducted – Impôt sur le revenu retenu
14	38,056 37	22 4,836 12

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

	Province of employment – Province d'emploi	Employee's CPP contributions – see over / Cotisations de l'employé au RPC – voir au verso	EI insurable earnings – Gains assurables d'AE
10		16 503 11	24 38,056 37

Social insurance number – Numéro d'assurance sociale

Exempt – Exemption
CPP/QPP   EI   PPIP

12 000 000 000   28

RPC/RRQ   AE   RPAP

	Employment code – Code d'emploi	Employee's QPP contributions – see over / Cotisations de l'employé au RRQ – voir au verso	CPP/QPP pensionable earnings – Gains ouvrant droit à pension – RPC/RRQ
29		17	26 38,056 37

	Employee's EI premiums – Cotisations de l'employé à l'AE	Union dues – Cotisations syndicales
18	178 68	44

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

GREY   ANTOINE

123 Main Street
City, Province X0X 0X0

	RPP contributions – Cotisations à un RPA	Charitable donations – Dons de bienfaisance
20		46

	Pension adjustment – Facteur d'équivalence	RPP or DPSP registration number – N° d'agrément d'un RPA ou d'un RPDB
52		50

	Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso	PPIP insurable earnings – Gains assurables du RPAP
55		56

Other information (see over)	Box – Case	Amount – Montant	Box – Case	Amount – Montant	Box – Case	Amount – Montant
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 (21)

T4A – Statement of Pension, Retirement, Annuity, and Other Income (University of Canada)

Payer's name – Nom du payeur **University of Canada**	Canada Revenue Agency / Agence du revenu du Canada **T4A** Statement of Pension, Retirement, Annuity, and Other Income État du revenu de pension, de retraite, de rente ou d'autres sources Year / Année

061 Payer's program account number / Numéro de compte de programme du payeur

Box	Field	Amount
016	Pension or superannuation – line 11500 / Prestations de retraite ou autres pensions – ligne 11500	
022	Income tax deducted – line 43700 / Impôt sur le revenu retenu – ligne 43700	

Social insurance number / Numéro d'assurance sociale

012 **000 000 000**

013 Recipient's program account number / Numéro de compte de programme du bénéficiaire

Box	Field	Amount
018	Lump-sum payments – line 13000 / Paiements forfaitaires – ligne 13000	
020	Self-employed commissions / Commissions d'un travail indépendant	

Recipient's name and address – Nom et adresse du bénéficiaire

Last name (print) – Nom de famille (en lettres moulées): **GREY**
First name – Prénom: **ANTOINE**
Initials – Initiales:

123 Main Street
City, Province X0X 0X0

Box	Field	Amount
024	Annuities / Rentes	
048	Fees for services / Honoraires ou autres sommes pour services rendus	

Other information (see page 2)
Autres renseignements (voir à la page 2)

Box – Case	Amount – Montant	Box – Case	Amount – Montant
105	3,000 00		

T4A (21) **Protected B** when completed / **Protégé B** une fois rempli

T2202 - Tuition and Enrolment Certificate (University of Canada)

Canada Revenue Agency / Agence du revenu du Canada

Protected B when completed
Protégé B une fois rempli

For student / Pour étudiant **2**

Tuition and Enrolment Certificate
Certificat pour frais de scolarité et d'inscription

Year / Année

Name and address of designated educational institution
Nom et adresse de l'établissement d'enseignement
University of Canada
1000 College Drive
City, Province X0X 0X0

11 School type / Catégorie d'école

12 Flying school or club / École ou club de pilotage

14 Student number / Numéro d'étudiant
123456789

15 Filer Account Number / Numéro de compte du déclarant

13 Name of program or course
Nom du programme ou du cours
University Program

Student Name
Nom de l'étudiant
Antoine Grey

Student address
Adresse de l'étudiant
123 Main Street
City, Province X0X 0X0

Session periods / Périodes d'études	19 From YY/MM De AA/MM	20 To YY/MM À AA/MM	21 Number of months part-time / Nombre de mois à temps partiel	22 Number of months full-time / Nombre de mois à temps plein	23 Eligible tuition fees, part-time and full-time / Frais de scolarité admissibles pour études à temps partiel et à temps plein
1	X X 0 9	X X 1 2	4		$1,500.00
2	X X 0 1	X X 0 4	4		$1,500.00
3					
4					
Totals / Totaux **24**			8	**25**	**26** $3,000.00

Information for students: See the back of Certificate 1. If you want to transfer all or part of your tuition amount, complete the back of Certificate 2

Renseignements pour les étudiants : Lisez le verso du certificat 1. Si vous désirez transférer une partie ou la totalité de vos frais de scolarité, remplissez le verso du certificat 2.

17 Social insurance number (SIN) / Numéro d'assurance sociale (NAS)
0 0 0 0 0 0 0 0 0

See the privacy notice on the next page.
Consultez l'avis de confidentialité à la page suivante.

T2202 (21)

Canadä

Takeaway points

Steps to follow

1. Review their background information and required slips

2. In **Interview setup**, tick the boxes next to:

   o **Employment income and employment insurance benefits (T4, T4E/RL-6)** in the **Employment and other benefits** section

   o **Pension income, other income and split pension income, COVID-19 benefits (T4A, T4FHSA, T4A(OAS), T4A(P), T4A-RCA, T4RSP, T4RIF, T1032)** in the **Pension and other income** section

   o **Tuition, education, textbooks, student loans, and Canada training credit** in the **Student** section

3. Click **T4 and employment income** in the left side menu and click the **+** sign next to **T4 income (earned in any province except Quebec)** to enter the information from Antoine's T4 slip

4. Click **T4A, T4FHSA and pension income** in the left side menu, then click the **+** sign next to **T4A – Pension, retirement, annuity, and other income (COVID-19 benefits)** and select **[105] Scholarships, bursaries, fellowship** from the **OTHER INFORMATION (COVID-19 benefits)** drop-down menu to enter the amount from Antoine's T4A slip in the field next to it

5. Click **Tuition, education, student loans** in the left-side menu and click the **+** sign next to **T2202 Tuition and enrolment certificate* (TL11A/TL11C/TL11D) (line 32300)**

6. Under the **Current year tuition amount** heading, enter the amounts from Antoine's T2202, Tuition and Enrolment certificate

7. Click **Tuition, education, student loans** in the left-side menu and click the **+** sign next to **Part-time program details if you received scholarship, fellowship, and bursary income to be included at line 13010**

8. Calculate the total amount paid for tuition found on the T2202 plus the cost of materials and enter it in the **Tuition fees and costs of part-time education program-related material paid for current year** field

9. Click **Tuition, education, student loans** in the left-side menu, then click the **+** sign next to **Canada training credit (CTC)** and enter the CTCL amount from Antoine's 2022 NOA into the **Canada training credit limit (CTCL) for 2023** field

10. Select **Yes** from the **Do you want to claim the Canada training credit in the current year?** drop-down menu

11. Leave the **Enter the Canada training credit you are claiming** field blank

Since Antoine is a part-time student, his scholarship exemption is equal to the tuition fees he paid ($3,000), plus the costs of program-related materials ($300), plus the $500 basic scholarship exemption, for a total of $3,800. No amount is reported on line 13010 because the total amount is greater than the $3,000 scholarship he received. The amount of tuition fees that Antoine may claim on line 32300 is reduced by the $250 CTC amount he is claiming, which is reported on line 45350 of his tax return.

For more information, refer to UFile instructions.

Review your results

Federal

Antoine Grey

Total income

10100 Employment income	$38,056.37
15000 Total income	$38,056.37

Net income

22215 Deduction for CPP and QPP enhanced contributions	$84.56
23600 Net income	$37,971.81

Taxable income

26000 Taxable income	$37,971.81

Non refundable tax credits

30000 Basic personal amount	$15,000.00
30800 CPP or QPP contributions through employment	$418.55
31200 Employment Insurance premiums through employment	$178.68
31260 Canada employment amount	$1,368.00
32300 Tuition, education, and textbook amounts (schedule 11)	$2,750.00
33500 Total	$19,715.23
33800 Total @ 15%	$2,957.28
35000 Non refundable tax credits	$2,957.28

Refund or balance owing

42900 Basic federal tax	$2,738.49
40500 Federal foreign tax credit (T2209)	$0.00
40600 Federal tax	$2,738.49
41700 Line 40600 - 41600	$2,738.49
42000 Net federal tax	$2,738.49
42800 Provincial or territorial tax	$1,105.14
43500 Total payable	$3,843.63
43700 Total income tax deducted	$4,836.12

Payments and credits

45350 Canada training credit (CTC)	$250.00
48200 Total credits	$5,086.12
48400 Refund	$1,242.49