

## Practice with case studies

### Newcomers

# Newcomer couple with refugee status

## Pre-test questions

### Question One

Select True or False

Newcomers may have an identification number other than a social insurance number (SIN).

True

### That's correct

Not all newcomers have a SIN. Some may have an individual tax number (ITN) or a temporary tax number (TTN). These numbers allow individuals without a SIN to submit their income tax return and apply for benefits.

False

### Sorry, that's incorrect

Not all newcomers have a SIN. Some may have an individual tax number (ITN) or a temporary tax number (TTN). These numbers allow individuals without a SIN to submit their income tax return and apply for benefits.

## Question Two

Select True or False

Newcomer status applies only for the first tax year that the individual is a new resident of Canada.

True

**That's correct**

Newcomer status applies only for the first tax year that the individual is a new resident of Canada.

False

**Sorry, that's incorrect**

Newcomer status applies only for the first tax year that the individual is a new resident of Canada.

## 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

Jeet and Mia immigrated to Canada from Indonesia on March 1, 2023. They have refugee status and work permits. Jeet and Mia both worked at the same Indonesian school in 2023 where Jeet's world income outside of Canada was \$3,000 CAN and Mia's was \$1,600 CAN. After their arrival in Canada, Jeet worked part-time for two companies and received social assistance, while Mia has not earned any income in Canada. Jeet and Mia do not own any foreign property.

### Identification information

Name	Jeet Mann
Social insurance number (SIN)	000 000 000
Address	123 Main Street City, Province X0X 0X0
Date of birth (DOB)	January 9, 1986
Marital status	Married to: <b>Mia Mann</b> on March 21, 2009 SIN: 000 000 000 DOB: March 21, 1987

# Required slips

## T4 – Statement of Remuneration Paid (Sunny Market Ltd.) (for Jeet)

Employer's name – Nom de l'employeur <b>Sunny Market Ltd.</b>		Canada Revenue Agency / Agence du revenu du Canada		<b>T4</b> <b>Statement of Remuneration Paid</b> <b>Etat de la rémunération payée</b>	
Year / Année: <input type="text"/>		Employment income / Revenus d'emploi: 14 <input type="text" value="5,987.00"/>		Income tax deducted / Impôt sur le revenu retenu: 22 <input type="text" value="1,146.22"/>	
54 Employer's account number / Numéro de compte de l'employeur: <input type="text"/>		Province of employment / Province d'emploi: 10 <input type="text"/>		Employee's CPP contributions – see over / Cotisations de l'employé au RPC – voir au verso: 16 <input type="text" value="122.26"/>	
Social insurance number / Numéro d'assurance sociale: 12 <input type="text" value="000 000 000"/>		Exempt – Exemption: 28 <input type="text"/>		EI insurable earnings / Gains assurables d'AE: 24 <input type="text" value="5,987.00"/>	
		Employment code / Code d'emploi: 29 <input type="text"/>		Employee's QPP contributions – see over / Cotisations de l'employé au RRQ – voir au verso: 17 <input type="text"/>	
Employee's name and address – Nom et adresse de l'employé		Employee's EI premiums / Cotisations de l'employé à l'AE: 18 <input type="text" value="103.52"/>		CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: 26 <input type="text" value="5,987.00"/>	
Last name (in capital letters) – Nom de famille (en lettres moulées): <b>MANN</b>		First name – Prénom: <b>JEET</b>		Union dues / Cotisations syndicales: 44 <input type="text"/>	
123 Main Street City, Province X0X 0X0		RPP contributions / Cotisations à un RPA: 20 <input type="text"/>		Charitable donations / Dons de bienfaisance: 46 <input type="text"/>	
		Pension adjustment / Facteur d'équivalence: 52 <input type="text"/>		RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB: 50 <input type="text"/>	
		Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso: 55 <input type="text"/>		PPIP insurable earnings / Gains assurables du RPAP: 56 <input type="text"/>	
Other information (see over)		Box – Case      Amount – Montant		Box – Case      Amount – Montant	
T4 (21) Autres renseignements (voir au verso)		Box – Case      Amount – Montant		Box – Case      Amount – Montant	

### T4 – Statement of Remuneration Paid (Tutoring for Success) (for Jeet)

Canada Revenue Agency / Agence du revenu du Canada		<b>T4</b> <b>Statement of Remuneration Paid</b> <b>Etat de la rémunération payée</b>
Employer's name – Nom de l'employeur Tutoring for Success		Year / Année: <input type="text"/>
54 Employer's account number / Numéro de compte de l'employeur: <input type="text"/>		14 Employment income / Revenus d'emploi: <input type="text" value="7,271.00"/>
Social insurance number / Numéro d'assurance sociale: <input type="text" value="000 000 000"/>		22 Income tax deducted / Impôt sur le revenu retenu: <input type="text" value="1,454.00"/>
Exempt – Exemption: CPP/QPP EI PPIP 28 <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		16 Employee's CPP contributions – see over / Cotisations de l'employé au RPC – voir au verso: <input type="text" value="360.00"/>
29 Employment code / Code d'emploi: <input type="text"/>		24 EI insurable earnings / Gains assurables d'AE: <input type="text" value="7,271.00"/>
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres moulées): <b>MANN</b> First name – Prénom: <b>JEET</b> 123 Main Street City, Province X0X 0X0		17 Employee's QPP contributions – see over / Cotisations de l'employé au RRQ – voir au verso: <input type="text"/>
		26 CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: <input type="text" value="7,271.00"/>
		18 Employee's EI premiums / Cotisations de l'employé à l'AE: <input type="text" value="103.00"/>
		44 Union dues / Cotisations syndicales: <input type="text"/>
		20 RPP contributions / Cotisations à un RPA: <input type="text"/>
		46 Charitable donations / Dons de bienfaisance: <input type="text"/>
		52 Pension adjustment / Facteur d'équivalence: <input type="text"/>
		50 RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB: <input type="text"/>
		55 Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso: <input type="text"/>
		56 PPIP insurable earnings / Gains assurables du RPAP: <input type="text"/>
Other information (see over) / Autres renseignements (voir au verso)		T4 (21)

### T5007 – Statement of Benefits (for Jeet)

Canada Revenue Agency / Agence du revenu du Canada		<b>T5007</b> <b>Statement of Benefits</b> <b>Etat des prestations</b>	<b>Protected B / Protégé B</b> when completed / une fois rempli
Year / Année: <input type="text" value="10"/>	10 Workers' compensation benefits / Indemnités pour accidents du travail: <input type="text"/>	11 Social assistance payments or provincial or territorial supplements / Prestations d'assistance sociale ou supplément provincial ou territorial: <input type="text" value="9,820.00"/>	12 Social insurance number / Numéro d'assurance sociale: <input type="text" value="000 000 000"/>
			13 Report code / Code de genre de feuillet: <input type="text"/>
Recipient's name and address – Nom et adresse du bénéficiaire Last name (print) / Nom de famille (en lettres moulées): <b>MANN</b> First name / Prénom: <b>JEET</b> 123 Main Street City, Province X0X 0X0		Payer's name and address / Nom et adresse du payeur: <input style="width:100%; height:100%;" type="text"/>	
See the privacy notice on your return. / Consultez l'avis de confidentialité dans votre déclaration. T5007 (21)			

## Takeaway points

### Steps to follow

1. Review their background information and required slips
2. In **CRA questions**, select **Yes** from the **Are you filing an income tax return with the CRA for the very first time?** drop-down menu and **No** from the **Do you have Canadian citizenship?** drop-down menu
3. In **Interview setup**, tick the boxes next to:
  - **Immigrant, emigrant, non resident taxpayer, you are a Canadian resident and your spouse immigrated to Canada in the year in the Specific situations section**
  - **Employment income and employment insurance benefits (T4, T4E/RL-6) and Social assistance, worker's compensation (T5007/RL-5) in the Employment and other benefits section**
4. On the **Immigrant, emigrant or non-resident** page, click the + sign next to **You immigrated to Canada in 2023** to enter Jeet's **Date of entry** and leave the next field blank since Jeet and his wife have the same **Date of entry** and have been living together since that date
5. Under the **Canadian sourced income (excluding Part XIII income) earned when you were not a resident of Canada** heading, select **Income from employment in Canada** from the **Source of income** drop-down menu and enter the amount of **\$0.00** into the next field
6. Under the **Canadian source Part XIII income PLUS foreign sourced income earned when you were not a resident of Canada** heading, enter **Indonesia** into the **Name of country** field, select **Net employment income** from the **Source of income** drop-down menu and enter the amount of **\$3,000** into the next field
7. Follow the same steps for Mia's tax return, except enter the amount of **\$1,600** for her **Net employment income**
8. Click **Social assistance, worker's compensation** in the left-side menu, then click the + sign next to **T5007** to enter Jeet's T5007 information

9. After entering Jeet's T5007 information, select **Yes** from the **Did you live with your spouse or common-law partner when you received the social assistance benefits?** drop-down menu, then select **Family Head** from the **Select the person whose name appears on the slip** drop-down menu, and finally select **Original** from the **Is this an amended slip?** drop-down menu

Income earned prior to immigration is not reported in the solution because it is only used to calculate benefit and credit eligibility.

Jeet's basic personal amount and spouse or common-law partner amount are reduced. These amounts are prorated by the tax software based on the amount of time he has been in Canada.

For more information, refer to [UFile instructions](#).

# Review your results

Federal		
	Mia Mann	Jeet Mann
<b>◆ Total income</b>		
10100 Employment income		\$13,258.00
14500 Social assistance payments		\$9,820.00
14700 Non taxable income (add lines 14400, 14500, 14600)		\$9,820.00
15000 Total income	\$0.00	\$23,078.00
<b>◆ Net income</b>		
22215 Deduction for CPP and QPP enhanced contributions		\$81.05
23600 Net income	\$0.00	\$22,996.95
<b>◆ Taxable income</b>		
25000 Other payments deduction		\$9,820.00
26000 Taxable income	\$0.00	\$13,176.95
<b>◆ Non refundable tax credits</b>		
30000 Basic personal amount	\$12,575.34	\$12,575.34
30300 Spouse or common-law partner amount		\$12,575.34
30800 CPP or QPP contributions through employment		\$401.21
31200 Employment Insurance premiums through employment		\$206.52
31260 Canada employment amount		\$1,368.00
33500 Total	\$12,575.34	\$27,126.41
33800 Total @ 15%	\$1,886.30	\$4,068.96
35000 Non refundable tax credits	\$1,886.30	\$4,068.96
<b>◆ Refund or balance owing</b>		
42900 Basic federal tax	\$0.00	\$0.00
40500 Federal foreign tax credit (T2209)	\$0.00	\$0.00
40600 Federal tax	\$0.00	\$0.00
42000 Net federal tax	\$0.00	\$0.00
42800 Provincial or territorial tax	\$0.00	\$0.00
43500 Total payable	\$0.00	\$0.00
43700 Total income tax deducted		\$2,600.22
<b>◆ Payments and credits</b>		
48200 Total credits	\$0.00	\$2,600.22
48400 Refund		\$2,600.22
48500 Balance owing	\$0.00	