



How to help family law clients read financial statements and business statements

Provincial Advocates
Training Conference 2021



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FINANCIAL STATEMENT—PROVINCIAL COURT FAMILY RULES, FORM 4

Registry location: *[location]*
Court File Number: *[number]*

FINANCIAL STATEMENT

FORM 4
Provincial Court Family Rules
Rules 3, 25, 28 and 172

I, *[full name of party]*, *[occupation]* of *[address of party, city, province]*,

SWEAR OR AFFIRM THAT:

1. The information set out in this financial statement is true, to the best of my knowledge.
2. I have made complete disclosure in this financial statement of:

Select all options that apply

☐ my income, including benefits and adjustments, if any, in Part 1

☐ my expense and debts, in Part 2

☐ my assets, in Part 3

☐ income of other person(s) in my household, in Part 4

☐ undue hardship, in Part 5

Sworn or affirmed before me)
at *[city]* in British Columbia)
on *[date]*)

_____)
A commissioner for taking affidavits in)
British Columbia *[print name or affix)
stamp of commissioner]*)

_____)
Signature _____)

Commented [VL1]: Review the guide on the BCPC PDF form. There is a chart that identifies which part to complete depending on what is being claimed.

If only basic child support is claimed, the payor only completes Part 1

If s. 7 is being claimed, parts 1, 2 and 3 need to be completed by both recipient and payor.

Split or shared parenting – both parties must complete parts 1, 2 and 3

Part 4 is only required if either party is making a claim for undue hardship

Part 5 is only required if the affiant is making a claim for undue hardship

Commented [VL2]: Remember that the financial statement is an affidavit so client must provide true and accurate information to the best of their ability

PART 1—Income

1. I am attaching a copy of each of the following documents to my financial statement:

☐ my tax return and related schedules for each of the three most recent taxation years; and

☐ any notice of assessment and reassessment issued by the CRA for each of the three most recent taxation years

Commented [VL3]: These documents must be attached.

If client has not filed taxes for the previous year or for a few years, that must be the first step before completing financial statement.

2. All of my sources of income and amounts of income per month are as follows:

Select and complete all that apply. Please use gross amounts (before taxes or deductions).

☐ employment income of \$[amount] from [employer]

☐ employment insurance benefits of \$[amount]

☐ workers compensation benefits of \$[amount]

☐ interest and investment income of \$[amount]

☐ pension income of \$[amount]

☐ government assistance income of \$[amount] from [source]

☐ self-employment income of \$[amount]

☐ trust income of \$[amount]

☐ other income of \$[amount] from [source]

Commented [VL4]: Remember to use *gross* amounts (not net amount)

Often times, client will calculate their income differently than what is provided in their tax returns, notices of assessments, paystubs or T4 slips.

Remember to double check their math against these documents.

3. I am attaching proof of income from all applicable sources, including my:

Select and attach all that apply

☐ most recent pay stub or statement of earnings, or a letter from my employer stating my salary and/or wages

☐ most recent employment insurance benefit statement and record of employment

☐ most recent workers compensation benefit statement

☐ most recent interest and investment statement

☐ most recent pension income statement

☐ most recent government assistance statement

☐ self-employment income for the three most recent taxation years, including:

Commented [VL5]: Including rental income

- (i) the financial statements of my business or professional practice, other than a partnership, and
- (ii) a statement showing a breakdown of all salaries, wages, management fees or other payments or benefits paid to, or on behalf of, persons or corporations with whom I do not deal at arm's length

☐ confirmation of income and draw from, and capital in, a partnership, for the three most recent taxation years

☐ corporate income for the three most recent taxation years, including:

- (i) the financial statements of the corporation and its subsidiaries, and
- (ii) a statement showing a breakdown of all salaries, wages, management fees or other payments or benefits paid to, or on behalf of, persons or corporations with whom the corporation, and every related corporation, does not deal at arm's length

☐ trust settlement agreement and the trust's three most recent financial statements

☐ other (specify):

4. Income Summary:

Use gross annual amounts (before taxes or deductions) except where the word "net" appears

Total income before adjustments		
1	My total income last year as indicated on my [year] tax return was	\$(amount)
Adjustments to total income (use annual amounts)		
2	Taxable child support received	\$(amount)
3	Spousal support received	\$(amount)
4	Universal child care benefit (UCCB) lump-sum payment	\$(amount)
5	Split-pension amount	\$(amount)
6	Employment expenses	\$(amount)
7	Social assistance received for other members of your household	\$(amount)
8	Excess portion of dividends from taxable Canadian corporations	\$(amount)
9	Actual business investment losses	\$(amount)
10	Carrying charges	\$(amount)
11	Net partnership or sole proprietorship income (any amount included in your income that is required by the partnership or sole proprietorship for capitalization purposes)	\$(amount)
12	Total deductions from income (add lines 2 through 11)	\$(amount)
Additions		
13	Capital gains and capital losses (if zero or less, indicate "0" on this line)	\$(amount)
14	Net self-employment income	\$(amount)

Commented [VL6]: This line asks for the income reported on tax return (line 150 or 15000)

Please note that this is different than BCSC F8

Commented [VL7]: Please note that on DivorceMate Cloud version this says "Canada Child Benefit". The version on DivorceMate Cloud is wrong.

Only include the **lump sum Universal Child Care Benefit** on this line. If it is not lump sum, do not include here.

UCCB has now been replaced by Canada Child Benefit (CCB). CCB should not go into line 4

Please note that UCCB is not included in the calculation of income for the purposes of s. 7 expenses.

15	Capital cost allowance for property	\$[amount]
16	Employee stock options with Canadian-controlled private corporation	\$[amount]
17	Total additions to income (add lines 13 through 16)	\$[amount]
18	Annual income for support purposes (line 1 minus line 12 plus line 17)	\$[amount]

Adjustments to income			
19	Subtract union and professional dues	-	
20	Adjustments in accordance with Schedule III of the Child Support Guidelines	+	
21	Child Support Guidelines income for basic child support (line 18 as adjusted by lines 19 and 20)	=	
CHILD SUPPORT GUIDELINE INCOME TO DETERMINE SPECIAL EXPENSES			
	Child Support Guidelines income (from line 21 of this table)		
22	Add spousal support received from the other party to this family law case	+	
23	Subtract spousal support paid to the other party to this family law case	-	
24	Add Canada Child Benefit relating to children for whom special or extraordinary expenses are sought	+	
25	Child Support Guidelines income to determine special expenses (line 21 as adjusted by lines 22, 23 and 24)	=	

INCOME TO BE INCLUDED FOR SPOUSAL SUPPORT CLAIM			
	Child Support Guidelines income (from line 21 of this table)		
26	Total child support received	+	
27	Income assistance received for other members of household	+	
28	Canada Child Benefit and BC Family Bonus	+	

Commented [VL8]: Lines 19 to 29 are not in the original BCPC form but this is something I have inserted to correct the mistakes on the current BCPC Form 4

Lines 19 to 29 are taken from BCSC Form F8, lines 9 to 19

Commented [VL9]: Adjustments won't show up on tax return that provides client's line 15000. Will need to look elsewhere to determine this information

Commented [VL10]: Line 19: union and professionals dues, look at client's T4 or paystub

Commented [VL11]: Line 20: Employment expenses that can be deducted from income

Review Schedule III of the *Federal Child Support Guidelines*

Usually for individuals who are self-employed:

1. the Gross business income is line 13499
2. The Net business income is line 13500
3. Total income is line 15000 (could be same as 13500 if no other sources of income)
4. Net income is line 23600 (after deductions for CPP contributions)
5. Taxable income is line 260000 (should be same as 23600 if no other sources of deductions)

Commented [VL12]: Line 24 is where you add CCB so that it can be included when calculating s. 7 expenses

Commented [VL13]: To calculate the income used for s. 7 expenses, you take the individual's income after adjustments (line 21), amount received for spousal support, deduct amount paid to other party for spousal support and CCB

29	Total income to be used for a spousal support claim (line 21 plus lines 26, 27 and 28)	=	
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Commented [VL14]: To calculate income for spousal support purposes, you take the individual's income after adjustments (line 21), add child support received, add income assistance received for other members in household, add CCB

5. Select whichever option is correct and complete any required information

☐ I do not expect any significant changes to the **total income** on my tax return this year

☐ I expect my **total income** on my tax return this year to be \$[amount] because:

[specify]

Commented [VL15]: Address any significant changes to income here. Note that this space is only allowed for changes to the income.

Do they anticipate any income changes?

Will they be changing jobs?

Did clients work more overtime last year and therefore there was an increase in income?

Did they get an increase in income this year?

PART 2—Personal expenses and debts

Expenses

An expense is the amount of money you spend on something.

Estimate how much you pay in a month and a year for each of the expenses listed below.

Note: You may be asked to provide the court with proof of an amount or a breakdown of how you came to the estimate.

Expenses			Monthly	Yearly
Housing			Monthly	Yearly
Rent/mortgage			\$[amount]	\$[amount]
Property taxes and strata fees				
Utilities including electricity, gas, water, waste, home phone, and internet				
Homeowner/renter's insurance				
Home maintenance and repair				
Other				
Housing Subtotal:	\$[amount]	\$[amount] →		
Food & Household Supplies			Monthly	Yearly
Groceries				
Eating out				
Household supplies such as cleaning supplies, lightbulbs, batteries, toilet paper and laundry detergent				
Other				
Food & Household Supplies Subtotal:	\$[amount]	\$[amount] →		
Transportation			Monthly	Yearly
Car insurance and car loan payments			\$[amount]	\$[amount]
Fuel				
Maintenance and repairs				
Public transit, taxis and parking				

Commented [VL16]: Tip: recommend clients to look at their bank statements, credit card statements, bills and receipts for the last 3 months or so to help determine average monthly expenses (some months may be higher than others, i.e. summer or winter holidays)

Commented [VL17]: This financial statement for BCPC does not allow for the client to provide potential significant changes to expenses or other financial information. (The space above, page 5 #5, is only for income)

Will client need to incur expenses to attend school or update their qualifications?
Will there be any additional costs for childcare in the near future?
Are there any expenses for the children that they need to incur but are currently unable to? (e.g. orthodontics)

If yes to above, put [expected] next to the line item.
If more space is required, add lines to the table. Good practice is to have one item per line.

Commented [VL18]: Do they intend to move in the next few months? If so, will their housing or other expenses change? If they are staying with family/friends, will they be expected to pay rent in the future?

Commented [VL19]: Don't be afraid to use the "other" sections throughout this section to list expenses that are not on the financial statement

PART 3—Assets

Complete this part only if you are required to provide information about assets. See the chart in the instructions for this form to determine if this part applies to your situation.

An asset is something of value that you own or that belongs to you.

List all your assets in the table below, provide a brief description and how much the asset is currently worth (the value)

Asset	Description of asset	Current value of asset
Real Estate	Street address	Market value
Cars/Boats/Vehicles	Make, model, year	Market value
Cash assets— including cash and bank accounts	Type of cash asset (for example cash, savings account, chequing account)	Current balance
Investments— including TFSAs, RRSPs, stocks and bonds, pensions	Type of investment	Current balance
Loans and Credit (money owing to me)	Name of borrower	Amount owing
Other—including precious metals, art, jewellery or other items of high value	Brief description	Market value
Total		

Commented [VL23]: Similarly, clients must list *all* assets, even if there is no value
e.g. savings accounts with 0 balance must still be listed

Commented [VL24]: Each bank account/credit facility should be listed separately. Remember to indicate:
- Name of financial institution
- Account number
- Name of the owner of account (solely by a party or jointly by parties, or new spouse)

Again, one line per item

DISPOSITION OF ASSETS

I have sold or disposed of an asset(s) in the last two years

☐ yes

☐ no

If yes, please describe the asset(s) you sold or disposed of and indicate how much you made from the sale or disposal

[specify]

PART 4—Income of Other Persons in Household

Commented [VL25]: Do not need to complete this unless the client or the opposing party is making a claim for undue hardship

Complete this part only if you or the other party has made a claim for undue hardship in a child support claim.

Complete all sections that apply to your circumstances. You may leave a section blank.

1. ☐ I live alone
2. ☐ I am living with *[full name of person I am married to or cohabitating with]*. They have an annual income of \$*[amount]*
3. ☐ I/we live with the following other adult(s):

Full name of adult	Annual income

4. ☐ I/we have *[number of children]* child(ren) who live(s) in the home
5. My spouse/partner or other adult(s) residing in the home contributes about \$*[amount]* per *[frequency of contribution(s)]* towards the household expenses

PART 5—Undue Hardship

Commented [VL26]: Do not need to complete this unless client is making a claim for undue hardship

Complete this part only if you have made a claim for undue hardship in a child support claim.

Complete all sections that apply to your circumstances. You may leave a section blank.

1. ☐ I have an unusual or excessive amount of debt I incurred to support the family prior to separation or to earn a living as follows:

Name of creditor and reason for borrowing (name of bank, finance company, etc.)	Balance owing	Annual debt repayment

2. ☐ I have unusually high expenses to exercise parenting time or contact with the child(ren)

Specify below what expenses you have

[specify]

3. ☐ I have a legal duty to support another person, such as a person who is ill or disabled or a former spouse

Full name of adult you support	Monthly amount paid for support	Annual amount paid for support

4. ☐ I have a legal duty to support a dependent child from another relationship

Full name of dependent you support	Monthly amount paid for support	Annual amount paid for support

5. ☐ other undue hardship circumstances (*specify*):

[specify]



T1

Income Tax and Benefit Return

2020

Before you start:

If you are filling out this return for a **deceased person**, make sure you enter **their information** in all the boxes in Step 1.

Step 1 – Identification and other information

Identification		
Print your name and address below.		
First name and initial		
Ginevra		
Last name		
Weasley		
Mailing address: Apt No. – Street No. Street name		
123 Diagon Alley		
PO Box	RR	
City	Prov./Terr.	Postal code
London		

Email address
By providing an email address, you are registering to receive email notifications from the CRA and agree to the Terms of use under Step 1 in the guide.
Enter an email address: gweasley@wizard.ca

Information about your residence
Enter your province or territory of residence on December 31, 2020 :
Enter the province or territory where you currently reside if it is not the same as your mailing address above:
If you were self-employed in 2020, enter the province or territory where your business had a permanent establishment:
If you became or ceased to be a resident of Canada for income tax purposes in 2020 , enter the date of:
entry Month Day or departure Month Day

Information about you
Enter your social insurance number (SIN): 1 1 1 1 1 1 1 1 1
Year Month Day
Enter your date of birth: 1 9 8 0 0 1 0 1
Your language of correspondence: English Français
Votre langue de correspondance: <input checked="" type="checkbox"/> <input type="checkbox"/>

Is this return for a deceased person?
Ensure the SIN information above is for the deceased person.
If this return is for a deceased person , enter the date of death: Year Month Day

Marital status
Tick the box that applies to your marital status on December 31, 2020:
1 <input type="checkbox"/> Married 2 <input type="checkbox"/> Living common-law 3 <input type="checkbox"/> Widowed
4 <input type="checkbox"/> Divorced 5 <input checked="" type="checkbox"/> Separated 6 <input type="checkbox"/> Single

Information about your spouse or common-law partner (if you ticked box 1 or 2 above)
Enter their SIN:
Enter their first name:
Enter their net income for 2020 to claim certain credits:
Enter the amount of universal child care benefit (UCCB) from line 11700 of their return:
Enter the amount of UCCB repayment from line 21300 of their return:
Tick this box if they were self-employed in 2020: 1 <input type="checkbox"/>

Do not use this area

Residency information for tax administration agreements

Did you reside on **Nisga'a Lands** on December 31, 2020?Yes ☐ 1 No ☒ 2If **yes**, are you a citizen of the **Nisga'a Nation**?Yes ☐ 1 No ☒ 2

Do not use this area	17200					17100				
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Step 1 – Identification and other information (continued)

Please answer the following questions.

**Elections Canada** (For more information, see "Elections Canada" under Step 1, in the guide.)

A) Do you have Canadian citizenship?

Yes ☒ 1 No ☐ 2

If yes, go to question B. If no, skip question B.

B) As a Canadian citizen, do you authorize the Canada Revenue Agency to give your name, address, date of birth, and citizenship to Elections Canada to update the National Register of Electors or, if you are aged 14 to 17, to update the Register of Future Electors?

Yes ☒ 1 No ☐ 2

Your authorization is valid until you file your next tax return. Your information will only be used for purposes permitted under the Canada Elections Act, which include sharing lists of electors produced from the National Register of Electors with provincial and territorial electoral agencies, members of Parliament, registered and eligible political parties, and candidates at election time.

Your information in the Register of Future Electors will be included in the National Register of Electors once you turn 18 and your eligibility is confirmed. Information from the Register of Future Electors can be shared only with provincial and territorial electoral agencies that are allowed to collect future elector information. In addition, Elections Canada can use information in the Register of Future Electors to provide youth with educational information about the electoral process.

Indian Act – Exempt income

Tick this box if you have any income that is exempt under the Indian Act.

For more information on this type of income, go to canada.ca/taxes-aboriginal-peoples.1 ☐

If you **tick** the box, complete Form T90, Income Exempt From Tax Under the Indian Act. Complete this form so that the CRA can calculate your Canada training credit limit for the 2021 tax year. The information you provide may also be used to calculate your Canada workers benefit for the 2020 tax year, if applicable. It also may be used to calculate your family's provincial or territorial benefits.

Foreign property

Did you own or hold specified foreign property where the total cost amount of all such property, at any time in 2020, was more than CAN\$100,000?

26600 Yes ☐ 1 No ☐ 2

If **yes**, complete Form T1135, Foreign Income Verification Statement. There are substantial penalties for not completing and filing Form T1135 by the due date. For more information, see Form T1135.

Attach only the documents (schedules, information slips, forms, or receipts) **requested** to support any claim or deduction. Keep all other supporting documents.
If a line does not apply, leave it blank unless instructed otherwise.

Step 2 – Total income

As a resident of Canada, you have to report your income from all sources both inside and outside Canada. The Income Tax and Benefit Guide may have additional information for certain lines.

Employment income (box 14 of all T4 slips)	10100				1	
Tax-exempt income for emergency services volunteers (see line 10100 in the guide)	10105					
Commissions included on line 1 (box 42 of all T4 slips)	10120					
Wage-loss replacement contributions (see line 10100 in the guide)	10130					
Other employment income	10400	+			2	
Old age security pension (box 18 of the T4A(OAS) slip)	11300	+			3	
CPP or QPP benefits (box 20 of the T4A(P) slip)	11400	+			4	
Disability benefits included on line 4 (box 16 of the T4A(P) slip)	11410					
Other pensions and superannuation (see line 11500 in the guide and complete line 31400 in the Worksheet for the return)	11500	+			5	
Elected split-pension amount (complete Form T1032)	11600	+			6	
Universal child care benefit (UCCB) (go to canada.ca/line-11700) (see the RC62 slip)	11700	+			7	
UCCB amount designated to a dependant	11701					
Employment insurance and other benefits (box 14 of the T4E slip)	11900	+			8	
Employment insurance maternity and parental benefits and provincial parental insurance plan benefits	11905					
Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (complete the Worksheet for the return)	12000	+			9	
Taxable amount of dividends other than eligible dividends, included on line 9, from taxable Canadian corporations (complete the Worksheet for the return)	12010					
Interest and other investment income (complete the Worksheet for the return)	12100	+			10	
Net partnership income: limited or non-active partners only	12200	+			11	
Registered disability savings plan income (box 131 of the T4A slip)	12500	+			12	
Rental income (see Guide T4036)	Gross 12599			Net 12600	13	
Taxable capital gains (complete Schedule 3)	12700	+			14	
Support payments received (see Guide P102)	Total 12799			Taxable amount 12800	15	
RRSP income (from all T4RSP slips)	12900	+			16	
Other income	Specify: 13000	+			17	
Taxable scholarship, fellowships, bursaries, and artists' project grants	13010	+			18	
Self-employment income (see Guide T4002)						
Business income	Gross 13499	50,000/00		Net 13500	19	
Professional income	Gross 13699			Net 13700	20	
Commission income	Gross 13899			Net 13900	21	
Farming income	Gross 14099			Net 14100	22	
Fishing income	Gross 14299			Net 14300	23	
Workers' compensation benefits (box 10 of the T5007 slip)	14400			24		
Social assistance payments	14500	+		25		
Net federal supplements (box 21 of the T4A(OAS) slip)	14600	+		26		
Add lines 24 to 26 (see line 54 in Step 4).	14700	=		▶ +	27	
Add lines 1 to 23 and 27.	This is your total income .				15000 = 25,000/00	28

Step 3 – Net income

Enter your total income from line 28 from the previous page.	15000	25,000	00	29
Pension adjustment (box 52 of all T4 slips and box 034 of all T4A slips)	20600			
Registered pension plan deduction (box 20 of all T4 slips and box 032 of all T4A slips)	20700			30
RRSP deduction (see Schedule 7 and attach receipts)	20800	+		31
Pooled registered pension plan (PRPP) employer contributions (amount from your PRPP contribution receipts)	20810			
Deduction for elected split-pension amount (complete Form T1032)	21000	+		32
Annual union, professional, or like dues (receipts and box 44 of all T4 slips)	21200	+		33
Universal child care benefit repayment (box 12 of all RC62 slips)	21300	+		34
Child care expenses (complete Form T778)	21400	+		35
Disability supports deduction (complete Form T929)	21500	+		36
Business investment loss (see Guide T4037) Gross	21699			
Allowable deduction	21700	+		37
Moving expenses (complete Form T1-M)	21900	+		38
Support payments made (see Guide P102) Total	21999			
Allowable deduction	22000	+		39
Carrying charges and interest expenses (complete the Worksheet for the return)	22100	+		40
Deduction for CPP or QPP contributions on self-employment and other earnings (complete Schedule 8 or Form RC381, whichever applies)	22200	+	1,000	00 • 41
Deduction for CPP or QPP enhanced contributions on employment income (complete Schedule 8 or Form RC381, whichever applies)	(maximum \$165.60) 22215	+		• 42
Exploration and development expenses (go to canada.ca/line-22400) (complete Form T1229)	22400	+		43
Other employment expenses (see Guide T4044)	22900	+		44
Clergy residence deduction (complete Form T1223)	23100	+		45
Other deductions Specify:	23200	+		46
Add lines 30 to 46.	23300	=	1,000	00 ▶ – 1,000 00 47
Line 29 minus line 47 (if negative, enter "0") This is your net income before adjustments .	23400	=	24,000	00 48
Social benefits repayment (If you reported income at line 8 and the amount at line 48 is more than \$67,750 , see the repayment chart on the back of your T4E slip. If you reported income on lines 3 or 26, and the amount at line 48 is more than \$79,054 , or you have an amount at code 202 on your T4A slip, and the amount at line 48 is more than \$38,000 , complete the chart for line 23500 on the Worksheet for the return. Otherwise, enter "0")	23500	–		• 49
Line 48 minus line 49 (if negative, enter "0") This is your net income .	23600	=		50

Step 4 – Taxable income

Enter your net income from line 50 on the previous page.	23600				51
Canadian Forces personnel and police deduction (box 43 of all T4 slips)	24400				52
Security options deductions (boxes 39 and 41 of T4 slips or see Form T1212)	24900	+			53
Other payments deduction (claim the amount from line 27, unless it includes an amount at line 26. If so, see line 25000 in the guide)	25000	+			54
Limited partnership losses of other years (go to canada.ca/line-25100)	25100	+			55
Non-capital losses of other years (go to canada.ca/line-25200)	25200	+			56
Net capital losses of other years	25300	+			57
Capital gains deduction (complete Form T657)	25400	+			58
Northern residents deductions (complete Form T2222)	25500	+			59
Additional deductions Specify:	25600	+			60
Add lines 52 to 60.	25700	=			61
Line 51 minus line 61 (if negative, enter "0")	This is your taxable income.			26000 = 24,000.00	62

Step 5 – Federal tax**Part A – Federal tax on taxable income**

Enter your taxable income from line 62.	24,000.00					63
Complete the appropriate column depending on the amount on line 63. Enter the amount from line 63.	Line 63 is \$48,535 or less	Line 63 is more than \$48,535 but not more than \$97,069	Line 63 is more than \$97,069 but not more than \$150,473	Line 63 is more than \$150,473 but not more than \$214,368	Line 63 is more than \$214,368	
Line 64 minus line 65 (cannot be negative)	24,000.00	48,535.00	97,069.00	150,473.00	214,368.00	64
Multiply line 66 by line 67.	0.00	0.00	0.00	0.00	0.00	65
Add lines 68 and 69.	15%	20.5%	26%	29%	33%	66
Enter this amount on line 108 on page 7 of this return	0.00	7,280.25	17,229.72	31,114.76	49,644.31	67
						68
						69
						70

Part B – Federal non-refundable tax credits

If your net income at line 23600 is **\$150,473 or less**, enter \$13,229 on line 30000. If your net income is **\$214,368 or more**, enter \$12,298. Otherwise, complete the calculation using the Worksheet for the return to determine how much to claim on line 30000.

Basic personal amount	(maximum \$13,229)	30000			71
Age amount (if you were born in 1955 or earlier) (complete the Worksheet for the return)	(maximum \$7,637)	30100	+		72
Spouse or common-law partner amount (complete Schedule 5)		30300	+		73
Amount for an eligible dependant (complete Schedule 5)		30400	+		74
Canada caregiver amount for spouse or common-law partner, or eligible dependant age 18 or older (complete Schedule 5)		30425	+		75
Canada caregiver amount for other infirm dependants age 18 or older (complete Schedule 5)		30450	+		76
Canada caregiver amount for infirm children under 18 years of age (go to canada.ca/lines-30499-30500)					
Enter the number of children for whom you are claiming this amount.	30499	×	\$2,273 =	30500	77
Add lines 71 to 77.	Subtotal			=	78

Continue on the next page

Part B – Federal non-refundable tax credits (continued)

Enter the subtotal amount from line 78 on the previous page.				79
Base CPP or QPP contributions:				
through employment income (complete Schedule 8 or Form RC381, whichever applies)	30800	+		• 80
on self-employment and other earnings (complete Schedule 8 or Form RC381, whichever applies)	31000	+		• 81
Employment insurance premiums:				
through employment from box 18 and box 55 of all T4 slips (maximum \$856.36)	31200	+		• 82
on self-employment and other eligible earnings (complete Schedule 13)	31217	+		• 83
Volunteer firefighters' amount (go to canada.ca/lines-31220-31240)	31220	+		84
Search and rescue volunteers' amount (go to canada.ca/lines-31220-31240)	31240	+		85
Canada employment amount (enter \$1,245 or the total of your employment income you reported on lines 1 and 2, whichever is less)	31260	+		86
Home buyers' amount (go to canada.ca/line-31270)	31270	+		87
Home accessibility expenses (go to canada.ca/line-31285) (complete the Worksheet for the return)	(maximum \$10,000)	31285	+	88
Adoption expenses (go to canada.ca/line-31300)	31300	+		89
Digital news subscription expenses (maximum \$500)	31350	+		90
Pension income amount (complete the Worksheet for the return) (maximum \$2,000)	31400	+		91
Disability amount (for self) (claim \$8,576 or if you were under 18 years of age, complete the Worksheet for the return)	31600	+		92
Disability amount transferred from a dependant (complete the Worksheet for the return)	31800	+		93
Interest paid on your student loans (see Guide P105)	31900	+		94
Your tuition, education, and textbook amounts (complete Schedule 11)	32300	+		95
Tuition amount transferred from a child	32400	+		96
Amounts transferred from your spouse or common-law partner (complete Schedule 2)	32600	+		97
Medical expenses for self, spouse or common-law partner, and your dependent children born in 2003 or later	33099			98
Enter \$2,397 or 3% of line 50, whichever is less .	–			99
Line 98 minus line 99 (if negative, enter "0")	=			100
Allowable amount of medical expenses for other dependants (complete the Worksheet for the return)	33199	+		101
Add lines 100 and 101.	33200	=		102
Add lines 79 to 97, and line 102.	33500	=		103
Federal non-refundable tax credit rate		×	15%	104
Multiply line 103 by line 104.	33800	=		105
Donations and gifts (complete Schedule 9)	34900	+		106
Add lines 105 and 106.				
Enter this amount on line 111 on the next page	Total federal non-refundable tax credits	35000	=	107

Part C – Net federal tax

Enter the amount from line 70.				108
Federal tax on split income (complete Form T1206)	40424	+		• 109
Add lines 108 and 109.	40400	=		110
Enter your total federal non-refundable tax credits from line 107 on the previous page.	35000			111
Federal dividend tax credit (see line 40425 in the guide)	40425	+		• 112
Minimum tax carryover (go to canada.ca/line-40427) (complete Form T691)	40427	+		• 113
Add lines 111 to 113.		=		114
Line 110 minus line 114 (if negative, enter "0")			Basic federal tax 42900	115
Federal foreign tax credit (complete Form T2209)			40500	116
Line 115 minus line 116 (if negative, enter "0")			Federal tax 40600	117
Total federal political contributions (attach receipts)	40900			118
Federal political contribution tax credit (complete the Worksheet for the return) (maximum \$650)	41000			• 119
Investment tax credit (complete Form T2038(IND))	41200	+		• 120
Labour-sponsored funds tax credit (see lines 41300 and 41400 in the guide)				
Net cost of shares of a provincially registered fund	41300		Allowable credit 41400	+
				• 121
Add lines 119 to 121.	41600	=		122
Line 117 minus line 122 (if negative, enter "0")			41700	123
Canada workers benefit advance payments received (box 10 of the RC210 slip)			41500	+
				• 124
Special taxes (see line 41800 in the guide)			41800	+
				125
Add lines 123 to 125.				
Enter this amount on line 127 below.			Net federal tax 42000	126

Step 6 – Provincial or territorial tax

Complete and attach Form 428 to calculate your provincial or territorial tax.

Step 7 – Refund or balance owing

Net federal tax: enter the amount from line 126.	42000			127
CPP contributions payable on self-employment and other earnings (complete Schedule 8 or Form RC381, whichever applies)	42100	+		• 128
Employment insurance premiums payable on self-employment and other eligible earnings (complete Schedule 13)	42120	+		129
Social benefits repayment (amount from line 49)	42200	+		130
Provincial or territorial tax (attach Form 428, even if the result is "0")	42800	+		131
Add lines 127 to 131.			This is your total payable. 43500	132

Continue on the next page

Step 7 – Refund or balance owing (continued)

Enter the total payable amount from line 132 on the previous page		43500	133
Total income tax deducted (amounts from all Canadian slips)	43700	• 134	
Refundable Quebec abatement (see line 44000 in the guide)	44000 +	• 135	
CPP overpayment (see line 30800 in the guide)	44800 +	• 136	
Employment insurance overpayment (see line 45000 in the guide)	45000 +	• 137	
Refundable medical expense supplement (complete the Worksheet for the return)	45200 +	• 138	
Canada workers benefit (CWB) (complete Schedule 6)	45300 +	• 139	
Canada training credit (CTC) (complete Schedule 11)	45350 +	• 140	
Refund of investment tax credit (complete Form T2038(IND))	45400 +	• 141	
Part XII.2 trust tax credit (box 38 of all T3 slips and box 209 of all T5013 slips)	45600 +	• 142	
Employee and partner GST/HST rebate (complete Form GST370)	45700 +	• 143	
Eligible educator school supply tax credit			
Supplies expenses (maximum \$1,000) 46800 × 15% =	46900 +	• 144	
Canadian journalism labour tax credit (box 236 of all T5013 slips)	47555 +	• 145	
Tax paid by instalments	47600 +	• 146	
Provincial or territorial credits (complete Form 479, if it applies)	47900 +	• 147	
Add lines 134 to 147. These are your total credits .	48200 =		148
Line 133 minus line 148	This is your refund or balance owing .	=	149

If the result is negative, you have a **refund**. If the result is positive, you have a **balance owing**.

Enter the amount below on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Refund 48400	Balance owing 48500
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For more information on how to enrol for direct deposit, go to canada.ca/cra-direct-deposit.

For more information on how to make your payment, go to canada.ca/payments. Your balance owing is due no later than April 30, 2021.

I certify that the information given on this return and in any documents attached is correct and complete and fully discloses all my income.

Sign here _____

It is a serious offence to make a false return.

Telephone number: _____

Date: _____

If this return was completed by a tax professional, tick the applicable box and provide the following information:

49000 Was a fee charged? Yes ☐ 1 No ☐ 2

48900 EFILE number (if applicable): _____

Name of tax professional: _____

Telephone number: _____

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 005 on Info Source at canada.ca/cra-info-source.

Do not use this area

48700	48800					• 48600	
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Statement of Business or Professional Activities

- Use this form to calculate your self-employment business and professional income.
- For each business or profession, fill in a **separate** Form T2125.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.

Part 1 – Identification

Your name Ginevra Weasley				Your social insurance number 1 1 1 1 1 1 1 1 1							
Business name Weasley Magic's Limited				Business number 							
Business address 				City 		Prov./Terr. 		Postal code 			
Fiscal period From		Date (YYYYMMDD) 2 0 2 0 0 1 0 1		to		Date (YYYYMMDD) 2 0 2 0 1 2 3 1		Was this your last year of business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Main product or service 				Industry code (see the appendix in Guide T4002) 							
Accounting method (commission only)		<input type="checkbox"/> Cash <input type="checkbox"/> Accrual		Tax shelter identification number 		Partnership business number 		Your percentage of the partnership %			
Name and address of the person or firm preparing this form 											

Part 2 – Internet business activities

If your web pages or websites generate business or professional income, fill in this part of the form.

How many Internet web pages and websites does your business earn income from? Enter "0" if none

Provide up to five main web page or website addresses, also known as uniform resource locator (URL):

http:// _____

http:// _____

http:// _____

http:// _____

http:// _____

Percentage of your gross income generated from the web pages and websites.
(If no gross income was generated from the Internet, enter "0".) %

Part 3A – Business income

Fill in this part **only** if you have business income. If you have professional income, leave this part blank and fill in Part 3B.
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

Part 3B – Professional income

Fill in this part **only** if you have professional income. If you have business income, leave this part blank and fill in Part 3A.
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

Note: New rules allow you to include your work in progress (WIP) progressively if you elected to use billed basis accounting for the last tax year that started before March 22, 2017. Generally, for the first tax year that starts after March 21, 2017, you must include 20% of the lesser of the cost and the fair market value of WIP. The inclusion rate increases to 40% in the second tax year that starts after March 21, 2017, 60% in the third year, 80% in the fourth year, and 100% in the fifth and all subsequent tax years. For more information, see Chapter 2 of Guide T4002.

Part 3A – Business income

Gross sales, commissions, or fees (include GST/HST collected or collectible)	<u>50,000.00</u>	3A
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3A)		3B
Subtotal: Amount 3A minus amount 3B	<u>50,000.00</u>	3C
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method		3D
GST/HST remitted, (sales, commissions, and fees eligible for the quick method plus		
GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3E
Subtotal: Amount 3D minus amount 3E		3F
Adjusted gross sales: Amount 3C plus amount 3F (enter on line 8000 of Part 3C)	<u>50,000.00</u>	3G

Part 3B – Professional income

Gross professional fees including work-in-progress (WIP) and GST/HST collected or collectible		3H
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3H) and any WIP at the end of the year you elected to exclude		3I
Subtotal: Amount 3H minus amount 3I		3J
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on professional fees eligible for the quick method		3K
GST/HST remitted, (professional fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3L
Subtotal: Amount 3K minus amount 3L		3M
Work-in-progress (WIP), start of the year, per election to exclude WIP (see Guide T4002, Chapter 2)		3N
Adjusted professional fees: Amount 3J plus amount 3M plus amount 3N (enter on line 8000 of Part 3C)		3O

Part 3C – Gross business or professional income

Adjusted gross sales (amount 3G) or adjusted professional fees (amount 3O)	8000	<u>50,000.00</u>
Reserves deducted last year	8290	
Other income (specify)*:	8230	
Subtotal: Line 8290 plus line 8230		3P
Gross business or professional income: Line 8000 plus amount 3P	8299	<u>50,000.00</u>

Report the gross business or professional income from line 8299 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13499
- professional income on line 13699
- commission income on line 13899

* You may have received assistance from COVID-related measures from the federal, provincial or territorial governments. For more information, go to canada.ca/cra-coronavirus.

For Parts 3D, 4 and 5, if GST/HST has been remitted or an input tax credit has been claimed, do not include GST/HST when you calculate the cost of goods sold, expenses, or net income (loss).

Part 3D – Cost of goods sold and gross profit

If you have business income, fill in this part. Enter only the business part of the costs.

Gross business income (line 8299 of Part 3C)				3Q
Opening inventory (include raw materials, goods in process, and finished goods)	8300			3R
Purchases during the year (net of returns, allowances, and discounts)	8320			3S
Direct wage costs	8340			3T
Subcontracts	8360			3U
Other costs	8450			3V
				3W
Subtotal: Add amounts 3R to 3V				
Closing inventory (include raw materials, goods in process, and finished goods)	8500			
Cost of goods sold: Amount 3W minus line 8500	8518			
Gross profit (or loss): Amount 3Q minus line 8518		8519		

Part 4 – Net income (loss) before adjustments

Gross business or professional income (line 8299 of Part 3C) or Gross profit (line 8519 of Part 3D)				4A
Expenses (enter only the business part)				
Advertising	8521	1,000,00		4B
Meals and entertainment	8523	3,000,00		4C
Bad debts	8590			4D
Insurance	8690	2,000,00		4E
Interest and bank charges	8710	1,000,00		4F
Business taxes, licences, and memberships	8760			4G
Office expenses	8810			4H
Office stationery and supplies	8811	1,000,00		4I
Professional fees (includes legal and accounting fees)	8860			4J
Management and administration fees	8871			4K
Rent	8910	12,000,00		4L
Repairs and maintenance	8960			4M
Salaries, wages, and benefits (including employer's contributions)	9060			4N
Property taxes	9180			4O
Travel expenses	9200	5,000,00		4P
Utilities	9220			4Q
Fuel costs (except for motor vehicles)	9224			4R
Delivery, freight, and express	9275			4S
Motor vehicle expenses (not including CCA) (amount 16 of Chart A)	9281			4T
Capital cost allowance (CCA). Enter amount i of Area A minus any personal part and any CCA for business-use-of-home expenses	9936			4U
Other expenses (specify):	9270			4V
Total expenses: Total of amounts 4B to 4V	9368	25,000,00		
Net income (loss) before adjustments: Amount 4A minus line 9368		9369	25,000,00	

Part 5 – Your net income (loss)

Your share of line 9369 or the amount from your T5013 slip, Statement of Partnership Income		25,000,00		5A
GST/HST rebate for partners received in the year	9974			
Total: Amount 5A plus line 9974		25,000,00		5B
Other amounts deductible from your share of net partnership income (loss) (amount 6F)	9943			
Net income (loss) after adjustments: Amount 5B minus line 9943			25,000,00	5C
Business-use-of-home expenses (amount 7P)	9945			
Your net income (loss): Amount 5C minus line 9945	9946		25,000,00	

Report the net income amount from line 9946 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13500
- professional income on line 13700
- commission income on line 13900

Part 6 – Other amounts deductible from your share of net partnership income (loss)

Claim expenses you incurred that were not included in the partnership statement of income and expenses, and for which the partnership did not reimburse you. These claims must not be included in the claims already calculated for the partnership.

List details of expenses:

Expense amounts

		6A
		6B
		6C
		6D
		6E
Total other amounts deductible from your share of the net partnership income (loss): Add amounts 6A to 6E (enter this on line 9943 of Part 5)		6F

Part 7 – Calculating business-use-of-home expenses

Heat		7A
Electricity		7B
Insurance		7C
Maintenance		7D
Mortgage interest		7E
Property taxes		7F
Other expenses (specify):		7G
Subtotal: Add amounts 7A to 7G		7H
Personal-use part of the business-use-of-home expenses		7I
Subtotal: Amount 7H minus amount 7I		7J
Capital cost allowance (business part only), which means amount i of Area A minus any portion of CCA that is for personal use or entered on line 9936 of Part 4		7K
Amount carried forward from previous year		7L
Subtotal: Add amounts 7J to 7L		7M
Net income (loss) after adjustments (amount 5C) (if negative, enter "0")		7N
Business-use-of-home expenses available to carry forward: Amount 7M minus amount 7N (if negative, enter "0")		7O
Allowable claim: Amount 7M or 7N above, whichever is less (enter your share of this amount on line 9945 of Part 5)		7P

Part 8 – Details of other partners

Do not fill in this chart if you must file a partnership information return.

Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%

Part 9 – Details of equity

Total business liabilities	9931	
Drawings in the current year	9932	
Capital contributions in the current year	9933	

Area A – Calculation of capital cost allowance (CCA) claim

[illegible]

* If you have a negative amount in column 6, add it to income as a recapture in Part 3C on line 8230. If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss in Part 4 on line 9270. Recapture and terminal loss do not apply to a Class 10.1 property. For more information, read Chapter 3 of Guide T4002.

** For information on CCA for "Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the capital cost allowance claim, see the calculation charts in Areas B to F.

Note 1: Columns 4, 7, and 8 apply only to accelerated investment incentive properties (AIPs) (see Regulation 1104(4) of the Income Tax Regulations for the definition), zero-emission vehicles, zero-emission passenger vehicles and, under proposed legislation, other eligible zero-emission automotive equipment and vehicles that become available for use in the year. In this chart, ZEV represents zero-emission vehicles, zero-emission passenger vehicles and other eligible zero-emission automotive equipment and vehicles. An AIP is a property (other than ZEV) that you acquired after November 20, 2018, and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019, and became available for use before 2028, or eligible zero-emission automotive equipment and vehicles included in Class 56 acquired after March 1, 2020, and that became available for use before 2028. For more information, see Guide T4002.

Note 2: The proceeds of disposition of a zero-emission passenger vehicle (ZEPV) that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, the government proposes that the actual cost of the vehicle be adjusted for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read "Class 54 (30%)\" in Guide T4002.

Note 3: The relevant factors for properties available for use before 2024 are 2 ¹/₃ (Classes 43.1, 54 and 56), 1 ¹/₂ (Class 55), 1 (Classes 43.2 and 53), 0 (Classes 12, 13, 14, 15), and 1/2 for the remaining accelerated investment incentive properties.

For more information on accelerated investment incentive properties, see Guide T4002 or go to canada.ca/taxes-accelerated-investment-income.

Area B – Equipment additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment additions in the year: Total of column 5 9925				

Area C – Building additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total building additions in the year: Total of column 5 9927				

Area D – Equipment dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment dispositions in the year: Total of column 5				9926

Note: If you disposed of property in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

Area E – Building dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total building dispositions in the year: Total of column 5				9928

Note: If you disposed of property in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

Area F – Land additions and dispositions in the year

Total cost of all land additions in the year	9923	
Total proceeds from all land dispositions in the year	9924	

Note: You cannot claim capital cost allowance on land. For more information, see Chapter 3 of Guide T4002.

Chart A – Motor vehicle expenses

Kilometres you drove in the fiscal period that was part of earning business income	1
Total kilometres you drove in the fiscal period	2
Fuel and oil	3
Interest (use Chart B below)	4
Insurance	5
Licence and registration	6
Maintenance and repairs	7
Leasing (use Chart C below)	8
Electricity for zero-emission vehicles	9
Other expenses (specify):	10
	11
Total motor vehicle expenses: Add amounts 3 to 11	12
Business use part: $\left(\frac{\text{amount 1:}}{\text{amount 2:}} \right) \times \text{amount 12:}$	= 13
Business parking fees	14
Supplementary business insurance	15
Allowable motor vehicle expenses: Add amounts 13, 14, and 15 (enter this total on line 9281 of Part 4)	16

Note: You can claim CCA on motor vehicles in Area A.

Chart B – Available interest expense for passenger vehicles and zero-emission passenger vehicles

Total interest payable (accrual method) or paid (cash method) in the fiscal period	17
$\$10^* \times \text{the number of days in the fiscal period for which interest was payable (accrual method) or paid (cash method)}$	= 18
Available interest expense: Amount 17 or 18, whichever is less (include this in amount 4 of Chart A above)	19

* For passenger vehicles bought after 2000.

Chart C – Eligible leasing cost for passenger vehicles**

Total lease charges incurred in your current fiscal period for the vehicle	_____	20
Total lease payments deducted before your current fiscal period for the vehicle	_____	21
Total number of days the vehicle was leased in your current and previous fiscal periods	_____	22
Manufacturer's list price	_____	23

Use a GST rate of 5% or HST rate applicable to your province.

Amount 23 or (\$35,294 + GST and PST, or HST on \$35,294), whichever is more ► _____ × 85% = _____ 24

[(\$800 + GST and PST, or \$800 + HST) × amount 22] ► _____ – amount 21: _____ = _____ 25

30

[(\$30,000 + GST and PST, or \$30,000 + HST) × amount 20] = _____ 26

amount 24

Eligible leasing cost: Amount 25 or 26, whichever is less (enter in amount 8 of Chart A above). 27

** Includes a vehicle that would qualify as a zero-emission passenger vehicle if you owned it.

See the privacy notice on your return.