
CONTREN MANAGEMENT CONSULTANTS INC.

DECEMBER 2009 NEWSLETTER

OFFICE CHRISTMAS HOURS

Once again, in the spirit of the Christmas season, our office will be closed to allow our staff to enjoy time with their families. The office will be closed from December 24, 2009 and will reopen the morning of January 4, 2010.



We will be checking our voice messages and emails on a timely basis throughout the Christmas holidays and will respond as required.

SIMPLY ACCOUNTING

Simply Accounting has, as always, updated their software package. The latest version is Simply 2010 Pro. They have ceased supporting the Simply 2008 package and any Simply 2008 user will need to upgrade to Simply 2010 Pro in order to receive the payroll updates. Any user of Simply 2009 that has subscribed to the SimplyCare program will continue to receive payroll updates in calendar 2010.

Any Simply Accounting user of an older version who has been upgrading their version by using another companies' payroll updates will need to purchase Simply 2010 Pro with Payroll in order to stay current for 2010. We recommend waiting until the beginning of the new calendar year before updating your accounting system.

Please note that there are personal exemption changes, both Federally and Provincially, income threshold changes, both Federally and Provincially and the Provincial government has lowered some of its' personal tax rates. All Simply owners using the payroll module will need to update their program and payroll support for 2010.



Subscribers to the SimplyCare program will be able to download payroll updates from their website, www.simplyaccounting.com, at the end of December 2009.

NEW FEDERAL BUSINESS NUMBERS

Starting the end of November 2009 the Federal government is mailing updated business number forms to any business who has filed an information return in the past. You will receive this form if you have filed a T5 Summary or a T5018 Summary etc. in the past three years. This form will indicate that *you* have requested this additional business number, which is just a standard phrase.

This is the same business number your business uses for GST, Employee Deductions etc. however it has the suffix RZ. The reason for this new identification is the new information form filing requirements for 2010. Any information form filing that includes more than 50 slips (ie: 50+ T5's) must be filed electronically using the new RZ number as the identifier.

The plan for the near future is that all information slip filings (T4's and T4A's) will have to be submitted electronically and we have upgraded our software in house to facilitate that requirement.

Please forward a copy of the business number form to our office upon receipt.

CORPORATE TAX RETURN FILING REQUIREMENTS

Effective for taxation years ending after December 2009 all corporations with sales exceeding \$1 million will need to file their T2 corporate returns electronically. The preliminary plan is that all returns will need to be filed electronically by 2011. With the changes in reporting requirements we have upgraded our corporate tax software in order to comply with this requirement.



To facilitate this filing change, as well as the information slip filing change, we encourage all of our clients to set up their own corporate "My Account" online with the CRA. This will expedite our return filings and will provide timely information on your account.

Please contact the office for assistance with this program at your convenience.

PAYROLL INFORMATION (DRAFT)

For calendar 2010 the CPP deduction rate has remained constant at 4.95% however the maximum earned income amount has increased to \$47,200. This increase means that the maximum CPP deduction for an employee will be \$2,163.15 for 2010.

For calendar 2010 the EI deduction rate has remained constant at 1.73% however the maximum earned income amount has increased to \$43,200. This increase means that the maximum EI deduction for an employee will be \$747.36 for 2010.

Effective January 2007 the CRA no longer provides payroll tables in a paper format and will be limiting the number of CD's. All information for manual payroll calculations will be available at www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrl/4127/frmls-eng.html

The new basic personal exemptions for 2010 are as follows:

Federal	\$10,382
Provincial	\$8,943



Please adjust your personnel information accordingly if you process payroll internally.

Please note that the CRA has an online payroll calculator, which allows an employer to prepare pay cheque's online using the current rates and information. If you are processing payroll for three or less employee's this is an excellent method to provide an accurate payroll calculation and information.

ONTARIO MINIMUM WAGES

A reminder that the minimum wage rates for Ontario increase effective March 31, 2010, details as follows;

General Minimum Wage: \$10.25 per hour,

Student Minimum Wage: \$9.60 per hour,

Liquor Servers Min Wage: \$8.90 per hour.



TAX FREE SAVINGS ACCOUNTS



A reminder that effective January 1, 2009 all Canadians 18 years and older will be eligible to contribute \$5,000 annually to a TFSA, with any unused contribution room being carried forward to the next year. This means that effective January 1, 2010 you are eligible to contribute **\$10,000** into a tax free savings account.

Any income, gains and/or losses from the investments made in your TFSA will not be reported on your personal tax returns.

Please talk to your investment advisor prior to establishing a TFSA.

PERMANENCE OF CHANGE SEMINAR – PART 5



We are excited to be offering the fifth in our ongoing series of seminars for business owners/operators. We will continue to explore and examine the theme of constant change in business and we will address any specific concerns of the participants.

We have secured accommodations in Mont Tremblant as we have 20 committed participants and encourage any interested party to contact the office for further details.

Our dates this year are Feb 7, 2010 to Feb 10, 2010.

STATUTORY PUBLIC HOLIDAYS

A reminder that Christmas, December 25, Boxing Day, December 26 New Years Day, January 1 and Family Day, February 15 are paid Public Holidays in Ontario.



If your employee works any Public Holiday they are entitled to 1.5 times their regular pay plus their Public Holiday pay. Dependent on your companies work schedule your employees can be paid for the Public Holiday on a substitute day chosen by the employer.

The substitute day needs to be designated within three months of the actual Public Holiday.