
CONTREN MANAGEMENT CONSULTANTS INC. FALL 2010 NEWSLETTER

TREMBLANT SEMINAR 2011



We are pleased to announce our sixth Permanence Of Change seminar will be held at Mt. Tremblant Feb 13/11 to Feb 16/11. We are including updates to the HST implementation in Ontario as well as some new employee relations techniques .

We presently have the ability to add a couple of additional rooms and would be pleased to add a few more participants to this action packed, all inclusive package. Please contact Debbie if you are interested in attending.

STATUTORY (PUBLIC) HOLIDAYS



Please note that Thanksgiving, Monday October 11, is a Public Holiday in Ontario.

A reminder that Remembrance Day, November 11, is **not** a Public Holiday.

If your employee works any Public Holiday they are entitled to either 2.5 times their regular pay **or** 1.5 times their regular pay **plus** a day off with pay.

Part time employee's Public Holiday pay is calculated as follows: the number of hours worked in the preceeding four weeks to the holiday **divided** by 20.

TAX FREE SAVINGS ACCOUNT (TFSA)

There has been a considerable amount of discussion lately about the TFSA program.

The program started January 1, 2009 and all Canadians 18 years and older were eligible to contribute \$5,000 annually to a TFSA, with any unused room being carried forward to the next calendar year.

Any income, gains and/or losses from the investments made in your TFSA will not be reported on your personal tax returns and will not impact any income tested Federal benefit programs (ie: OAS, HST, Child Tax Benefits).

Any withdrawals from your TFSA will create additional contribution room for the future. This withdrawal calculation has created problems for approximately 72,000 Canadian taxpayers. There has been significant confusion over the accounting process regarding withdrawals however the key point is that any amount withdrawn during **current** calendar year is not added back to the available contribution limit until the **following** calendar year.



A reminder that you are able to transfer your TFSA from one financial institution to another without triggering the withdrawal calculation. The institutions will transfer the accounts between themselves, without any specific forms filed with the CRA.

HST INFORMATION

1/ The Quick Method rates have changed effective July 1, 2010. The new rate for Quick Filers who purchase goods for resale is 4.4% of gross sales. The new rate for Quick Filers who provide services is 8.8% of gross sales. A reminder that you may have received payment after July 1, 2010 for services provided *prior* to July 1, 2010 and this payment may have included GST, not HST. You would need to utilize the old Quick Filers rate on the portion of sales that were attributable to GST.

2/ HST registrants (excluding **charities**) with greater than \$1.5 million in annual **taxable supplies** (including of all their associated companies) are required to file their HST returns electronically using one of the approved four methods. However, in certain situations, a registrant may be required to file electronically using a particular option.

Registrants who fail to file an electronic HST return using the correct option, or who fail to report required information will be subject to penalties.

3/ A reminder that the Small Business Transition payments *should* be sent out automatically by the end of the year. Any business that reported sales between \$15,000 to \$500,000 per quarter *should* receive a transitional payment of up to \$1,000. This is an **automatic** process by the Ontario government, utilizing information provided by the Federal government. There is not an application process or forms to complete to receive this payment.

4/ On June 17, 2010, the Government of Ontario announced that its existing RST exemption for Status Indians, Indian bands and councils of an Indian band will continue for qualifying off-reserve property or services (including sales and leases) as Ontario moves to the HST.

Effective September 1, 2010, Status Indians, Indian bands and councils of an Indian band are entitled to an exemption from paying the **eight per cent (8%)** Ontario component of the HST on qualifying property or services at the **point-of-sale**.

The point-of-sale exemption for Status Indians, Indian bands and councils of an Indian band will apply only to qualifying off-reserve acquisitions or importations of property or services that are for the personal consumption of the Status Indian or exclusively for consumption or use by the band or the council of the band.

ONTARIO APPRENTICESHIP EMPLOYER PROGRAMS

The Ministry of Training, Colleges and Universities (TCU) has upgraded the bonuses available to employers who hire eligible apprentices.

There is now available a \$1,000 scholarship for a young person, who is under the age of 25, who has returned to school and completed academic training to qualify as an apprentice. The employer of this person will receive a \$2,000 signing bonus, subject to certain conditions.

There is also another incentive for employers who have graduated apprentices in their employ. The Ontario Apprenticeship Employer Bonus Program provides a \$1,000 payment to the employer of an employee who receives their Certificate Of Apprenticeship.

The information and documentation on these programs is not very clear however you can find additional information at:

www.edu.gov.on.ca/eng/tcu and www.ontario.ca/en/services_for_business/index.htm