
CONTREN MANAGEMENT CONSULTANTS INC.

SUMMER 2011 NEWSLETTER

SUMMER OFFICE HOURS



As in the past, our office will be closed on Fridays for the summer, starting June 24, 2011 and ending September 2, 2011.

We will be reviewing our messages frequently whenever the office is closed.

STATUTORY (PUBLIC) HOLIDAYS

A reminder that Canada Day, July 1 and Labour Day, September 5 are paid Public Holidays in Ontario. The Civic Holiday, August 1, is **not** a paid Public Holiday.

Businesses that fall under the *Retail Business Holidays Act* must close on the Friday. If the *Retail Business Holidays Act* doesn't apply to your business the employer can decide to close on an alternative day as long as the employee's agree in **writing** to the change prior to July 1. The employee's will be paid for the hours worked on July 1, at the normal rate of pay, and receive a substitute day off with their calculated public holiday pay.

RRSP CONTRIBUTIONS

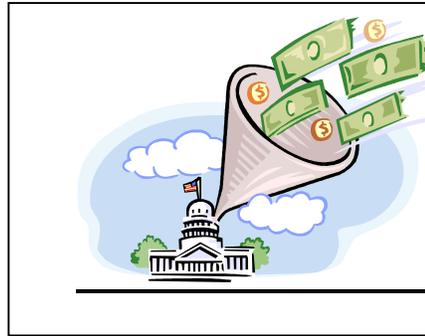
A reminder that the Federal Government continues to increase the amount of RRSP eligibility yearly.

| TAXATION YEAR | MAX DED/ELIGIBILITY | INCOME REQUIRED |
|---------------|---------------------|-----------------|
| 2009 | \$21,000 | \$116,667 |
| 2010 | \$22,000 | \$122,222 |
| 2011 | \$22,450 | \$124,722 |
| 2012 | \$22,970 | \$127,611 |

PERSONAL TAX RETURNS

We have reviewed our tax filings for calendar 2010 and want to remind our clients of a couple of areas' of concern.

First, almost all medical related costs are eligible for a deduction. This includes glasses, dental work, drugs, massage therapy (RMT), braces, private medical plan premiums and **most** elective surgery. Please submit all medical expenses to our office with the rest of your tax documents.



Second, the only allowance for deducting **most** education costs are with a slip from the institution, a T2202. In all cases only the student can obtain this slip, regardless of who actually paid the tuition fee's. A reminder that books, travel, supplies etc. related to school are not deductible, please do not include these when submitting your tax documents to our office. The T2202 provides for an additional deduction to account for any related school costs.

FEDERAL AND PROVINCIAL BUDGETS

The Provincial budget, passed in March, did not announce any personal or corporate tax changes or improvements. This means that the existing personal and corporate tax rates remain intact.

The Federal budget, passed in June, had a couple of changes that will benefit individual and corporate taxpayers.

First, the budget proposes a one-time credit of up to \$1,000 against a small firm's increase in its 2011 Employment Insurance (EI) premiums over those paid in 2010. This new credit will be available for employers whose EI premiums were at or below \$10,000 in 2010. This will apply to corporations whose payroll is under \$570,000 in 2010.

Second, the budget proposes a new 15% non-refundable Children's Art Tax Credit for eligible expenses up to \$500. The credit will be available in respect of a child who is under 16 years of age at the beginning of the year who is enrolled in an eligible artistic, cultural, recreational or developmental activity. This credit will be structured in the same manner as the existing Children's Fitness Tax Credit. The credit will apply to eligible expenses paid in the 2011 and subsequent taxation years, and will be able to be claimed by either parent, or shared by both parents.

OFFICE MOVE

A reminder that we moved our office last December and have now cancelled the Dunnville phone number, 905 774 2977. Our new numbers are (p) 905 769 6400 and (f) 905 575 4600.

ENJOY YOUR SUMMER Debbie & Keith