



## HST comes to Ontario

Starting July 1, 2010, the 13% harmonized sales tax (HST) will be implemented, combining the 5% GST and 8% PST/RST into one tax collected by the federal government. As a general rule, the HST will follow the same tax base as the GST has; meaning that consumers will be paying 8% more on goods that, in the past, have only been subject to GST. There are a lot of products and services on which we already pay the RST and GST. For these products, like cable and phone services, new cars and adult clothing, there won't be a change. There are some other items now that have no sales tax on them, such as basic groceries, municipal transit and prescription drugs. On July 1, 2010, there will still be no HST charged on these items. Other products will be eligible for a point-of-sale rebate for the provincial part of the HST. This means you will only pay the 5 per cent federal portion of the HST for children's clothing, diapers, car seats, and books.

New homes purchased as primary residences, valued at \$400,000 or more will be eligible for the maximum new housing rebate of up to \$24,000. New homes priced up to \$400,000 will not be subject to HST, but will continue to be subject to 5% GST. HST will not apply to resale homes.

If you are a business operator there are some important things for you to know. Administratively, businesses will now be filing an HST return to remit the HST collected and claim the HST paid on goods as input tax credits (ITCs), similar to the way GST works. The government is will be offering a small business transition credit of up to \$1,000, for companies with under \$2 million of annual revenue to ease the administrative transition. Special care should be taken to familiarize oneself with HST transition rules pertaining to your specific industry with transactions that straddle July 1<sup>st</sup>. To help businesses comply with the transition to HST the Ministry of Revenue has posted Information Notices on the following website: <http://www.rev.gov.on.ca/en/notices/hst/index.html>

**DWCA is hosting two free HST Information Seminars on  
Wednesday, May 12<sup>th</sup> at 10 am and 2 pm  
at the DWCA office, 819 Norwest Road  
Q & A time to follow**

Pre registration is required, so please let us know which session you want to attend  
Contact Bonnie Mundy at 613-389-8177 or [bmundy@dwca.com](mailto:bmundy@dwca.com)

## Updates from the Team:

**Welcome back!** We are delighted that Lisa Menard and Michelle Preufer have returned to the DWCA team following their maternity leaves.

Lisa can be reached at: [lmnard@dwca.com](mailto:lmnard@dwca.com)

Michelle can be reached at: [mpreufer@dwca.com](mailto:mpreufer@dwca.com)



## Transferring confidential information by email?

It is now routine to transfer confidential information via email, however email is not considered a secure way to transport information that is sensitive in nature. Encrypting files or using password protection is strongly recommended when transporting across any network, although experts warn that standard file password protection can usually be easily circumvented.

Other concerns related to sending information via email are:

- the added risk of email being sent to the wrong person, or confidential information may be forwarded to people who do not have a legitimate reason to receive it
- large file attachments can lead to email delivery delays, or in many cases, the attachments are blocked by the receiving mail system

Rather than use email, we recommend using our secure web portal to insure that your confidential files and information such as back ups of your accounting data, government forms, personal tax returns, signed documents, etc are safely transported to DWCA. Access to the portal is limited to those with login credentials issued and managed by our firm. This portal also allows us to transfer information and files to you. To learn more about our web portal, or to be set up on the DWCA portal, please contact our office.

## Change in CPP rules

Currently, if you are at least 60 years of age, you could choose to start taking your CPP retirement benefits as long as you have stopped working or significantly reduced your earnings. The amount of CPP that you receive would be reduced by .5% for each month that you are under the age of 65. Once receiving CPP benefits, you would no longer contribute to CPP.



Starting in 2011, if you start your CPP benefits before age 65, your pension will be reduced by .6% per month for each month before 65. However, if you are collecting early CPP benefits and you work, you will be required to contribute to CPP at the same time.

If you are considering whether to take early CPP in the next couple of years, please contact us with your personal situation so we can help you plan

### Dates to remember:

**May 12th—10 am & 2 pm**  
Free HST Seminar at DWCA  
Call to reserve a seat

**June 15th -**  
Last day for self-employed  
personal tax filing



Do you feel concerned about sharing financial information with your team? Worried that they'll feel scared about their job security if the results are poor, or think you're a miser if the results are good? The good news is that the opposite is true. Employees value transparency and feel more part of the business when they are involved in the numbers.

### Tips for a Work/Life Balance

"There are occasions where saying no is the best time management practice there is."

~Catherine Pulsifer, from *We Never Seem to Have Enough Time*