



## Contents

### Page 1

- New Tax Measures for Families
  - Family Tax Cut
  - Children's Fitness Tax Credit Doubles

### Page 2

- Watch for Our New Website and Client Portal!
- What's New at McIntyre & Associates
- CRA's Prescribed Interest Rates

To learn more about McIntyre & Associates, visit us online at: [www.mcintyreca.com](http://www.mcintyreca.com)

Questions? Call (613) 726-7788 and we will be happy to address any of your questions.

## New Tax Measures For Families

The federal government made two recent announcements regarding proposed measures effective for the 2014 taxation year.

### Family Tax Cut

#### New income-splitting proposal

On October 23, 2014, the government announced the new Family Tax Cut. This non-refundable federal tax credit will allow one spouse to, in effect, transfer up to \$50,000 of taxable income to another spouse, up to a maximum benefit of \$2,000.

The benefit is calculated as the difference between the combined tax payable before and after the "notional" split. This credit can be claimed on your 2014 tax return.

In general, to be eligible for the credit you must:

- ✓ Be a Canadian resident at the end of the taxation year,
- ✓ Have an eligible spouse (including common law), and
- ✓ Have a child under the age of 18 at the end of the year who ordinarily resides with the individual or the individual's spouse throughout the taxation year.

To claim the credit, both spouses must file an income tax return. The spouses also must not elect to split any pension income.

### Children's Fitness Tax Credit Doubles

#### Eligible maximum \$1,000 in 2014 and becomes refundable in 2015

On October 9, 2014, the federal government announced that the children's fitness tax credit will double. Beginning in 2014, the maximum amount of eligible expenses will rise from \$500 to \$1,000.

To be eligible for the fitness credit your child must be under 16 years of age (18 if your child is eligible for the disability tax credit) at the beginning of the year the credit is claimed.

Eligible activities include strenuous activities such as hockey, soccer, baseball, lacrosse; less physical activities such as golf lessons, bowling, sailing and horseback riding; or other activities with a similar fitness level.

For 2014, the credit is a non-refundable credit at a 15% rate that can only be used to reduce taxes owing.

In 2015, the credit will convert to a refundable credit, which means that any portion of the credit not used to reduce taxes owing in that year will be refunded to the taxpayer.

The increase in the eligible expense limit and other changes do not apply to the similar children's arts tax credit.

## Watch for Our **New Website** and **Client Portal!**

At McIntyre & Associates we are focused on staying ahead of the curve. As we continue our transition to a paperless environment, we are taking proactive steps to ensure that our services are as convenient and efficient as possible.

We will be launching a new website. The site will feature a new blog on the latest tax strategies and current news, as well as an online client portal. The client portal will provide you with 24/7 access to your account. The new portal will make it possible to access your financial and tax information and upload documents directly to your file when it is convenient for you.

## What's New at McIntyre & Associates

Mike Nazarov has completed year two of a three year tax program with the Chartered Professional Accountants of Ontario. This in-depth tax course is providing Mike with additional advanced tax knowledge.

Congratulations to Lisa Brousseau, Lisa has been certified as a Sage Consultant. Contact Lisa at [lbrousseau@mcintyreca.com](mailto:lbrousseau@mcintyreca.com) if you wish to discuss how to maximize your software efficiencies.



On October 9th, some of the M&A team stepped out for some friendly competition and played laser tag.

## CRA's Prescribed Interest Rates

The prescribed interest rates for the fourth quarter of 2014 are as follows:

- **1%** to calculate a deemed interest benefit on subsidized employee and shareholder loans;
- **3%** on refunds of income tax overpayments; and
- **5%** on payments of overdue income taxes, insufficient income tax instalments, unremitted employee source deductions, CPP contributions or EI premiums, and unpaid penalties.

These rates are in effect from October 1, 2014 to December 31, 2014.

## Regular Hours

**Monday to Friday**  
8:30 am to 4:30 pm

**Our client drop box is open**  
Monday to Friday  
7:00 am to 6:00 pm

## McIntyre & Associates Professional Corporation

The opinions and advice in this newsletter are provided for the general guidance and benefit of McIntyre & Associates' clients, based on information that we believe to be accurate. We cannot guarantee its accuracy or completeness for individual circumstances. While we strive to provide reliable material herein, we cannot account for all industry conditions and legislative changes that occur. Should you have any questions or concerns regarding the contents of this newsletter, please contact us.

Copyright © 2014 McIntyre & Associates. All rights reserved.

### McIntyre & Associates Professional Corporation

- 200 – 900 Morrison Drive  
Ottawa, ON  
K2H 8K7
- (613) 726-7788
- [general@mcintyreca.com](mailto:general@mcintyreca.com)
- [www.mcintyreca.com](http://www.mcintyreca.com)