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McIntyre & Associates, visit us
online at: www.mcintyreca.com

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

WSIB Rule Changes for Construction Sector

The Ontario government has implemented a change to Workplace Safety Insurance Board rules for the construction sector effective January 1, 2013.

The change requires mandatory Workplace Safety Insurance Board (WSIB) coverage for independent operators, sole proprietors, partners in partnerships and executive officers in corporations.

On top of the additional premiums to be paid, the change represents an additional administrative burden for the calculation and remittance of the premiums as well as compliance.

The change requires mandatory WSIB coverage for independent operators, sole proprietors, partners in partnerships and executive officers in corporations.

However, it is not all bad news as there is an exemption available for one executive officer that does not perform construction work. The individual can make periodic site visits but cannot direct on-site supervision or workers. In order to qualify, the individual must submit the Declaration of Exemption from Compulsory Coverage.

In addition, the executive officers can request to report their earnings separately from the workers. The benefit of such a request is that the premium required to be paid could be lower, sometimes significantly lower, than the premium paid for a construction worker. A Request for

Separate Rate Group in Construction must be submitted in order to take advantage of a lower rate.

A principal who directly retains a contractor or a subcontractor to perform construction work must obtain a clearance certificate before the work is undertaken. A principal means the party awarding or letting a contract to a contractor or a subcontractor.

The clearance certificate relieves the principal of liability for payment obligations to the WSIB that a contractor or subcontractor may incur during the validity period of the certificate. The certificate basically confirms that the contractor or subcontractor is registered with WSIB and that they have paid their fees. If the certificate is not issued, then the principal could be liable for the outstanding amounts up to the value of the labour portion of the contract.

For the period of January 1, 2013, to December 31, 2013, WSIB will be less vigilant in assessing penalties, pursuing investigations and laying charges with regards to the new rules. This is intended to be a grace period while the industry gets used to the new standards and requirements. This does not imply a free pass and compliance is recommended. ■

Important Deadlines to Remember

February 28, 2013

2012 T4, T4A, T4PS, T5 slips and summaries must be filed. Please ensure that any applicable taxable benefits (i.e. automobile, shareholder loan) are calculated and included on the T4s.

March 1, 2013

RRSP contributions made on or before this date can be deducted on your 2012 personal income tax return if you have not exceeded your contribution limit.

March 15, 2013

The 2012 Employer Health Tax Annual Return must be filed and any amount owing must be paid.

March 31, 2013

2012 Inter Vivos Trust Returns are due (i.e. family trusts).

April 30, 2013

April 30, 2013 is the last day to pay your 2012 personal income tax liability to avoid interest charges. In order to avoid penalties, personal income tax returns must be filed on or before April 30, 2013, with the exception of self-employed individuals (and their spouse or partner) who have until June 15, 2013.

When these deadlines fall on a weekend or a statutory holiday, the deadline defaults to the next business day.

Important Changes

More Businesses Can Use the HST Quick Method

In December 2012 it became official that the HST Quick Method taxable sales limit has increased to \$400,000 for periods beginning January 1, 2013. This means that businesses that were previously just over the limit now have the option to use the Quick Method.

Government Supplier Changes

Beginning April 1, 2013, the federal government will commence paying QST on its taxable supplies and the Quebec provincial government will commence paying GST/HST on its taxable supplies. Therefore vendors should take note of this change when billing the federal or the Quebec government.

Mandatory Electronic Filing for Tax Preparers

Effective 2013, the Canada Revenue Agency has introduced mandatory electronic filing of income tax returns for tax preparers. Due to this new legislation, McIntyre & Associates will electronically file all personal and corporate income tax returns that meet the eligibility criteria for the 2012 and later tax years.

What's New at McIntyre & Associates

Congratulations to Mike Nazarov for completing his practical experience requirement and receiving his CA designation in October 2012. Mike has recently started the CICA In Depth Tax Course.

Congratulations also go to Larry Hasson, who completed his CICA In Depth Tax Course and now brings this valuable expertise to the M&A team.

We are pleased to welcome Travis Scott, Mary Truemner, and Lisa Brousseau to our team.

Travis joined our firm on October 22. Travis is a recent graduate of St. Francis Xavier University graduating with a Bachelor of Commerce. Travis has begun his study program to obtain his CA designation.

Mary joined our team on November 14 and is working in the administration group. Mary will be the first to greet you at reception.

Lisa joined our team on January 7. Lisa has joined our Customized Account Management Group and will be working closely with Gabe Poirier getting to know our CAM clients. ■

CRA's Prescribed Interest Rates

The prescribed interest rates for the first quarter of 2013 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 January 1, 2013 to March 31, 2013.

2012 Personal Tax Organizer

We have mailed out our personal income tax return organizer.

If you would like us to prepare your 2012 personal income tax return and you have not yet received your organizer, please do not hesitate to [Contact Elaine](#).

Has your contact information changed?

If your contact information has changed recently, please let us know.

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McIntyre & Associates Professional Corporation

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