



# Revenue Avenue

ISSUE 07 | VOLUME 02

Newsletter

Welcome to Revenue Avenue!  
The KAD Consulting newsletter for business opportunities, tax tips, government announcements and more . . .



We at KAD Consulting Services can apply for

**“Trademarks and Logo**

**Subsides and Grants”**

If you are interested in applying for the same, our skilled team members will do the same on your behalf.

For more details, please contact our office.

## Important Tax Updates for 2022

**Tax brackets** have been indexed to inflation using 2.4%.

- \$0 to \$50,197 of income – 15%
- \$50,197 to \$100,392 – 20.5%
- \$100,392 to \$155,625 -26%
- \$155,625 to \$221,708 – 29%
- Above \$221,708 – 33%

**Employment insurance premiums** are also rising, with a contribution rate for employees of 1.58 per cent up to a maximum contribution of \$952.74 on 2022 maximum insurable earnings of \$60,300.

The **registered retirement savings plan (RRSP) dollar limit** is \$29,210, up from \$27,830 in 2021. The amount you can contribute to your RRSP is limited to 18 per cent of your 2021 earned income, which includes (self)employment and rental income, less any pension adjustments, up to the current annual dollar limit.

### Increased Basic Personal Amount (BPA)

An individual can earn up to \$14,398 before paying any federal income tax.

**The Canada Pension Plan (CPP)** rate is 5.7% with maximum contributions by employees and employers set at \$3,499.80 in 2022, based on the new yearly maximum pensionable earnings of \$64,900 (with a \$3,500 basic exemption.)

Self-employed Canadians must contribute twice the amount, so their maximum CPP contribution for 2022 will be \$6,999.60, up from the 2021 amount of \$6,332.90.

The **tax-free savings account (TFSA)** contribution limit will remain at \$6,000. For 2022, that indexed contribution amount is \$6,162.70, based on the 2.4-per-cent inflation factor.



**Calgary Office**  
#31, 11410 27 St. SE  
Calgary AB T2Z 3R6  
Office Tel: 403.453. 4595

Email: [admin@kadconsultingservices.com](mailto:admin@kadconsultingservices.com)  
Website: [www.kadconsultingservices.com](http://www.kadconsultingservices.com)

**Southern Ontario Office**  
28 – 570 Linden Drive  
Cambridge ON N3H 0C9  
Office Tel: 403.453. 4595

KAD Consulting Services



## CEBA deadline extended to December 31, 2023

The Government announced on January 12, 2022 that the repayment deadline for CEBA loans to qualify for partial loan forgiveness is being extended from December 31, 2022, to December 31, 2023, for all eligible borrowers in good standing.

## FRAUD ALERT

A friend of mine received a call from the credit card fraud division warning him about a suspicious transaction. They offered to cancel the transaction, but in order to verify his identity they asked him to read back a code they texted him. This was a scam. What actually happened was they hit reset password on the official credit card website and selected the text message verification option. Because the text message was sent to my friend, they needed him to read it back to them. Once he read the code back to them they were able to reset the password, lock him out of his credit card account, and purchase several new iPhones.

Even though he had 2-factor authentication they were able to fool him using social engineering.

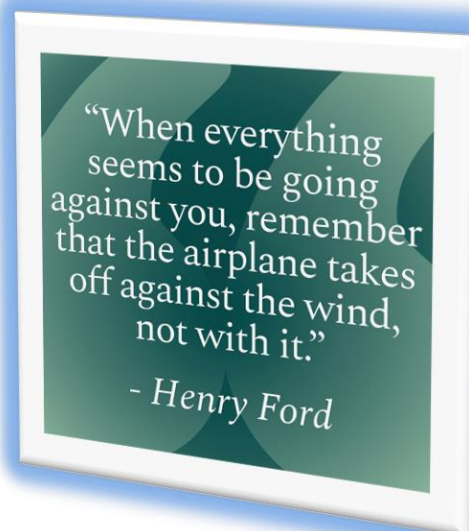
Yes, technology adds a layer of security, but it can't always protect you. Unfortunately, scamming has become a profession and we need to learn best practices to secure our data. No matter what, if you get an unexpected phone call never give any personal information. There is no time-bomb ticking, and if you are unsure, hang up the phone and obtain the official phone number and call back.

## Filing of T1135 on time to avoid penalty

If you held foreign property whose total cost exceeded \$100,000 at any point at any time during 2021, you may be required to complete Canada Revenue Agency's T1135 Foreign Income Verification Statement form when you file your 2021 tax return.

If you are required to file a T1135, it's important you file on time or risk a penalty for late filing of \$25 per day to a maximum of \$2,500, plus arrears interest.

For more details, please visit <https://financialpost.com/personal-finance/taxes/own-foreign-property-including-stocks-better-tell-the-cra-on-time-or-face-a-penalty>



## Dates for Filing & Payment 2021 Personal Taxes

- ❖ **Mar 1, 2022:** Deadline to contribute to an RRSP, a PRPP, or an SPP
- ❖ **Apr 30, 2022 (May 2, 2022 since April 30 is a Saturday):** Deadline to file
- ❖ **Jun 15, 2022:** Deadline to file your taxes if you or your spouse or common-law partner are self-employed
- ❖ **Apr 30, 2022 (May 2, 2022 since April 30 is a Saturday)** deadline to pay taxes

## Bank of Canada Interest Rates

The BoC today held its target for the overnight rate at the effective lower bound of ¼ %, with the Bank Rate at ½ % and the deposit rate at ¼ %. With overall economic slack now absorbed, the Bank has removed its exceptional forward guidance on its policy interest rate.

The next scheduled date for announcing the overnight rate target is March 2, 2022. The Bank will publish its next full outlook for the economy and inflation, including risks to the projection, in the Monetary Policy Report on April 13, 2022.



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