



THE Tax Tipper

December 15, 2018

We take your taxes personally!

Issue 64

Inside

What's Happening	3-5
Just Asking ... Just Answering	5
Did You Know?	6
It's a Photo Finish	6

President and Founder

Neel Roberts
 PTC Canada
 Box 1347
 Vulcan, Alberta
 T0L 2B0

Phone 866-485-2683

Fax 866-485-2761

taxes@ptccanada.com

<http://ptccanada.com>

Our Readers Respond

As a smaller tax preparation firm, I have used PTC's website for quick reference materials. The reference booklets provide a good interpretation of information from CRA. I am developing my own website and am modelling some of the best practices from PTC. I'm sure Neel's clients benefit from the available resources.

Patrick Valeriate,

Owner, <http://www.pvtaxservice.ca/>
 Kitchener/Guelph, Ontario

Check out our [Media Room](#). We make press now and then! Ever wondered what folks say about us? Check out our [testimonials page!](#)

As usual, we [welcome your comments](#) on the **Tax Tipper!**

Christmas Message 2018

Dear Clients and Friends,

Hard to believe it's almost the end of 2018 and a New Year is around the corner. If you're a new reader to the **Tax Tipper**, welcome. Since 2000, www.ptccanada.com has been servicing our clients via monthly bulletins, [newsletters](#), [resources](#), and more. Watch for our brand new, [revamped website](#) in 2019, with more tools to help you and to simply get the job done fast. The need for good information has moved from important to critical as the world goes into overdrive with change. I have lots I want to discuss, and I'll try my best to do it in two pages, hitting the important parts.

I'd like to start with an article I read last month out of France called [Has the world gone mad? Mental health disorders on the rise globally](#). The World Health Organization (WHO) recently estimated that around 300 million people worldwide have depression and 50 million have dementia. Schizophrenia is estimated to affect 23 million, and bipolar disorder around 60 million, costing the globe up to \$16 trillion by 2030.

I learned about this in late October from author [Hal Lindsey](#). Was it ever an eye-opener, as it explains so much. If you look at France right now as I write, it is under fire as the [Yellow Vests](#), representing everyday citizens like you and me, have had enough of globalism and [want President Macron out of office](#).

This rejection is being echoed all over the world, with the recent [UN Global Compact for Safe, Orderly and Regular Migration](#) forcing countries like ours to have unrestricted immigration from any country for any reason.

Further, the recent [\\$600 million taxpayer cash injection into the corrupt CBC](#) is part of [bribing the mainstream media to speak positively about this move](#). I have no doubt the protests we're seeing in Canada right now are going to escalate and become just as violent as Paris, if not more, by next year. Experts believe that much of this desperation spawns from the [deep state investigations about to be revealed in the U.S.](#) If it's as bad as expected, we can expect to see explosive revelations during the Christmas season that will be heard around the world.

Another pushback has been the rejection of carbon taxes both at home and around the globe. Ontario seems to have taken the lead, with the [repeal of the Green Energy Act](#), and many are impressed with all the positive change Premier Doug Ford has brought in such a short time. [With food prices expected to surge next year](#), watch for a revolt on this as [populisms continue to explode](#). While [Maxime Bernier gains popularity](#), rumours are starting that [Doug Ford may run](#) for prime minister as early as next year. Considering that 60% don't vote in federal elections, it's still an open game.

The rigging of social media has now become obvious. That's why tech stocks are in free fall and have [lost over \\$1 trillion this year](#). A new documentary, [The Creepy Line](#), explores how Google and Facebook are undermining elections and why many big names are getting out of Silicon Valley. Tim Berners-Lee, inventor of the world wide web, has been [working on a platform to decentralize the internet](#): specifically, to end the dominance of Facebook, Google, and

Neel's Message, continued

Amazon, while letting individuals take back control of their own data. Across the pond, self-made billionaire and Minecraft creator Markus Alexej Persson, better known as “@Notch,” called it correctly when he labelled these leftist companies “evil.” Current AI surveillance and proposed social credit scores to determine the services you get in the future are as Orwellian as it gets. Make no mistake: this is going to be forced down our throats as early as next year—a brand-new internet, social media, and much more. Most of us won't want to have anything to do with it, so watch for this.

Last year, I spoke about Bitcoin, which was going gangbusters, peaking almost exactly a year ago at \$19,783.21. Since then, it has lost over 85% (\$3,263.97 at the time of writing), bankrupting Bitcoin farms, with Bitcoin miners costing pennies on the dollar today. If you recall my Christmas 2017 newsletter, I recommended *not* buying but instead studying this new market, because, while I believe in the theory of Bitcoin, it is not backed by anything. Sure enough, the market has caught on to this. While it's tempting to get back in while prices are low, you're seeing new coins emerge, like Nordcoin, based on the Scandinavian currency outcome. I have no idea if it's better, but at least it's a change in the right direction, so it needs to be studied.

On the flipside, those of you who've been reading these newsletters for a few years will remember those dollar for dollar silver-content coins from the Canadian Mint. Well, they've held their value nicely despite falling silver prices, from \$20 an ounce in 2016 to about \$14 today. And while the government stopped making them a couple of years ago, you can still buy them. So, if you buy \$20 in coins, you only spend \$20. That's it! Unlike recent forgeries, these are guaranteed redeemable like ordinary currency in Canada. The two

bonuses are that if silver goes through the roof, they instantly increase in value; and all collector coins appreciate over time if kept in proof condition. So it's hard to lose on these.

Let me leave you with two simple recommendations for New Year's resolutions. First, think for yourself: insist on maintaining your independence regardless of peer pressure. Second, follow the truth and see where it leads you.

I recently read a story about an entrepreneur who turned 101 this fall and still works full-time. Why? Because he loves what he does. Chester Hollingsworth, owner of Dallas Flooring Warehouse in Texas, even jokes that he still drinks two Dr. Peppers a day, but what a great example of someone dedicated to his calling. I also watched an almost four-hour documentary on social engineering called The Minds of Men. It's well worth spending the \$5 to rent over the holidays because, if there was ever a day we live in social engineering, it's now. Aaron and Melissa Dykes are the makers of the YouTube channel Truthstream Media. I became fascinated with them after I saw a video called The Power of Your Intentions (The Rice Experiment). 2019 looks like a volatile year to come, but it's also finally the beginning of much-needed good changes that will last a long time.

Lastly, I need to extend a huge thank-you for 20 years in business. When I started in 1998, I had no idea what to do, where to go, and what to offer. But y'all are so kind in your feedback, no doubt this was the biggest factor. May you and your loved ones be richly blessed. Merry Christmas, Happy New Year, and enjoy the last **Tax Tipper** of the year!



Neel Roberts
President and Founder



What's Happening

Clients Already Booking 2019 Appointments

Clients are already taking advantage of the space available for the 2019 tax season without the worry of being left behind. There's generally no cost and we can flex you in within reason. Are you all ready to file your 2018 return? We have been ready to roll for a few months now, thanks to the help of our speedy software developers. Simply contact me with all your information and you may have your refund in January. Unfortunately, E-File is starting later each year. This time, it's Tuesday, February 18, 2019. All early returns will be paper-filed with the usual 2-to-4 week turnaround. There is still a slight advantage, especially if you're expecting a large refund!



Scammers Double Down on Trying to Contact You as CRA Employees



It's hard to keep up with all the scams going on—as soon as you expose one, another gets started. I do what I can to keep you up to date. [CRA recently put out a guide](#) on what to do if you are contacted by someone purporting to be a CRA employee. I get calls from clients all the time telling me about a suspicious call they've received. I can usually resolve these in a short time, but the one thing I recommend is to check your [online account](#) first. This can address issues like outstanding balances, unfiled returns, audits, etc. Report any doubtful activity to the [Canada Anti-Fraud Centre](#) at 1-888-495-8501.

Are You "Tax Preparation Volunteer" Material?

Have you ever considered a profession preparing taxes but you lack the experience? The [Community Volunteer Income Tax Program \(CVITP\)](#) is an excellent way to get started, as the qualifications are minimal. If you want to pursue a career in the tax industry, this experience can be very helpful. Many professionals actually started here before going into practice full-time. I even heard a rumour that they have a free meal at the end of the season, but you have to bring your own ketchup. Don't let that discourage you. For further information, contact the general enquiries line at 1-800-959-8281, check out the [updated bulletin](#), or drop by your [local tax centre](#).



Massive Bankruptcies Coming in 2019?



A recent MSN article called [Get ready for a wave of household bankruptcies, Canada](#) caught my attention last month. Some of the reasons for the prediction were rising interest rates, high debt, and an unstable economy. Let's face it, while some areas in the U.S. are indeed booming, it's not the same here, and forecasted low commodity prices won't help a resource-based country like Canada. [CAIRP](#), the association representing 90% of insolvency trustees, was the main source of the article. I'll keep you posted in the New Year as trends develop, but I will say now that the concerns they raise should be given credence.

New USMCA Replaces NAFTA



Many questions remain unanswered as the new agreement with the U.S. and Mexico comes into effect. While there are positive changes coming, no doubt there will be uncertainties as the details unravel. I will keep you posted as the news comes out in 2019, but in the meantime, check out the [International Department's website](#) and commentary from [Knowledge Bureau](#).

2019 RRSP, DPSP, TFSA, Maximum Pensionable Earnings Limits and More



Each year, the finance department [sets limits](#) for different programs based on the budget, feedback, and more. For 2019, the RRSP contribution limit is \$26,500, TFSA \$6,000, and pensionable earnings \$57,400. For further information, check out [Income Tax Folio S3-F10-C3](#) and a [Knowledge Bureau article](#).

More on What's Happening

Financial and Accounting Professionals Pushing for Tax Reform



A recent Knowledge Bureau survey found that over 91% of professionals want much-needed tax changes now. Ideas include:

- Canada's competitiveness, and increasing the appeal for business owners to stay here rather than moving to the U.S. due to lower tax rates
- The disconnect between the federal and provincial regulatory framework for taxation
- Encouraging people to improve their own financial system, without discouraging them with higher taxes; or providing a minimum annual income
- Changes to filing dates/deadlines
- Increased tax awareness and education for average Canadians

For further details, [check out this article](#).

manager even came to our last professionals' meeting and left us with the promise that all would be good soon. Now it looks like that's been pushed back. We learn we will have to wait until 2020 for [CRA service standard improvements](#). This has frustrated many professionals like me, as [we raised many helpful points](#) that would not have cost much, if anything, to implement.

We can only keep pressing and escalating the issue. My guess is it may not be that long, since they've known about the issue for years and it's unusual for something like this to go on so long.

Budget 2019: Have Your Say Now!



Too often I hear from people who got left behind in the latest budget, and then I learn that they didn't participate in the forums offered by the government. It's like hearing from someone who doesn't like the person that got elected to office and then finding out they didn't vote!

If *you* don't get involved, someone else will. So don't miss the budget-feedback boat. Visit the 2019 [Budget Consultation](#) site today and have your say. For further information, you can email budget2019@canada.ca.

Death and Taxes: What the Executor Needs to Know



Most executors have little or no idea what to do when they become responsible for handling the affairs of a deceased person. I deal with this all the time, especially cases where there are several years to do. When in doubt, I highly recommend getting a professional. Knowledge Bureau has a lot of information on their website, including an article entitled [Death in the family: Executors' obligations](#). Also check out CRA's website, [What to do when someone has died](#), or contact the call centre at 1-800-959-8281.

CRA Service Call Centre, Processing Issues Delayed to 2020



Many taxpayers are upset by long waits at the call centre and waiting to get older taxes assessed and/or adjusted. Besides complaints from my own clients, we've had thousands of complaints from others about refunds taking as long as a year and not getting responses to questions, etc.

In my last newsletter, I told you I was under the impression that this would be fixed by now. The call centre

Corporate Tax Changes and 2019 Outlook



Since the last federal budget, analysis and questions have kept coming in from owners, tax professionals, and investors about the pros and cons of the last reforms.

While many argue that the [recent reforms](#) are not enough to compete with Donald Trump's 2017 tax cuts, the other side of that is that the [economic outlook in general is not optimistic](#). With federal budgets expected to run deficits well into the mid-2020s, the future looks gloomier. As always, I'll keep you posted on the latest changes. However, competition from third-world countries like China and India will add more pressure to reduce rates, so we can expect overall corporate rates to come down in the future.

More on What's Happening

Marijuana, Laws, and Taxes

There seems to be endless confusion about what can and can't happen since marijuana was legalized in Canada.

There are three levels of government in our country: national, provincial, and municipal. Since all levels are sovereign within their own jurisdiction, the laws they pass don't have to be compatible. What may be legal in one jurisdiction may be an offence in another.

I've seen lots of billboards about driving, growing, possessing, etc., and I have to admit many of the messages



have a threatening tone. Internationally, marijuana remains a federally banned substance in the U.S. despite legalization in some states. The U.S. has opted to prohibit the entry of Canadian marijuana users or those involved in the legal marijuana industry, whether working or investing. This could negatively impact those with cross-border businesses. Disclosure requirements at the border, and privacy protection for those affected, remain unclear, so check out an [article by Knowledge Bureau](#).

Just Asking ... Just Answering

Real People with Real Questions About Real Situations

CRA Won't Help Me Since I Don't Have My Last Address



Dear Neel,

I haven't filed in several years and need to get caught up. I tried calling CRA to get my information since I don't have an [online account](#). They won't recognize me because I can't remember previous addresses. Is this right, and what can I do?

Ted B.

Dear Ted,

Yes, for security reasons, this is the [proper procedure](#). Here are a few ways you can address it—no pun intended. Check out [CRA's address change website](#) and fill out form [RC325](#). Fax or mail it into the nearest [processing centre](#), but be prepared to wait for up to a month. You could try phoning

instead. Usually, your bank, insurance company, and the registry containing your driving records, etc. will have your previous addresses.

CRA will generally want your two previous addresses to clear security. Phoning is by far the faster way, but you may have to use the slower method if you can't clear their questions over the phone. Once you get through, be sure to update your information and get an online account.

Merry Christmas and the best of the New Year!

Are You *Just Asking* tax questions?

Neel can *Just Answer* them.



It's a Photo Finish!

Surfing Above the Arctic Circle



Courtesy [Yahoo News](#)

When we're asked about the Arctic, we usually think of polar bears, igloos, Inuit, and maybe even Mondo mosquitos in the summertime. But surfing? Forget the Polar Bear Club wading into freezing lakes and sea sides on New Year's Day. These gnarly dudes do it all year round. Wherever they're from, one thing's for sure! They're in the 1% of crazy or bold, you choose! I've been all the way up to Inuvik in the Northwest Territories myself, and I'd love to visit the great white north again. Still, I'm glad to say I'm a prairie-mountain lover!

[Send us your fascinating photo or story.](#)

Did You Know?



Courtesy of <http://www.guinnessworldrecords.com>

. . . that the World's Tallest Snowman is actually a Snow Woman?

Bethel, Maine, was the home of the World's Tallest Snowman in 1999. Then, in 2008, the Snowman was outdone by the World's Tallest Snow Woman! Angus, King of the Mountain, was about 10 storeys tall. But Olympia Snow Woman was 11 storeys tall and over 125 feet wide, and weighed over 13,000,000 lbs. The mouths of these giants were car tires, their buttons were skidder tires, their arms 25-foot spruce trees, and their hats 16- and 20-foot-diameter fabrics made by middle school students. Olympia's eyelashes were alpine skis. Talk about the latest makeup!

All materials are the exclusive property of PTC Canada and are for information purposes only. Individuals and entities should seek personal advice from qualified professionals before taking further action, as PTC Canada and its associates assume no liability whatsoever for this resource.

[Click here to unsubscribe to this newsletter](#)