



Information for Residents of Ontario

What's new for 2011?

The income levels and most provincial non-refundable tax credit amounts have increased according to the Ontario consumer price index.

The labour sponsored investment fund tax credit rate has changed from 10% to 5%.

As of July 2012, payments for the Ontario sales tax credit, the Ontario energy and property tax credit, and the Northern Ontario energy credit will be combined as the Ontario Trillium Benefit and will be paid monthly. For more information, including how to apply, read pages 49 to 59 [10 to 12].

Form ON428, ONTARIO TAX, Form ON479, ONTARIO CREDITS, and Form ON-BEN, APPLICATION FOR THE 2012 ONTARIO TRILLIUM BENEFIT

AND THE ONTARIO SENIOR HOMEOWNERS' PROPERTY TAX GRANT, reflect these changes.

General information

Ontario Child Benefit

The Ontario Child Benefit (OCB) is a non-taxable monthly payment to help families with low to moderate incomes provide for their children.

The OCB and the Canada Child Tax Benefit payments are being delivered together each month. For more information about the OCB, see Booklet T4114, CANADA CHILD BENEFITS.

File your tax return – You (and your spouse or common-law partner) must file your 2011 tax return(s) to receive the OCB. The amount of any OCB payments you are entitled to receive, starting in July 2012, will be based on the information you provide on your return(s).

This benefit is fully funded by the Province of Ontario. For specific information about your benefit, contact the Canada Revenue

Agency (CRA) at **1-800-387-1193** or by teletypewriter (TTY) at **1-800-665-0354**.

Ontario Child Care Supplement for Working Families

Families with children under seven years of age and born before July 1, 2009, may also be eligible for a benefit under the Ontario Child Care Supplement for Working Families (OCCS). Families with children born on or after July 1, 2009, will not be eligible for the OCCS benefits.

For more information about the OCCS program, go to **www.ontario.ca/revenue**.

Ontario Opportunities Fund

The Ontario Opportunities Fund gives Ontarians a chance to directly reduce the province's debt. If you want to contribute to the Ontario Opportunities Fund from your 2011 tax refund, complete the "Ontario Opportunities Fund" area on page 21 [4] of your return.

You will be issued a receipt that can be used with your 2012 return. For more information about gifts to government, read line 349 in the GENERAL INCOME TAX AND BENEFIT GUIDE.

Your donation will not be processed if it is less than \$2, or if the refund you have calculated is reduced by \$2 or more when your return is assessed.

For more information

If you have questions about your income tax return, visit the CRA Web site at **www.cra.gc.ca** or call the CRA at **1-800-959-8281**.

To get forms, go to **www.cra.gc.ca/forms** or call **1-800-959-2221**.

If you have questions about your Ontario credit and benefit payments go to **www.cra.gc.ca/benefits**, or call the CRA at **1-877-627-6645**.

If you have specific policy or program-related questions about Ontario tax and credits, go to **www.ontario.ca/revenue** or contact the Ontario Ministry of Revenue at **1-866-ONT-TAXS (1-866-668-8297)**, or by teletypewriter (TTY) at **1-800-263-7776**.

Completing your Ontario forms

All the information you need to calculate your Ontario tax and credits is included on the following pages. You will find two copies of Form ON428, ONTARIO TAX, Form ON479, ONTARIO CREDITS, and Form ON-BEN, APPLICATION FOR THE 2012 ONTARIO TRILLIUM BENEFIT AND THE ONTARIO SENIOR HOMEOWNERS' PROPERTY TAX GRANT, in this book. Complete the forms that apply to you, and attach a copy of each to your return.

For more information about how to apply for the Ontario Trillium Benefit and/or the Ontario senior homeowners' property tax grant, read pages 49 to 61 [10 to 12].

The following information will help you complete Form ON428, Form ON479 and Form ON-BEN.

The terms **spouse** and **common-law partner** are defined in the GENERAL INCOME TAX AND BENEFIT GUIDE.

For the purposes of the Ontario tax reduction (Form ON428), the term **dependent child** refers to a child born in 1993 or later of whom you

are a parent and who, in 2011, lived with you and was resident in Canada.

A child for whom anyone claims an amount for an eligible dependant on line 5816 of Form ON428 may be a dependent child. However, a child for whom anyone claims a spouse or common-law partner amount on line 5812, or receives an amount under the federal CHILDREN'S SPECIAL ALLOWANCES ACT, is not a dependent child.

The term **end of the year** means December 31, 2011, if you were a resident of Ontario on that date, the date you left Canada if you emigrated in 2011, or the date of death for a resident of Ontario who died in 2011.

Tax Tip

Many rules for calculating Ontario tax are based on the federal Income Tax Act. As a result, you may find it easier to calculate your federal tax first. Your total taxes payable will be the same, no matter which tax you calculate first.

Form ON428, Ontario Tax

Complete Form ON428 if you were a resident of Ontario at the end of the year or if you were a non-resident of Canada in 2011 and you earned income from employment in Ontario or received income from a business with a permanent establishment only in Ontario.

If you had income from a business with a permanent establishment outside Ontario, complete Form T2203, PROVINCIAL AND TERRITORIAL TAXES FOR 2011 – MULTIPLE JURISDICTIONS, **instead of** Form ON428.

Step 1 – Ontario non-refundable tax credits

The rules for claiming the Ontario non-refundable tax credits are the same as for the corresponding federal non-refundable tax credits. However, **the value and calculation of most Ontario non-refundable tax credits are different from the corresponding federal credits.**

Newcomers to Canada and emigrants

If you prorated any of the amounts you claimed on lines 300 to 306, 315, 316, 318, 324, and 326 of your federal Schedule 1, you have to prorate the corresponding Ontario amounts on lines 5804 to 5820, 5840, 5844, 5848, 5860, and 5864.

Line 5804 – Basic personal amount

Claim \$9,104.

Line 5808 – Age amount

You can claim this amount if you were 65 years of age or older on December 31, 2011, and your net income (line 236 of your return) is less than \$62,725.

If your net income is:

- \$33,091 or less, enter \$4,445 on line 5808; or
- more than \$33,091 but less than \$62,725, complete the calculation for line 5808 on the PROVINCIAL WORKSHEET in this book.

Tax Tip

You may be able to transfer all or part of your age amount to your spouse or common-law partner or to claim all or part of his or her age amount. For more information, read line 5864.

Line 5812 – Spouse or common-law partner amount

You can claim this amount if the rules are met for claiming the amount on line 303 of federal Schedule 1 and your spouse's or common-law partner's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$8,503.

Complete the calculation on Form ON428, and enter the amount on line 5812.

Note

Enter your marital status and the information about your spouse or common-law partner (including his or her net income, even if it is zero) in the "Identification" area on pages 3 and 4 [1] of your return.

Line 5816 – Amount for an eligible dependant

You can claim this amount if the rules are met for claiming the amount on line 305 of federal Schedule 1 and your dependant's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$8,503.

Complete the calculation on Form ON428, and enter the amount on line 5816.

Note

If you were a single parent on December 31, 2011, and you choose to include all Universal Child Care Benefit amounts you received in 2011 in the income of your dependant, include this amount in the calculation of his or her net income.

If you have not already completed federal Schedule 5, complete and attach it to your return.

Line 5820 – Amount for infirm dependants age 18 or older

You can claim this amount if the rules are met for claiming the amount on line 306 of federal Schedule 1 and your dependant's net income

(line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$10,391.

Complete the calculation for line 5820 on the PROVINCIAL WORKSHEET in this book.

Line 5824 – CPP or QPP contributions through employment

Enter on this line the amount you claimed on line 308 of your federal Schedule 1.

Line 5828 – CPP or QPP contributions on self-employment and other earnings

Enter on this line the amount you claimed on line 310 of your federal Schedule 1.

Line 5832 – Employment Insurance premiums through employment

Enter on this line the amount you claimed on line 312 of your federal Schedule 1.

Line 5829 – Employment Insurance premiums on self-employment and other eligible earnings

Enter on this line the amount you claimed on line 317 of your federal Schedule 1.

Line 5833 – Adoption expenses

You can claim eligible expenses incurred in the adoption of a child less than 18 years of age. The maximum amount you can claim is \$11,107 for each child, and you must make the claim in the year the adoption is finalized or recognized under Ontario law.

The expenses that are eligible to be claimed on line 5833 must meet the rules for claiming the amount on line 313 of federal Schedule 1.

Two adoptive parents can split the claim for adoption expenses as long as the total amount claimed by both parents for each child is not more than the maximum that could be claimed for the child if only one person were claiming for that child.

Note

Only residents of Ontario are eligible for this amount. If you are not a resident of Ontario, you cannot claim this non-refundable tax credit in calculating your Ontario tax even though you may have received income from a source inside Ontario in 2011.

Line 5836 – Pension income amount

You can claim this amount if you met the rules for claiming the amount on line 314 of federal Schedule 1.

The amount you can claim on line 5836 is the amount on line 314 of your federal Schedule 1 or \$1,259, whichever is **less**.

Note

Only residents of Ontario are eligible for this amount. If you are not a resident of Ontario, you cannot claim this non-refundable tax credit in calculating your Ontario tax even though you may have received income from a source inside Ontario in 2011.

Line 5840 – Caregiver amount

You can claim this amount if the rules are met for claiming the amount on line 315 of federal Schedule 1 and your dependant's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$18,972.

Complete the calculation for line 5840 on the PROVINCIAL WORKSHEET in this book.

Line 5844 – Disability amount (for self)

You can claim this amount if you met the rules for claiming the amount on line 316 of federal Schedule 1.

- If you were **18 years of age or older** at the end of the year, enter \$7,355 on line 5844.
- If you were **under 18 years of age** at the end of the year, you may be eligible to claim a supplement up to a maximum of \$4,290 in addition to the disability amount of \$7,355. Complete the calculation for line 5844 on the PROVINCIAL WORKSHEET in this book.

Line 5848 – Disability amount transferred from a dependant

You can claim this amount if the rules are met for claiming the amount on line 318 of federal Schedule 1.

Complete the calculation for line 5848 on the PROVINCIAL WORKSHEET in this book.

Line 5852 – Interest paid on your student loans

Enter on this line the amount you claimed on line 319 of your federal Schedule 1.

Line 5856 – Your tuition and education amounts

Complete Schedule ON(S11), PROVINCIAL TUITION AND EDUCATION AMOUNTS.

Supporting documents – If you are filing electronically, keep all your documents in case we ask to see them at a later date. If you are filing a **paper return, attach your completed Schedule ON(S11)**, but do not send your other documents. Keep all your documents in case we ask to see them at a later date.

Transferring and carrying forward amounts

You may not need all of your 2011 tuition and education amounts to reduce your provincial income tax to zero. In this case, you can **transfer** all or some of the unused part to **one** person, either to your spouse or common-law partner (who would claim it on line 5864) or to your or your spouse's or common-law partner's parent or grandparent (who would claim it on line 5860).

You can only transfer an amount to your parent or grandparent, or your spouse's or common-law partner's parent or grandparent, if your spouse or common-law partner does not claim an amount for you on line 5812 or 5864.

Complete the "Transfer/Carryforward of unused amount" section of Schedule ON(S11) to calculate the provincial amount available to transfer, as well as Form T2202, EDUCATION AND TEXTBOOK AMOUNTS CERTIFICATE, T2202A, TUITION, EDUCATION, AND TEXTBOOK AMOUNTS CERTIFICATE, TL11A, TUITION, EDUCATION, AND TEXTBOOK AMOUNTS CERTIFICATE – UNIVERSITY OUTSIDE CANADA, TL11B, TUITION, EDUCATION, AND TEXTBOOK AMOUNTS CERTIFICATE – FLYING SCHOOL OR CLUB, or TL11C, TUITION, EDUCATION, AND TEXTBOOK AMOUNTS

CERTIFICATE – COMMUTER TO THE UNITED STATES, to designate who can claim the transferred amount and to specify the amount this person can claim. This amount may be different from the amount calculated for the same person on your federal Schedule 11. Enter the provincial amount you are transferring on line 20 of your Schedule ON(S11).

Tax Tip

If you are transferring an amount to a designated individual, only transfer the amount this person can use. That way, you can carry forward as much as possible to use in a future year.

Complete the "Transfer/Carryforward of unused amount" section of Schedule ON(S11) to calculate the amount you can **carry forward** to a future year. This amount corresponds to the part of your tuition and education amounts you do not need to use (and do not transfer) for the year.

Line 5860 – Tuition and education amounts transferred from a child

You can claim these amounts if the rules are met for claiming an amount on line 324 of federal Schedule 1.

Enter on line 5860 the total of all provincial amounts that each student has transferred to you as shown on his or her Form T2202, T2202A, TL11A, TL11B, or TL11C. If the student was a resident of Ontario on December 31, 2011, the maximum amount the student can transfer is \$6,295.

Notes

The student **must have entered this amount on line 20** of his or her Schedule ON(S11). He or she may have chosen to transfer an amount that is less than the available provincial amount. The student cannot transfer to you any unused tuition and education amounts carried forward from a previous year.

If you and the student were residents of different provinces or territories on December 31, 2011, special rules may apply. Call the Canada Revenue Agency to determine the amount you can claim on line 5860.

Other rules may apply if the student has a spouse or a common-law partner. Read line 324 in the GENERAL INCOME TAX AND BENEFIT GUIDE.

Supporting documents – If you are filing electronically or filing a paper return, do not send any documents. Keep all your documents in case we ask to see them at a later date. The **student** must attach Schedule ON(S11), to his or her **paper return**.

Line 5864 – Amounts transferred from your spouse or common-law partner

You can claim these amounts if the rules are met for claiming the amount on line 326 of federal Schedule 1. Complete Schedule ON(S2), PROVINCIAL AMOUNTS TRANSFERRED FROM YOUR SPOUSE OR COMMON-LAW PARTNER, and attach a copy to your return.

Line 5868 – Medical expenses for self, spouse or common-law partner, and your dependent children born in 1994 or later

The medical expenses you can claim on line 5868 are the same as those you can claim on line 330 of your federal Schedule 1, except for the following:

- the maximum Ontario claim for attendant care expenses is \$12,590 (\$25,179 in the year of death);

- the maximum Ontario claim for the cost of a van adapted for transporting a patient who requires the use of a wheelchair is \$6,295; and
- the maximum Ontario claim for moving expenses for a patient's move to a more accessible dwelling is \$2,518.

The federal and provincial medical expenses you claim have to cover the **same 12-month period** ending in 2011, and must be expenses no one has claimed on a 2010 return. Your total medical expenses have to be more than either **3%** of your net income (line 236 of your return) or **\$2,061**, whichever is **less**.

Line 5872 – Allowable amount of medical expenses for other dependants

In addition to the medical expenses claimed on line 5868, you can claim medical expenses for other dependants.

The medical expenses you can claim on line 5872 are the same as those you can claim on line 331 of your federal Schedule 1. They have to cover the **same 12-month period** ending in 2011, and must be expenses no one has claimed on a 2010 return.

The total expenses for each dependant have to be more than either **3%** of that dependant's net income (line 236 of his or her return) or **\$2,061**, whichever is **less**. The maximum amount you can claim is \$11,107 for each dependant.

Complete the calculation for line 5872 on the PROVINCIAL WORKSHEET in this book.

Line 5896 – Donations and gifts

Enter the amounts from lines 345 and 347 of your federal Schedule 9 and multiply them by the rates at lines 27 and 28 of Form ON428.

Step 2 – Ontario tax on taxable income

Enter on line 31 your taxable income from line 260 of your return. Complete the appropriate column depending on the amount entered.

Step 3 – Ontario tax

Line 40 – Ontario tax on split income

If you owe federal tax on split income at line 424 of your federal Schedule 1, complete Part 2 of Form T1206, TAX ON SPLIT INCOME, to calculate the provincial tax that applies to this income. Form T1206 also contains a special rule that applies to the amount you enter on line 428 of your return. You can find more information about tax on split income in the GENERAL INCOME TAX AND BENEFIT GUIDE.

Line 48 – Ontario additional tax for minimum tax purposes

If you have to pay federal minimum tax as calculated on Form T691, ALTERNATIVE MINIMUM TAX, you will also have to determine your Ontario additional tax for minimum tax purposes.

To do this, complete the calculation on line 48 of Form ON428. You can find more information about minimum tax in the GENERAL INCOME TAX AND BENEFIT GUIDE.

Step 4 – Ontario tax reduction

If you were a resident of Ontario on December 31, 2011, you may be able to reduce or eliminate your Ontario tax by claiming an Ontario tax reduction.

Only one person can claim the reduction for a dependent child born in 1993 or later or a dependant with a mental or physical infirmity (line 55 and line 56). If you had a spouse or common-law partner on December 31, 2011, **only the spouse or common-law partner with the higher net income** (line 236 of his or her return) can make these claims.

Note

Enter your marital status and the information about your spouse or common-law partner (including his or her net income, even if it is zero) in the "Identification" area on pages 3 and 4 [1] of your return.

You **cannot claim** the tax reduction if you were not a resident of Canada at the beginning of the year or were subject to the Ontario additional tax for minimum tax purposes at line 48.

If you are preparing a return for a person who died in 2011, you can claim the tax reduction on the deceased person's final return.

Line 55 – Reduction for dependent children born in 1993 or later

Enter beside **box 6269** the number of dependent children you have according to the definition of a dependent child on page 5 [2].

Claim \$389 for **each** dependent child.

If the child has a mental or physical infirmity, you can claim an additional \$389 for that dependant on line 56.

Line 56 – Reduction for dependants with a mental or physical infirmity

Enter beside **box 6097** the number of dependants with a mental or physical infirmity for whom you or your spouse or common-law partner claims an amount on line 5816, 5820, 5840, or 5848 of Form ON428.

You can include a spouse or common-law partner with a mental or physical infirmity if you are claiming a disability amount transferred from your spouse or common-law partner on line 3 of your

Schedule ON(S2), PROVINCIAL AMOUNTS TRANSFERRED FROM YOUR SPOUSE OR COMMON-LAW PARTNER.

You can also claim this reduction for each dependent child with a **mental or physical infirmity**, born in 1993 or later, that you claimed on line 55.

Claim \$389 for **each** of these dependants.

Step 5 – Ontario foreign tax credit

If your federal foreign tax credit on **non-business income** is less than the related tax you paid to a foreign country, you may be eligible to claim an Ontario foreign tax credit.

To claim the credit, get Form T2036, PROVINCIAL OR TERRITORIAL FOREIGN TAX CREDIT, from the CRA's Web site or by contacting us (read "For more information" on page 4 [1]).

Enter, on line 63 of Form ON428, the tax credit calculated at line 5 of Form T2036.

Supporting documents – Attach Form T2036 to your paper return. If you are filing electronically, keep all of your documents in case we ask to see them at a later date.

Step 6 – Labour sponsored investment fund (LSIF) tax credit

Lines 65 and 66 – Labour sponsored investment fund (LSIF) tax credit

You can claim the LSIF tax credit if you bought shares in an LSIF registered in Ontario.

Tax credits are based on investments made in 2011 (that were not claimed on your 2010 return) or in the first 60 days of 2012.

If an RRSP for a spouse or common-law partner became the first registered holder of the share, either the RRSP contributor or the annuitant may claim this credit for that share.

Enter in box A the total cost of the shares shown in boxes 02 and 04 of the LSIF tax credit certificate(s). The amount of credit you can claim on line 65 is 5% of that cost **or** \$375, whichever is **less**.

If, in the year of purchase, the LSIF qualifies as a research-oriented investment fund (ROIF), you can claim an additional credit of 5% of the cost of the shares. Enter in box B the total cost of ROIF eligible shares from boxes 03 and 05 of the LSIF tax credit certificate(s).

The amount of credit you can claim on line 66 is 5% of that cost **or** \$375, whichever is **less**.

The credit can be claimed on a deceased person's 2011 return if the shares were bought before the date of death.

Supporting documents – Attach the LSIF tax credit certificate(s) to your paper return. If you are filing electronically, keep all of your documents in case we ask to see them at a later date.

Step 7 – Ontario Health Premium

If you were a resident of Ontario at the end of the year, and your taxable income (line 260 of your return) is more than \$20,000, you have to pay the Ontario Health Premium (OHP). The OHP you pay is based on your taxable income.

Complete the chart on Form ON428. The OHP is part of Ontario income tax and is included in your total income tax payable for the year.

Notes

If you are preparing a return for a resident of Ontario who died in 2011, the OHP is payable on the deceased person's final return if the taxable income (line 260 of the return) is more than \$20,000.

If you were bankrupt at any time in 2011, the OHP is payable if the total of taxable incomes from all returns (pre-bankruptcy, in-bankruptcy, and post-bankruptcy) for the year January 1, 2011, to December 31, 2011, is more than \$20,000.

Form ON479, Ontario Credits

Are you filing for a deceased person?

You **can claim** the Ontario children's activity tax credit, the Ontario political contribution tax credit and the Ontario focused flow-through share tax credit on the deceased person's final return. If the deceased person was self-employed, you can claim the applicable Ontario tax credits for self-employed individuals.

Were you an international student in 2011?

If you were a visa student from another country and resided in Ontario on December 31, 2011, you may be eligible for Ontario tax credits. For more information about your residency status, please call the Canada Revenue Agency's International Tax Services Office at **1-800-267-5177** (for calls from Canada and the U.S.) or **613-952-3741** (for calls from outside Canada and the U.S.).

Were you bankrupt in 2011?

If you were bankrupt in 2011, claim your Ontario tax credits on the post-bankruptcy return you file for the tax year ending December 31,

2011. Your bankruptcy trustee may claim the Ontario tax credits for self-employed individuals if you were eligible for the credit(s) during the period when the trustee acted on your behalf.

Ontario children's activity tax credit (line 1)

You can claim the children's activity tax credit (CATC) if you were a resident of Ontario and you paid fees in 2011 that relate to the cost of registering your or your spouse's or common-law partner's child in a qualifying children's activity program. The child **must** have been born in 1995 or later or, if eligible for the disability amount, in 1993 or later. For each eligible child, you can claim the lesser of \$509 and the amount of eligible expenses paid for qualifying programs for that child.

Children with disabilities – If the child qualifies for the disability amount and is under 18 years of age at the beginning of the year, and at least \$100 was paid in 2011 for registration or membership fees for qualifying programs for that child, you can claim an **additional** \$509 for that child.

You can claim this credit provided another person has not already claimed the same fees. In addition, the total fees you and another person claim for a child cannot be more than the maximum amount that would be allowed if only one of you were claiming the credit for that child.

Note

An expense that is eligible for the CATC may also be eligible for the child care expenses deduction (line 214 of your return). If so, you **must** first claim this amount as child care expenses. You can claim any unused part for the CATC as long as the requirements are met.

Any amount that is eligible as a charitable donation or gift (lines 345 and 347 of federal Schedule 9) or that is eligible for a political contribution tax credit (line 48 of federal Schedule 1 for the federal credit and/or line 2 of Form ON479) **cannot** be claimed for the CATC.

Qualifying program

To qualify for this credit, a program **must** be either a prescribed program for the purposes of the federal children's fitness amount (line 365 of Schedule 1) or:

- a program that is not part of a school's curriculum and that is:
 - weekly with a minimum duration of eight consecutive weeks; or
 - daily with a minimum duration of five consecutive days; or
- a membership in an organization that lasts at least eight consecutive weeks and that allows children to choose from a variety of activities.

A significant amount of the activities offered in the program or by the organization **must** be supervised, be suitable for children, and involve one or more of the following:

- instruction in music, dramatic arts, visual arts, or dance;
- language instruction;
- activities that focus on wilderness and the natural environment;
- structured interaction among children where supervisors teach or help children develop interpersonal skills;
- activities that focus on helping children develop and use intellectual skills; or

- enrichment or tutoring in academic subjects.

If you have not received a receipt telling you how much you can claim for the credit, contact the program provider or organization to get a receipt detailing the eligible amount.

Reimbursement of an eligible expense – You can only claim the part of the expense for which you have not been or will not be reimbursed. However, you can claim the full amount if you include the reimbursement in your income (such as a benefit shown on a T4 slip), and you did not deduct the reimbursement anywhere else on your return.

How to claim

Enter the total amount for all your eligible children beside **box 6309**; then enter 10% of this amount on line 1.

Supporting documents – If you are filing electronically or filing a paper return, do not send any documents. Keep all your documents in case we ask to see them at a later date.

Ontario political contribution tax credit (lines 2 and 3)

You can claim this credit if you were a resident of Ontario at the end of the year and you contributed to a registered Ontario political party or constituency association, or to a candidate in an Ontario provincial election.

Only claim contributions you made during 2011. If you were bankrupt in 2011, your political contribution tax credit is based on contributions made during all of 2011.

You or your spouse or common-law partner can claim the credit, but a contribution cannot be divided between the two of you if only one receipt was issued.

How to claim

Enter your total contributions on line 2 of Form ON479 and calculate the amount to enter on line 3 as follows:

- For contributions of **\$2,821 or less**, complete the calculation for line 3 on the **PROVINCIAL WORKSHEET** in this book.

- For contributions of **more than \$2,821**, enter \$1,240 on line 3 of Form ON479.

Supporting documents – Attach all official receipts to your paper return. If you are filing electronically, keep all your documents in case we ask to see them at a later date.

Ontario focused flow-through share tax credit (line 4)

Enter beside **box 6266** the total expenses reported on line 4 of Form T1221, ONTARIO FOCUSED FLOW-THROUGH SHARE RESOURCE EXPENSES FOR 2011 AND SUBSEQUENT YEARS (INDIVIDUALS). You can get this form from the CRA's Web site or by contacting us (read "For more information" on page 4 [1]).

Supporting documents – Attach Form T1221 to your paper return along with the information slips (Slip T101, STATEMENT OF RESOURCE EXPENSES, or Slip T5013A, STATEMENT OF PARTNERSHIP INCOME FOR TAX SHELTERS AND RENOUNCED RESOURCE EXPENSES) you received from a mining exploration corporation that incurred qualifying expenses in Ontario. If you are filing electronically, keep all of your documents in case we ask to see them at a later date.

Ontario tax credits for self-employed individuals (lines 6 and 7)

The following tax credits apply to individuals operating unincorporated businesses. **Include the amount of credits you claimed for 2011 as self-employment income on your 2012 return.**

Supporting documents – If you are filing electronically or filing a paper return, do not send any documents. Keep all your documents in case we ask to see them at a later date.

Line 6 – Apprenticeship training tax credit

If you hired one or more eligible apprentices in one or more qualifying skilled trades to work at your permanent establishment located in Ontario, you may be able to claim a tax credit of up to 35% to 45% of eligible expenditures, to a maximum of \$10,000 per apprentice.

Eligible expenditures are reasonable salaries and wages you paid to an apprentice employed in a qualifying apprenticeship at a permanent establishment of yours in Ontario, or reasonable fees paid or payable

to an employment agency, for services provided by the apprentice during the first 48 months of the apprenticeship training program.

You must reduce your eligible expenditures by the amount of any government assistance you received, are entitled to receive or may reasonably expect to receive for the eligible expenditures.

Claiming the credit

If the total of the salaries and wages paid in the previous tax year was:

- \$600,000 or greater, the credit is 35% of eligible expenditures for each apprentice;
- not greater than \$400,000, the credit is 45% of eligible expenditures for each apprentice; or
- greater than \$400,000 but less than \$600,000, calculate the credit using the chart on page 41 [9].

The annual maximum credit is \$10,000 for each apprentice employed by you in a qualifying apprenticeship for the entire year. To determine the maximum annual claim for an apprentice who was employed only

part of the year, multiply \$10,000 by the number of days that you employed the apprentice, and then divide by the number of days in the year.

You can claim an apprenticeship training tax credit for each eligible apprentice up to a maximum of \$40,000 over a 48-month period.

If, in 2011, you repaid government assistance that was related to eligible expenditures for this tax credit in a prior year, the amount of assistance you repaid will qualify for the tax credit for 2011. The tax credit is equal to the amount of government assistance repaid multiplied by the tax credit rate for the year the eligible expenditure was reduced by the assistance.

Enter your claim on line 6 of Form ON479.

For more information, see Information Bulletin 4015, APPRENTICESHIP TRAINING TAX CREDIT, available at www.ontario.ca/revenue or call the Ontario Ministry of Revenue at one of the numbers listed under "For more information" on page 4 [1].

Line 7 – Co-operative education tax credit

If you hired one or more co-op students enrolled in an Ontario university or college, you may be able to claim a tax credit of up to 25% to 30% of eligible expenditures, to a maximum of \$3,000 per student per qualifying work placement.

Eligible expenditures are reasonable salaries, wages, and other remuneration paid or payable to a student in a qualifying work placement, or a reasonable fee paid or payable to an employment agency for a qualifying work placement. The student must work at a permanent establishment of yours in Ontario.

You must reduce your eligible expenditures by the amount of any government assistance you received, are entitled to receive, or may reasonably expect to receive for the eligible expenditures.

A **qualifying work placement** is generally four consecutive months ending in the tax year of employment of a student under a qualifying co-operative educational program of an eligible educational institution. The minimum employment period is 10 consecutive weeks. The maximum employment period is 16 consecutive months. The

eligible educational institution must provide you with a certificate for each qualifying work placement for each student.

Claiming the credit

For each qualifying work placement that ended in 2011, claim this credit to a maximum of \$3,000 for eligible expenditures.

If the total of the salaries and wages paid in the previous tax year was:

- \$600,000 or greater, claim 25% of eligible expenditures for the qualifying work placement;
- not greater than \$400,000, claim 30% of eligible expenditures for the qualifying work placement; or
- greater than \$400,000 but less than \$600,000, calculate your claim using the chart on page 43 [9].

If, in 2011, you repaid government assistance that was related to eligible expenditures for this tax credit in a prior year, the amount of assistance you repaid will qualify for the tax credit for 2011. The tax credit is equal to the amount of government assistance repaid

multiplied by the tax credit rate for the year the eligible expenditure was reduced by the assistance.

Enter your claim on line 7 of Form ON479.

For more information, see Information Bulletin 4014, CO-OPERATIVE EDUCATION TAX CREDIT, available at www.ontario.ca/revenue or call the Ontario Ministry of Revenue at one of the numbers listed under "For more information" on page 4 [1].

Apprenticeship training tax credit

Use this chart to calculate an apprenticeship training tax credit if the total of the salaries and wages paid in the previous tax year was greater than \$400,000 but less than \$600,000.

Reproduce the chart to do separate calculations for each qualifying apprenticeship.

1	minus the amount from line D	-	=	
(if negative, enter "0")			▶	×
				E
Multiply line B by line E		=	▶	+
				F
Add lines A and F		Credit amount		=
				G

The maximum credit for each qualifying apprentice you employed for the entire year is \$10,000. For each qualifying apprentice, enter the lesser of box G or \$10,000 on line 6 of Form ON479.

Co-operative education tax credit

Use this chart to calculate a co-operative education tax credit if the total of the salaries and wages paid in the previous tax year was greater than \$400,000 but less than \$600,000.

Reproduce the chart to do separate calculations for each qualifying work placement of each student employed.

1	minus the amount from line D	-		=		
	(if negative, enter "0")		▶		×	E
Multiply line B by line E		=		▶	+	F
Add lines A and F		Credit amount		=		G

The maximum credit is \$3,000 per student per qualifying work placement. For each qualifying work placement of each student, enter the lesser of box G or \$3,000 on line 7 of Form ON479.

Form ON-BEN, Application for the 2012 Ontario Trillium Benefit and the Ontario Senior Homeowners' Property Tax Grant

File your tax return

You (and your spouse or common-law partner) should file your 2011 return(s) by April 30, 2012, to ensure timely delivery of payments. The

information you provide on your 2011 return(s) will determine how much you will get.

Report to the Canada Revenue Agency (CRA) any changes to your status (for example, birth, marriage, separation) that happen after filing your 2011 return.

Complete Form ON-BEN

To receive the Ontario Trillium Benefit and/or the Ontario senior homeowners' property tax grant, you must apply for them by completing and attaching Form ON-BEN to your 2011 return.

Note

You are no longer required to calculate your adjusted family net income. The calculation has been removed from Form ON-BEN.

Did you have a spouse or common-law partner in 2011?

If you were married or living in a common-law relationship on December 31, 2011, the same spouse or common-law partner has to apply for the Ontario energy and property tax credit, the Northern

Ontario energy credit and the Ontario senior homeowners' property tax grant for both of you. **If only one spouse or common-law partner is 64 years of age or older** on December 31, 2011, that spouse or common-law partner has to apply for these credits and grant for both of you.

Note

Enter your marital status and the information about your spouse or common-law partner (including his or her net income, even if it is zero) in the "Identification" area on pages 3 and 4 [1] of your return.

If you and your spouse or common-law partner occupied separate principal residences for medical reasons on December 31, 2011, you can apply for the Ontario energy and property tax credit, the Northern Ontario energy credit, and the Ontario senior homeowners' property tax grant (if eligible) either individually or as a couple. If you and your spouse or common-law partner are applying individually, place a tick beside **box 6089** in Part A of Form ON-BEN and enter his or her address under "Involuntary separation" in Part C on page 7 [the back] of the form.

If you and your spouse or common-law partner were separated or divorced on December 31, 2011, you must apply separately for the payments.

Other circumstances

An individual who died on or before December 31, 2011 cannot receive these payments.

You may not be eligible for a payment if you are confined to a prison or a similar institution at the beginning of the payment month and you were there for more than 90 days.

If you were bankrupt in 2011, file your Form ON-BEN with the post-bankruptcy return you file for the tax year ending December 31, 2011. Your payments will be based on your net income for the pre- and post-bankruptcy periods.

If you completed Form RC310, ELECTION FOR SPECIAL RELIEF FOR TAX DEFERRAL ELECTION ON EMPLOYEE SECURITY OPTIONS, this may affect the calculation of your payments. Call the CRA at **1-800-959-8281** for more information.

Ontario Trillium Benefit

The Ontario Trillium Benefit (OTB) includes the Ontario sales tax credit, the Ontario energy and property tax credit, and the Northern Ontario energy credit. The payments of these three credits will be combined and delivered on a monthly basis to better align the timing of the assistance with the expenses that people face. You must apply and be eligible for at least one of these credits to receive the OTB. Refer to the information about the credits provided on this page and pages 49 to 59 [11 and 12] to find out more about eligibility requirements.

Ontario sales tax credit

The Ontario sales tax credit (OSTC) helps low- to moderate-income individuals, 19 years of age and older, and families, including single parents, with the sales tax they pay.

As of July 2012, the OSTC will be paid monthly as part of the Ontario Trillium Benefit. You must be a resident of Ontario at the beginning of a month to receive that month's payment.

To get the OSTC, you (or your spouse or common-law partner) must apply for the GST/HST credit on page 6 [1] of your (or your spouse's or common-law partner's) tax return. For more information about the OSTC, see Booklet RC4210, GST/HST CREDIT.

Tax Tip

If you will turn 19 before June 1, 2013, and otherwise qualify, you should apply for the 2012 OSTC on your 2011 return. If you are entitled, you will be issued your first payment after you turn 19.

Ontario energy and property tax credit

The Ontario energy and property tax credit (OEPTC) helps low- to moderate-income Ontario residents with the sales tax on energy and with property taxes.

As of July 2012, the OEPTC will be paid monthly as part of the Ontario Trillium Benefit. You must be a resident of Ontario at the beginning of a month to receive that month's payment.

The OEPTC has two components: an energy component and a property tax component. You should apply for the OEPTC if you are eligible for either component.

Energy component

You may be eligible for the **energy component** if:

- you were a resident of Ontario on December 31, 2011, and **one** of the following conditions applies:
 - you will be 18 years of age or older before June 1, 2013;
 - you had a spouse or common-law partner on December 31, 2011;
or
 - you live with your child at the beginning of a payment month; **and**
- for 2011, **at least one** of the following conditions applies:
 - rent or property tax for your principal residence (as defined on page 53 [this page]) was paid by or for you;
 - you lived in a public long-term care home in Ontario and an amount for accommodation was paid by or for you; or

- you lived on a reserve in Ontario and home energy costs were paid by or for you for your principal residence (as defined on page 53 [this page]) on the reserve.

Enter these amounts paid for your principal residence in Part A of Form ON-BEN.

Property tax component

You may be eligible for the **property tax component** if:

- on December 31, 2011, you were a resident of Ontario and:
 - you will be 18 years of age or older before June 1, 2013;
 - you had a spouse or common-law partner on December 31, 2011;
or
 - you live with your child at the beginning of a payment month; **and**
- for 2011, rent or property tax on a principal residence (as defined on page 53 [this page]) was paid by or for you, or you lived in a designated Ontario university, college, or private school residence.

The OEPTC is not provided automatically. To receive this credit, **you have to apply for it** by completing and attaching Form ON-BEN to your 2011 tax return. If you meet the eligibility requirements, place a tick beside **box 6118** and complete Parts A and B of Form ON-BEN.

Tax Tip

If you will turn 18 before June 1, 2013, and otherwise qualify, you should apply for the 2012 OEPTC on your 2011 return. If you are entitled, you will be issued your first payment after you turn 18.

Amounts paid for a principal residence

Enter the information in Part A of Form ON-BEN that covers the period in 2011 that you lived in your principal residence in Ontario.

A **principal residence** is a housing unit in **Ontario** that you usually occupy during the year. For example, it can be a house, apartment, condominium, hotel or motel room, mobile home, or rooming house.

If you were a homeowner, enter the property tax paid in Ontario on your principal residence in 2011 beside **box 6112**.

If you rented, enter the rent paid in Ontario on your principal residence in 2011 beside **box 6110**.

If you were a farmer, enter either the property tax paid for your principal residence and one acre of land beside **box 6112** or the rent paid for your principal residence and one acre of land beside **box 6110**.

If you owned and occupied a non-seasonal mobile or modular home, the amount to enter beside **box 6112** is the **combined** total of the property tax you paid for your home **plus** the property tax that your landlord/site owner paid for the lot you leased.

If the landlord does not provide a breakdown of the property tax paid for the lot, and you do not have an assessment for the lot from the Municipal Property Assessment Corporation, you can estimate the property tax based on the fees paid to your landlord/site owner for the lot. It would be reasonable to take 20% of the fees and add that amount to any property tax paid on the mobile home.

If you rented a non-seasonal mobile home which you did not own the amount to enter beside **box 6110** is the amount of rent paid to your landlord.

If you lived in a private long-term care home, hospital, group home, chronic care facility, or a similar institution, and the institution paid full municipal and school taxes, enter your rent beside **box 6110**.

If you lived in a public long-term care home and the institution **did not** pay full municipal and school taxes, enter your accommodation costs beside **box 6123**.

A **long-term care home** can include a nursing home or a municipal, First Nations, or charitable home for the aged.

If the institution does not break down the cost of room and board (meals, laundering or other services) on your receipt, you can claim an amount of up to 75% of your total payments as rent beside **box 6110** or accommodation costs beside **box 6123**, as applicable.

If you lived in a designated Ontario university, college, or private school residence, place a tick beside **box 6114**; you will get \$25 for

the property tax component of the OEPTC for the part of the year that you lived in that residence. If rent and/or property tax was paid by or for you for part of the year, enter the total amount paid beside **box 6110** and/or **box 6112**, as applicable. To find out if your residence is designated, contact the Ontario Ministry of Revenue by visiting www.ontario.ca/revenue or call one of the numbers listed under "For more information" on page 4 [1].

Your property tax and rent **cannot include** amounts such as:

- rent paid for a principal residence that is not subject to municipal and school tax;
- payments to relatives or friends who are not reporting the payments as rental income on their returns;
- property tax or rent paid on part of a home you used for rental or business purposes; or
- property tax or rent paid on a second residence, such as a cottage, if you claimed property tax or rent on your principal residence for the same period.

If you and your spouse or common-law partner lived together on December 31, 2011, enter the **total** rent or property tax paid during the year, including amounts paid by each spouse or common-law partner during a period of separation.

If you and your spouse or common-law partner separated during the year and lived apart on December 31, 2011, enter your share of the rent or property tax for the part of the year before the separation, **plus** your own rent or property tax after the separation.

If you shared a principal residence with one or more persons (other than your spouse or common-law partner), enter your share of the rent or property tax you paid for the year.

Supporting documents – Whether you are filing electronically or filing a paper return, keep all of your property tax or rent receipts in case we ask to see them at a later date.

To estimate the amount of OEPTC to which you may be entitled, use the calculator at **www.cra.gc.ca/benefits-calculator**.

Northern Ontario energy credit

The Northern Ontario energy credit (NOEC) helps low- to moderate-income Northern Ontario residents with the higher energy costs they face living in the north.

As of July 2012, the NOEC will be paid monthly as part of the Ontario Trillium Benefit. You must be a resident of Northern Ontario at the beginning of a month to receive that month's payment.

You may be eligible for the NOEC if:

- you were a resident of Northern Ontario on December 31, 2011, and **one** of the following conditions applies:
 - you will be 18 years of age or older before June 1, 2013;
 - you had a spouse or common-law partner on December 31, 2011;
or
 - you live with your child at the beginning of a payment month; **and**

- for 2011, **at least one** of the following conditions applies:
 - rent or property tax on your principal residence (as defined on page 53 [11]) was paid by or for you;
 - you lived in a public long-term care home in Ontario and an amount for accommodation was paid by or for you; or
 - you lived on a reserve in Ontario and home energy costs (for example, electricity, heat) were paid by or for you for your principal residence on the reserve.

Northern Ontario means the districts of Algoma, Cochrane, Kenora, Manitoulin, Nipissing, Parry Sound, Rainy River, Sudbury (including the City of Greater Sudbury), Thunder Bay, and Timiskaming.

The NOEC is not provided automatically. To receive this credit, **you have to apply for it** by completing and attaching Form ON-BEN to your 2011 tax return. If you meet the eligibility requirements, place a tick beside **box 6119** and complete Parts A and B of Form ON-BEN.

To estimate the amount of NOEC to which you may be entitled, use the calculator at **www.cra.gc.ca/benefits-calculator**.

Ontario senior homeowners' property tax grant

You can apply for the Ontario senior homeowners' property tax grant (OSHPTG) if, on December 31, 2011:

- you were 64 years of age or older; and
- you owned and occupied a principal residence in Ontario, for which you or someone on your behalf paid property tax for 2011.

The OSHPTG is not provided automatically. To receive this grant, **you have to apply for it** by completing and attaching Form ON-BEN to your 2011 tax return.

If you meet the eligibility requirements, place a tick beside **box 6113** and enter your total property tax paid for 2011 beside **box 6112**. Complete Part B on page 5 [the back] of the form.

Your grant for 2012 will be based on the information you provide on your 2011 return. You should receive it within four to eight weeks after you receive your 2011 notice of assessment.

Tax Tips

You may be eligible for both the OSHPTG and the OEPTC.

If you were eligible for the OSHPTG for 2011 but forgot to apply for it when you filed your 2010 return, it is not too late. To apply for it, you must request an adjustment to your 2010 return. For more information, read "How do you change a return?" in the GENERAL INCOME TAX AND BENEFIT GUIDE.

To estimate the amount of the OSHPTG to which you may be entitled, use the calculator at **www.cra.gc.ca/benefits-calculator**.