

Review Questions – Scenarios

Name: _____

Date: _____

You have been working at a local restaurant after school and on weekends for several months now. Until recently, you did not know you had to claim your tips when filing your income tax return. It is April, and prior to opening one Saturday morning, some of your co-workers are discussing whether or not to claim their tips on their income tax return.

What do you decide to do? Explain your decision.

You are having lunch at school with some friends on a warm day in early April. One of them mentions that she just received her income tax refund of \$125. She asks if you have filed your income tax return yet. You indicate that since you were paid in cash during your summer construction job last year you don't really need to file a tax return.

Outline some reasons as to why you might choose to file a personal income tax and benefit return. How could you personally benefit from doing so?

You have been working extremely hard at a part-time job after school. When Christmas arrives, you receive a large cash bonus for all your hard work. Your employer indicates to you that you will need to declare this amount as income when you complete your income tax return. He then winks at you, leaving you with the impression that this is "optional".

You know that it is the employer's responsibility to place this amount on your T4 slip, but when you receive your slip, the amount does not appear. However, your co-workers bonus does appear on her T4 slip and she has shared this information with you.

What are your next steps in this situation? Explain your position.
