



Kirk Polson, CFP®
CLU, CH.F.C., CEA
Investment &
Insurance Advisor



Ruth Ashton, CFP®
Investment &
Insurance Advisor

What's inside

Above & Beyond Concert:
Rock for SickKids

Tax Numbers to Remember

Here we are approaching spring, that time of year when folks are gathering figures and preparing for tax returns. Below are some important tax planning numbers to help with your preparation!

RRSP Contribution Limit:

An RRSP is still the most important tax deferral tool for most Canadians. Your maximum annual limit remains at 18% of “earned income”, for a maximum of \$25,370 for 2016. The Notice of Assessment that you receive after filing your 2015 income tax return will tell you how much contribution room you have for 2016.

If you are contributing on a monthly basis via pre-authorized chequing, you may want to contact us to increase your monthly amount in accordance with the increased annual maximum.

Tax-Free Savings Account (TFSA) Limit:

It's interesting that we voted in a government that promised to take away something we already had – the higher TFSA limit. But we guess you could say that about the after-tax income of higher-earning Canadians too. Here last year, reduced this year.

True to its' promise, the newly-elected Liberals reduced the \$10,000 annual TFSA contribution limit put in place last year by the Conservatives to \$5,500, the limit that we had in 2013 and 2014.

If you're a student of math, and have never contributed to a TFSA in the past, your available contribution room amounts to \$46,500 in 2016. That's \$5,000 each for 2009 to 2012, \$5,500 for 2013 and 2014, \$10,000 for 2015,

and back to \$5,500 for this year, 2016. You may have all or part of your unused TFSA contribution room available from previous years, but consult us if you're unsure.

Personal Tax Credits for "Active Aging Adults" — our AAA clients!

Some of these are indexed annually for inflation. Here's a short list for older clients:

Age Amount

For those of you who were 65 or older in 2015, you can claim up to \$7,033 for 2015 and \$7,125 in 2016. For 2015, the age amount is reduced by 15% of your net income over \$35,466 and eliminated at \$82,353.

Old Age Security (OAS) Recovery Tax

OAS benefits change quarterly. For Q4 in 2015, OAS was \$569.95 monthly, and for Q1 this year it's \$570.52. Also known as the dreaded OAS "clawback", the recovery "tax" is a repayment of Old Age Security benefits that comes into play when your annual net income exceeds a certain limit or threshold -- \$72,809 for 2015, and \$73,756 for 2016. It's equal to 15% of your net income in excess of \$72,809 for 2015 filing. So, if you have some flexibility in how you take income, or in "splitting" income with a spouse, staying below the threshold saves up to 45+% of your OAS.

Pension Income Amount

No change here, but remember that you can claim up to \$2,000 of eligible pension, RRIF, and annuity amounts. Specific rules apply if you're over or under age 65, or receiving one of these sources of income as the result of the death of a spouse. If you're 65 and not receiving private pension or RRIF income, perhaps it's time to convert a small amount of your RRSP to a RRIF in order to take advantage of the pension income amount.

What about me, I have kids?

For you, we have the Children's Fitness Tax Credit and the Children's Arts Tax Credit. The former allows you to claim up to 15% of a child's registration or membership fees, maximum \$1,000 for activities such as hockey or soccer. That should just about cover the cost of a pair of hockey skates for junior, but every little bit helps get them out there.

For the Children's Arts amount, line 370 of your return, you can claim a maximum \$500 of the fees paid in 2015 for a child to be registered in a program of artistic, cultural, recreational or developmental activity". CRA has video that outlines what qualifies at www.cra-arc.gc.ca/artscredit.

Other credits and benefits that are worth looking into for parents in specific situations are the Caregiver Amount, the Disability Amount, the Child Disability Benefit, and the Universal Child Care Benefit (UCCB) which will end June 30th to be replaced by the new Canada Child Care Benefit.

CRA has made it easier to file returns!

CRA recently announced changes meant to make the department more accessible, taxes simpler to prepare, and returns easier to monitor.

When the Liberal government came to power in November 2015, Prime Minister Justin Trudeau gave rookie National Revenue Minister Diane Lebouthillier the job of making it easier for Canadians



to file and understand their taxes. While at least some of these were in the works before the election, they follow the lines of LeBouthillier's mandate.

Updated notice of assessment: The new, simpler format provides the most important information about your assessment on the first page. This is part of the CRA's effort to improve its correspondence with individuals.

Auto-fill my return: This service is now available through some certified tax software. This service allows you to automatically fill in certain parts of the income tax and benefit return. To use the auto-fill my return service, you must be fully registered for My Account.

MyCRA mobile app: In October 2015, new features were added to the MyCRA mobile app such as personalized benefit payment information, enhanced tax return status, and Canada child tax benefit application status. Starting February 2016, users will also be able to update their address, manage online CRA mail, and sign up for direct deposit.

Online mail: The fast, easy and secure way to manage tax correspondence. Get statements

such as the notice of assessment online in My Account, instead of in the mail. To register, provide an email address on your income tax and benefit return or register directly online. New correspondence, such as benefits statements (summer 2016), will be added in 2016.

If you require additional information or clarification pertaining to your 2015 tax return, please contact your Polson Bourbonniere Financial advisor.

Changes to Your Online Access

HollisWealth has announced that the platform currently used to access your HollisWealth accounts online is being replaced by a more secure and robust platform, ScotiaOnline.

For those of you who are current ScotiaBank clients, access to your accounts will be included with your other Scotia products through your existing Scotia card. For those who do not have other Scotia products, you will be issued a Scotia access card in due course.

To prepare for this transition, you will be asked to provide your mother's maiden name or your Scotia access card number, when you sign in to your existing HollisWealth site. This information will then trigger the move of your information to the ScotiaOnline platform. Once that has been completed, you will receive a Welcome Package with instructions regarding activation.

The current HollisWealth online access will be decommissioned later this year.

Watch for our Budget Bulletin following the release of the Federal Budget on March 22!

Above & Beyond Concert: Rock for SickKids



On Friday, April 8, the Mod Club in Toronto will again host the Above & Beyond Concert: Rock for SickKids. Polson Bourbonniere Financial and HollisWealth are pleased to be

sponsoring this event for the second year. We are anticipating a good show of support for Ruth Ashton who will be performing with her band, Essential Soul.

Ruth became involved with the Above & Beyond Concert in 2014, teaming with a group of professionals to organize, promote and perform at the event. The annual benefit concert helps raise money and awareness for SickKids and provides a great venue for local artists, musicians, and entertainers who wish to donate their time and talents and raise their voices to make a difference.

Essential Soul won the Battle of the Bands last year, with the win based on a combination of fund-raising results and voting by attendees. We fully expect Ruth and her band to make an excellent showing again this year.

For details on how to purchase tickets or make a donation, go to the event website: www.abcforsickkids.com

Join us in wishing Ruth every success with this year's Above & Beyond: Rock for SickKids Concert!



Polson Bourbonniere Financial
HollisWealth, a division of Scotia Capital Inc.
HollisWealth Insurance Agency Ltd.

7050 Woodbine Ave., Suite 100
Markham, Ontario L3R 4G8
Main: 416.498.6181 or 905.413.7700
Fax: 905.305.0885
Toll Free: 1.800.263.0120
Website: www.worryfreeretirement.com

Ruth Ashton, CFP®
CERTIFIED FINANCIAL PLANNER®
Investment and Insurance Advisor
Direct: 905.413.7710
Email: rashton@pbfinancial.com

Paul Bourbonniere, CFP®, CLU, CH.F.C.
CERTIFIED FINANCIAL PLANNER®
Investment and Insurance Advisor
Direct: 416.498.6181
Email: pbourbonniere@pbfinancial.com

Lydia Bzowej, CFP®, EPC
CERTIFIED FINANCIAL PLANNER®
Investment and Insurance Advisor
Direct: 905.413.7703
Email: lbzowej@pbfinancial.com

Michael Derby, CIM®
Investment and Insurance Advisor
Direct: 905.413.7726
Email: mderby@pbfinancial.com

Derek Polson, CFP®
CERTIFIED FINANCIAL PLANNER®
Investment and Insurance Advisor
Direct: 905.413.7709
Email: dpolson@pbfinancial.com

Kirk Polson, CFP®, CLU, CH.F.C.
CERTIFIED FINANCIAL PLANNER®
Investment and Insurance Advisor
Direct: 416.498.6181
Email: kpolson@pbfinancial.com

Office Hours
Monday to Friday,
8:30 a.m. – 5:00 p.m.

HollisWealth is a trade name of Scotia Capital Inc. and HollisWealth Insurance Agency Ltd. HollisWealth is a division of Scotia Capital Inc., a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada. Brokerage services provided by HollisWealth are provided through Scotia Capital Inc. Insurance products provided by HollisWealth are provided through HollisWealth Insurance Agency Ltd.

Polson Bourbonniere Financial Planning Group Inc. is an independent company. Scotiabank companies have no liability for activities outside of Scotia Capital Inc., and HollisWealth Insurance Agency Ltd. This newsletter was prepared solely by Ruth Ashton, Paul Bourbonniere, Lydia Bzowej, Michael Derby, Derek Polson, and Kirk Polson, who are registered representatives of HollisWealth® (a division of Scotia Capital Inc., a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada). The views and opinions, including any recommendations, expressed in this newsletter are those of Polson Bourbonniere Financial only and not those of HollisWealth.

Polson Bourbonniere Financial is a personal trade name of Kirk Polson and Paul Bourbonniere.

® Registered trademark of The Bank of Nova Scotia, used under licence.

*HollisWealth and the Scotiabank companies do not provide income tax preparation services nor do they supervise or review other persons who may provide such services.
©2015 Polson Bourbonniere Financial*