

## Canadian Payroll Year End Checklist

### 1) Order forms and guides required for year-end filing

Jonas now includes print option for T4 forms that prints the form and the amounts (choose option F- Jonas Pre-Printed Laser Form under the Form dropdown box). **Note: This option has been revised and approved by CRA for 2009 filing year. The revised Jonas form is only available for versions 11.9 and higher. If you are on a lower version of Jonas you will either need to update or else order or download the actual forms from CRA.**

If you are downloading forms from CRA website, when the printer screen comes up ensure you set prompts to no scaling and do not auto rotate and centre.

### 2) Download Product Update from the Jonas website.

Payroll changes are normally available by the 3rd week of December. You may download either the regular product update or the payroll only update. You will need to be on at least version **11.6** in Jonas.

You do not need to wait till the end of the year to do the update, as it is date sensitive.

### 3) If necessary have employees complete new Federal and Provincial TD-1 forms (not necessary if the employee is basic)

### 4) Review employee setup (Social Insurance #'s, Date of Birth, Addresses, etc.) through F9 reports.

### 5) Double check CPP/EI calculations to avoid PIER audits

### 6) Start collecting and processing necessary payroll information before the final pay at year-end and notify appropriate staff of deadlines to submit final payment information

### 7) Make adjustments to final pay cheques & remittances

### 8) Review taxable benefits (ensure you are in compliance)

### 9) If you are reporting union dues on employee's T4, ensure you have statements signed by the union that they will not issue receipts

## New Year Preparation

- 1) Change year in Payroll Profile **before** you open your first pay period of the new year.

**Important: If you have a pay ending date in December but your cheque/payment date will be in January then this pay should be considered part of 2010 not 2009 and the tax year should be set to '10' in the Payroll Profile and when you setup the pay period.**

### Does your pay date (check date) fall on a Friday?

If so, January 01 (New Years Day) falls on a Friday this year. If you will be paying your employees on the 31<sup>st</sup> instead then ensure you process this payroll as a 2009 payroll and **not** a 2010 payroll ('Tax Year' field when you setup the Pay Period should be "09", you can also confirm payroll is set to the correct year by checking the YTD details on the pay stub).

If you pay on a weekly or biweekly basis the above situation may result in a 27<sup>th</sup> or 53<sup>rd</sup> pay period for your employees. If this was recognized at the start of the year and the # of pays in the Payroll Profile was set to 27 or 53 they you will not have any issues. However if the # of pays was not changed then the following step needs to be done when you set up that pay period: In the Setup New Pay Period screen, you need to check on flag "Do not take CPP exemption". If this flag is not checked then you may end up under-withholding CPP resulting in a PIER report.

If you will be paying employees on the Monday instead (January 04<sup>th</sup>) or if your cheque date will fall on any other day in January then the payroll should be processed as a 2010 payroll with 'Tax Year' set to "10". The Tax Year can be defaulted to "10" by going into your Payroll Profile and setting it under 'Current Tax Year'. Again to verify payroll is being processed as a 2010 payroll, double check the YTD on the pay stubs (should be same as the pay period amounts).

- 2) Determine when the first and last payrolls are for the next year and how many pays you will have that year and if necessary adjust in the Payroll Profile

3) If you are on a weekly or biweekly pay cycle and will be having 27 (biweekly) or 53 (weekly) pays in 2010, change the frequency in the Payroll Profile. This helps ensure the correct tax and CPP deductions will take place. (Be sure to advise your employees of any change.)

4) If using “CAP” amounts in your deduction or union agreements the amount must be reset.

## **FEDERAL CHANGES**

<b>Federal Changes</b>	<b>2010</b>	<b>2009</b>
EI Premium Rate	1.73%	1.73%
EI Premium Rate (Quebec only)	1.36%	1.39%
EI Maximum Insurable Earnings	43,200	42,300
Maximum Employee EI Contribution	747.36	731.79
Maximum Employee EI Contribution (QC)	587.52	587.97
CPP/QPP Premium Rate	4.95%	4.95%
CPP/QPP Maximum Pensionable Earnings	47,200	46,300
CPP Basic Annual Exemption	3500	3500
Maximum Employee CPP/QPP Contribution	2,163.15	2,118.60
Basic Exemption - Federal	10382	10375

## **PROVINCIAL CHANGES**

<b>Basic Exemption</b>	<b>2010</b>	<b>2009</b>
Newfoundland	7,833	7,788
Nova Scotia	8,231	7,981
Prince Edward Island	7,708	7,708
New Brunswick	8,777	8,605
Quebec	10,505	10,455
Ontario	8,943	8,881
Manitoba	8,134	8,134

Saskatchewan	13,348	13,269
Alberta	16,825	16,775
British Columbia	11,000	9,373
Yukon Territories	10,382	12,664
Northwest Territories	12,740	10,100
Nunavut	11,714	11,644

Note: In Jonas if you enter 0.00 as the basic exemption the system will recognize the basic exemption amounts for whatever year you are processing. If you have the current year's basic exemption entered in the exemption fields they will change to the new year's basic exemptions the first time you run Calculate Taxes and Deductions in the new year.

<b>QPIP (Quebec)</b>	<b>2010</b>	<b>2009</b>
QPIP Premium Rate Employee	0.506%	0.484%
QPIP Insurable Earnings	62,500	62,000
Maximum Employee QPIP Contribution	316.25	300.08
QPIP Premium Rate Employer	0.708%	0.677%
Maximum Employer QPIP Contribution	442.50	419.74

<b>Workers Compensation Max Assessable Earnings</b>	<b>2010</b>	<b>2009</b>
Newfoundland	51,235	50,379
Nova Scotia	*49,400	49,400
Prince Edward Island	47,500	47,500
New Brunswick	56,300	55,400
Quebec	62,500	62,000
Ontario	77,600	74,600
Manitoba	89,000	83,000
Saskatchewan	*55,000	55,000
Alberta	77,000	72,600
British Columbia	71,200	68,500
Yukon Territories	*76,842	76,842
Northwest Territories	75,200	72,100
Nunavut	75,200	72,100

\* Not known at this time, using 2009 figures for now.

Note: The maximum for Worker's comp is automatically put in when the payroll update is done. You can confirm the maximum has been updated in Jonas by going under Canadian Payroll > Files > WCB Maximum to confirm.