

### Another Receipt ?

Now that your personal tax return has been filed and your taxes fully paid (or if lucky enough the tax refund wisely spent), we generally tend not to think about taxes, or at least tax filings, until next April.

However, while doing your spring cleaning in the office or at home, you may come across a donation slip, another T5 or a medical receipt that you did not report in your 2006 personal income tax return. What to do? Can these receipts simply be included on next year's return or do we need to notify the Canada Revenue Agency (CRA) immediately? If your return needs to be amended, how should you proceed?

A donation credit can be claimed on a tax return up to five years after the date indicated on the receipt. Depending on the dollar value of the receipt, it is probably easier and less costly to simply include it on your next tax return.

You may also come across other T-slips such as T5's (investment income) or T3's (trust income) that either were received after your filing or that you simply omitted to include with your documents. Such slips, on the other hand, should be reported to the government as soon as they are found for the year to which they relate. Given that the CRA also receives a copy of all your T-slips directly from the issuers (your employer, your investment advisors, etc.) they will eventually reconcile the missing income from your return by tracking your Social Insurance Number. Notifying the CRA as soon as the slip is found can reduce the amount of interest - and even penalties for repeated incidents - due, as well as minimizing possible confusing situations with the government. Keep in mind the CRA reconciliation of tax slips to personal returns can be done over a few years.

As for medical receipts, they can only be claimed if they are part of a twelve-month period ending during the year for which a tax return is being filed. For example, on your 2007 return, you can choose to claim medical expenses incurred from March 23, 2006 to March 22, 2007.

### **BREAKFAST SEMINAR SERIES**

Our *Breakfast Seminar Series* is part of our objective to provide value-added and differentiated services to our clients and friends, and our initiative would not be successful without our treasured speakers and enthusiastic participants.

We look forward to presenting a unique and interesting program in 2007-2008 that will benefit our owner-manager and not-for-profit clientele alike.

Logan Katz wishes to extend our deepest appreciation to all our guest speakers who accepted our invitation to participate in our *2006-2007 Breakfast Seminar Series*:

Maria Sowden—TEMAS  
David Law—Emond Harnden LLP  
Charles Rotenberg—Drache LLP  
Jamie Larabie—LARA-TECH  
Grant Mellow—ActionCoach

Stanley Kershman—Perley-Robertson, Hill McDougall LLP  
Captain Bob Garrow—Pirate Leadership  
Steve Lewis—CIBC Wood Gundy Securities inc.  
Keith Taylor—KT Management Services

Depending on the dollar value and the date of the newly-found receipt, it could be included on your next tax return or it may be more beneficial to amend your 2006 return.

Amendments to a return can be done electronically or manually. The easiest way is to log on to *My Account* on the CRA website at [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca). It is also possible to prepare a T1 adjustment form and mail it to the CRA. The form is available on the agency's website in the Forms and Publications section. For larger and older adjustments, you may wish to consider filing a formal voluntary disclosure if you meet certain conditions.

If you have any questions or require assistance in the matter, please contact Logan Katz LLP.

### Canada Revenue Agency Requests

You may have the pleasure of having the CRA request certain receipts to substantiate certain amounts included in your 2006 personal tax return. If your tax return was electronically filed by either you or by a professional tax preparer, it is likely that this request is a routine verification of the integrity of information e-filed, and is not considered an audit. Such requests generally occur between June and September.

A formal CRA audit of your return would occur at any time in the future, however will most likely occur in late fall 2007 or early 2008 for 2006. Keep in mind however that the CRA can, at any time, audit your tax return for any of the three preceding years under most circumstances.

In both these situations, please contact your tax advisor if you are uncertain as to the nature of the request. Be sure to note the deadline given by the CRA to respond to their request. Missed deadlines will usually result in automatic reassessments by the CRA denying the deduction being reviewed. It may be extremely onerous to follow up on missed deadlines, which can easily occur during the summer months and during absences such as vacations.

### *This 'n That at Logan Katz ...*

Logan Katz welcomes **Deepa Gandotra** to our firm. Deepa will be joining us in July as our newest employee. She is a designated accountant in India where she acquired many years in public accounting. She has the U.S. CPA designation and is also currently enrolled in the CGA program.

When visiting Logan Katz, you will now have the pleasure of being greeted by **Katrina Kosc**. Katrina joined Logan Katz in June and is a recent graduate in English Honors from Carleton University. Katrina looks forward to meeting you and making you feel at home when you next visit us.

The partners and staff of Logan Katz wish you all a happy, relaxing, and fun-filled summer. If you are traveling, we wish you safe and unique discoveries. We look forward to slowing down the pace over the summer months, before returning to a full slate in the fall.

We will be taking a hiatus from our monthly breakfast seminars during the summer months of July and August. Stay tuned for the 2007-2008 Seminar Schedule to be released toward the end of the summer!

*Please let us know of any topics or speakers you would enjoy hearing.*

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full support.

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