

Workplace Safety and Insurance Board

Voluntary Registration Policy

According to the *Workplace Safety and Insurance Act (WSIA)*, employers who are engaged in industries that are covered on a compulsory basis are required to register with WSIB within 10 days of hiring their first worker. Employers who are not registered with the Workplace Safety and Insurance Board (WSIB), but who should be by law, may be subject to significant financial and legal penalties. In 2005 and 2006, the WSIB caught over 16,000 non-compliant employers.

Voluntary Registration is a new policy for employers who are not registered with the WSIB, but who should be registered. Under the Voluntary Registration policy, these employers are encouraged to step forward and register their business with terms that are favorable.

The policy was implemented in two stages. As of April 1, 2008, the Permanent Program is in effect:

Full Amnesty

From October 29, 2007 until March 31, 2008, there was a full amnesty for voluntary registrants, meaning no penalties for not reporting, no reconciliation interest, no retroactive premiums, and no prosecution under the *Provincial Offences Act* at the time of registration. Premium remittance began from the date of the first contact with the WSIB.

Permanent Program

Beginning April 1, 2008 and on a continuing basis, all voluntary registrants receive a partial amnesty, including no penalties, no reconciliation interest on retroactive premiums, or prosecution at the time of registration. However, premiums are retroactive to the date of first hire or January 1 of the year preceding the date of voluntary registration, whichever is later.

Important to note

The policy is **not** applicable to employers who have been identified for registration by the WSIB's various enforcement activities prior to their voluntary registration.

For details on the **Voluntary Registration policy**, see the [Policy, Fact Sheet](#), a [Question and Answer document](#), and the [Voluntary Registration brochure](#) in the "Employers" Section at www.wsib.on.ca.

Information Return of Non-Arm's Length Transactions with Non-Residents. T106 Summary and Slips —Does this Apply to Me?

The T106 Summary and Slips are annual information returns used to report non-arm's length transactions between reporting persons or partnerships and non-residents under section 233.1 of the *Income Tax Act*.

Who has to file

A **reporting person** (corporation, trust, individual) has to file T106 documentation for a tax year in respect of reportable transactions in which the reporting person and the non-arm's length non-resident person (or partnership of which that non-resident person is a member) participated in the period. The reporting person has to file the T106 documentation if the total reportable transactions for all the non-residents combined is more than CAN \$1,000,000.

Branches

A Canadian branch of a foreign-based corporation or a foreign-based branch of Canadian corporation does not have to file T106 documentation for notional transactions. However, non-arm's length transactions between a branch and a non-arm's length party have to be reported in the reporting person's/partnership's T106.

When to file

T106 documentation has to be filed on or before the following dates:

- **Corporations**—six months after the end of the tax year. If your corporation has a December 31st year end, the T106 documentation has to be filed by June 30th.
- **Partnerships**—the due date is the same as the due date for filing a partnership information return under section 229 of the *Income Tax Regulations* (March 31 after the calendar year if partners are individuals; five months after the partnership's fiscal period if all partners are corporations). If no partnership information return has to be filed, the reporting partnership's due date is the day by which the partnership information return would be required to be filed if section 229 did not apply to the reporting partnership.
- **Trusts**—90 days after the end of the tax year.

- **Individuals**—April 30 after the end of each calendar year. For individuals who are self-employed, or individuals whose spouse is self-employed, the filing due date is extended, as with their T1 individual income tax returns, to June 15 after the end of the calendar year.

What to file

Each reporting person or partnership has to file one T106 Summary, as well as a separate T106 Slip for each non-resident. The information reported in the T106 is filed in respect of the corporation, partnership, trust or individual and not by sub-division, cost centre or individual partner.

Where to file

T106 documentation has to be mailed to the Ottawa Technology Centre, Validation and Verification Division, Other Programs Unit, 875 Heron Road, Ottawa, ON K1A 1A2. The T106 has to be filed separately from the income tax return.

Penalties

- **Late Filing**—A late filing penalty, or multiple late filing penalties for more than one T106 Slip, may be assessed under subsection 162(7) of the *Income Tax Act*. The penalty is equal to the greater of \$100 and \$25 per day, as long as the failure to file continues, to a maximum of 100 days.
- **Failure to file**—A failure to file penalty may be assessed under subsection 162(10) of the *Income Tax Act* where reporting persons or partnerships knowingly, or under circumstances amounting to gross negligence, fail to file or fail to comply with a request by the Canada Revenue Agency (CRA) for T106 documentation. The minimum penalty is \$500 per month, to a maximum of \$12,000 for each failure to comply. Where the CRA has served a demand to file T106 documentation, the minimum penalty is \$1,000 per month, to a maximum of \$24,000 for each failure to comply.
- **False statement or omission**—A false statement or omission penalty may be assessed under subsection 162(2.4) of the *Income Tax Act* where information provided on the T106 Summary or Slip is incomplete or incorrect. The penalty is \$24,000.

This 'n That at Logan Katz...

The winners of the 2008 Personal Tax Prize Draw are ...

Reba Diener—\$50 gift certificate from Luciano Foods **Barry Fewer**—\$250 gift certificate from Bija Bijoux

Fred Lorenz—\$50 gift certificate from Luciano Foods **Kathy Simonsen**—\$50 gift certificate from Subway

Barbara Martin—\$750 gift certificate from Canadian Tire

Congratulations to all!

Questions or
comments?
Email us at
office@logankatz.com
or call 613-228-8282
ext 0.