

Practice with case studies

Students

Student with a scholarship transferring tuition fees to a parent who is not present

Pre-test question

Select **True** or **False**

The maximum amount of tuition fees a student may transfer federally is \$10,000.

True

Sorry, that is incorrect

The maximum amount of tuition fees a student may transfer federally is \$5,000.

False

That is correct

The maximum amount of tuition fees a student may transfer federally is \$5,000.

Instructions

1. Open the tax software
2. Review the **Background information** and **Required slips** (tax slips, receipts, etc.)
3. Provide all required information for the appropriate sections of the tax software
4. Once completed, compare your results with the solution provided
5. Afterwards, refer to the **Takeaway points**

Background information

Situation

Elise achieved high grades in the previous school year so the University of Canada awarded her a \$6,000 scholarship and issued her a T4A slip. She also started working for the university's bookstore part time and was issued a T4 slip. Elise wants to transfer any unused tuition amounts to her father.

Elise does not have a Canada training credit limit (CTLC) or any unused tuition amounts from prior years on her 2022 notice of assessment (NOA).

Identification information

Name	Elise Morello
Social insurance number (SIN)	000 000 000
Address	123 Main Street City, Province X0X 0X0
Date of birth	August 17, 1998
Marital status	Single

Required slips

T4 – Statement of Remuneration Paid (University Bookstore)


Employer's name – Nom de l'employeur University Bookstore		Canada Revenue Agency / Agence du revenu du Canada		T4 Statement of Remuneration Paid État de la rémunération payée	
Year / Année: <input type="text"/>		Employment income / Revenus d'emploi: 14 <input type="text" value="6,288.19"/>		Income tax deducted / Impôt sur le revenu retenu: 22 <input type="text" value="554.23"/>	
54 Employer's account number / Numéro de compte de l'employeur: <input type="text"/>		Province of employment / Province d'emploi: 10 <input type="text"/>		Employee's CPP contributions – see over / Cotisations de l'employé au RPC – voir au verso: 16 <input type="text" value="62.84"/>	
Social insurance number / Numéro d'assurance sociale: 12 <input type="text" value="000 000 000"/>		Exempt – Exemption: 28 <input type="text"/> (CPP/QPP), 29 <input type="text"/> (EI), 30 <input type="text"/> (PPIP), 31 <input type="text"/> (RPC/RRQ), 32 <input type="text"/> (AE), 33 <input type="text"/> (RPAP)		EI insurable earnings / Gains assurables d'AE: 24 <input type="text" value="6,288.19"/>	
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres majuscules): MORELLO First name – Prénom: ELISE Initial – Initiale: <input type="text"/>		Employment code / Code d'emploi: 29 <input type="text"/>		Employee's QPP contributions – see over / Cotisations de l'employé au RRQ – voir au verso: 17 <input type="text"/>	
123 Main Street City, Province X0X 0X0		Employee's EI premiums / Cotisations de l'employé à l'AE: 18 <input type="text" value="88.87"/>		CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ: 26 <input type="text" value="6,288.19"/>	
		RPP contributions / Cotisations à un RPA: 20 <input type="text"/>		Union dues / Cotisations syndicales: 44 <input type="text"/>	
		Pension adjustment / Facteur d'équivalence: 52 <input type="text"/>		Charitable donations / Dons de bienfaisance: 46 <input type="text"/>	
		Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso: 55 <input type="text"/>		RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB: 50 <input type="text"/>	
				PPIP insurable earnings / Gains assurables du RPAP: 56 <input type="text"/>	
Other information (see over) / Autres renseignements (voir au verso)		Box – Case: <input type="text"/>		Amount – Montant: <input type="text"/>	
		Box – Case: <input type="text"/>		Amount – Montant: <input type="text"/>	
		Box – Case: <input type="text"/>		Amount – Montant: <input type="text"/>	
		Box – Case: <input type="text"/>		Amount – Montant: <input type="text"/>	

T4A – Statement of Pension, Retirement, Annuity, and Other Income (University of Canada)


Payer's name – Nom du payeur University of Canada		Canada Revenue Agency / Agence du revenu du Canada	T4A Statement of Pension, Retirement, Annuity, and Other Income État du revenu de pension, de retraite, de rente ou d'autres sources
Year / Année: <input style="width: 50px;" type="text"/>		Pension or superannuation – line 11500 / Prestations de retraite ou autres pensions – ligne 11500: <input style="width: 50px;" type="text"/>	
Payer's program account number / Numéro de compte de programme du payeur: <input style="width: 100%;" type="text"/>		Income tax deducted – line 43700 / Impôt sur le revenu retenu – ligne 43700: <input style="width: 50px;" type="text"/>	
Social insurance number / Numéro d'assurance sociale: <input style="width: 100%;" type="text"/>	Recipient's program account number / Numéro de compte de programme du bénéficiaire: <input style="width: 100%;" type="text"/>	Lump-sum payments – line 13000 / Paiements forfaitaires – ligne 13000: <input style="width: 50px;" type="text"/>	Self-employed commissions / Commissions d'un travail indépendant: <input style="width: 50px;" type="text"/>
012 <input style="width: 100%;" type="text"/>	013 <input style="width: 100%;" type="text"/>	018 <input style="width: 100%;" type="text"/>	020 <input style="width: 100%;" type="text"/>
Recipient's name and address – Nom et adresse du bénéficiaire Last name (print) – Nom de famille (en lettres moulées): <input style="width: 150px;" type="text"/> First name – Prénom: <input style="width: 100px;" type="text"/> Initials – Initiales: <input style="width: 100px;" type="text"/>		Annuities / Rentes: <input style="width: 50px;" type="text"/>	
123 Main Street City, Province X0X 0X0		Fees for services / Honoraires ou autres sommes pour services rendus: <input style="width: 50px;" type="text"/>	
024 <input style="width: 100%;" type="text"/>		048 <input style="width: 100%;" type="text"/>	
Other information (see page 2) / Autres renseignements (voir à la page 2)			
Box – Case: <input style="width: 30px;" type="text"/>	Amount – Montant: <input style="width: 100px;" type="text"/>	Box – Case: <input style="width: 30px;" type="text"/>	Amount – Montant: <input style="width: 100px;" type="text"/>
105	6,000.00	<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>
<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>	<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>
<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>	<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>
<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>	<input style="width: 30px;" type="text"/>	<input style="width: 100px;" type="text"/>

T4A (21) Protected B when completed / Protégé B une fois rempli.

T2202 – Tuition and Enrolment Certificate (University of Canada)

 Canada Revenue Agency / Agence du revenu du Canada		Protected B when completed Protégé B une fois rempli For student / Pour étudiant 2 Year / Année <input type="text"/>	
Tuition and Enrolment Certificate Certificat pour frais de scolarité et d'inscription			
Name and address of designated educational institution Nom et adresse de l'établissement d'enseignement University of Canada 1000 College Drive City, Province X0X 0X0		11 School type Catégorie d'école	12 Flying school or club École ou club de pilotage
		14 Student number Numéro d'étudiant 123456789	15 Filer Account Number Numéro de compte du déclarant R Z
13 Name of program or course Nom du programme ou du cours University Program	19 Session periods Périodes d'études	20 From De YY/MM AA/MM	21 To À YY/MM AA/MM
Student Name Nom de l'étudiant Elise Morello	21 Number of months part-time Nombre de mois à temps partiel	22 Number of months full-time Nombre de mois à temps plein	23 Eligible tuition fees, part-time and full-time Frais de scolarité admissibles pour études à temps partiel et à temps plein
Student address Adresse de l'étudiant 123 Main Street City, Province X0X 0X0	1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0	24 Totals / Totaux	25 8 26 \$9,690.00
Information for students: See the back of Certificate 1. If you want to transfer all or part of your tuition amount, complete the back of Certificate 2. Renseignements pour les étudiants : Lisez le verso du certificat 1. Si vous désirez transférer une partie ou la totalité de vos frais de scolarité, remplissez le verso du certificat 2.			
17 Social insurance number (SIN) Numéro d'assurance sociale (NAS) 0 0 0 0 0 0 0 0 0 0			

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 Consultez l'avis de confidentialité à la page suivante.

T2202 (21) 

Takeaway points

Steps to follow

1. Review their background information and required slips
2. In **Interview setup**, tick the boxes next to:
 - **Employment income and employment insurance benefits (T4, T4E/RL-6)** in the **Employment and other benefits** section
 - **Pension income, other income and split pension income, COVID-19 benefits (T4A, T4FHSA, T4A(OAS), T4A(P), T4A-RCA, T4RSP, T4RIF, T1032)** in the **Pension and other income** section
 - **Tuition, education, textbooks, student loans, and Canada training credit** in the **Student** section

3. Click **T4 and employment income** in the left side menu and click the + sign next to **T4 income (earned from any province except Quebec)** to enter the information from Elise's T4 slip
4. Click **T4A, T4FHSA and pension income** in the left side menu, then click the + sign next to **T4A – Pension, retirement, annuity, and other income (COVID-19 benefits)** and select **[105] Scholarships, bursaries, fellowship** from the **OTHER INFORMATION (COVID-19 benefits)** drop-down menu to enter the amount from Elise's T4A slip in the field next to it
5. Click **Tuition, education, student loans** in the left side menu and click the + sign next to **T2202 Tuition and enrolment certificate* (TL11A/TL11C/TL11D) (line 32300)**
6. Under the **Current year tuition amount** heading, enter the amounts from Elise's T2202, Tuition and Enrolment certificate
7. Under the **Transfer of current year unused amounts** heading, select **Transfer to parent not processed** from the **Treatment of current year unused tuition amount – federal** drop-down menu and leave the **Portion of unused amount to transfer federally (max. \$5,000)** field blank

Although Elise's full-time student status makes her scholarship fully tax exempt, she still needs to report her scholarship income.

Since the field **Portion of unused amount to transfer federally (max. \$5,000)** was left blank, the software automatically calculates the maximum amount of tuition fees to transfer to her father on schedule 11, line 24.

If an individual does not want to transfer the maximum amount, they must provide you with the exact amount they want to transfer.

For more information, refer to [UFile instructions](#).

Review your results

Federal	
Elise Morello	
◆ Total income	
10100 Employment income	\$6,288.19
15000 Total income	\$6,288.19
◆ Net income	
22215 Deduction for CPP and QPP enhanced contributions	\$10.56
23600 Net income	\$6,277.63
◆ Taxable income	
26000 Taxable income	\$6,277.63
◆ Non refundable tax credits	
30000 Basic personal amount	\$15,000.00
30800 CPP or QPP contributions through employment	\$52.28
31200 Employment Insurance premiums through employment	\$88.87
31260 Canada employment amount	\$1,368.00
33500 Total	\$16,509.15
33800 Total @ 15%	\$2,476.37
35000 Non refundable tax credits	\$2,476.37
◆ Refund or balance owing	
42900 Basic federal tax	\$0.00
40500 Federal foreign tax credit (T2209)	\$0.00
40600 Federal tax	\$0.00
42000 Net federal tax	\$0.00
42800 Provincial or territorial tax	\$0.00
43500 Total payable	\$0.00
43700 Total income tax deducted	\$554.23
◆ Payments and credits	
48200 Total credits	\$554.23
48400 Refund	\$554.23