

Practice with case studies

Newcomers

Newcomer with work permit and spouse living abroad

Pre-test questions

Question One

Select True or False

A newcomer who provides financial support to their non-resident spouse may be eligible to claim a spousal amount on their tax return.

True

That's correct

If newcomers provide financial support to their non-resident spouse, they may be eligible to claim a spousal amount on their tax return. The individual must keep all supporting documentation or receipts to prove the non-resident spouse depends on them for support.

False

Sorry, that's incorrect

If newcomers provide financial support to their non-resident spouse, they may be eligible to claim a spousal amount on their tax return. The individual must keep all supporting documentation or receipts to prove the non-resident spouse depends on them for support.

Question Two

Select True or False

If a newcomer's spouse or common-law partner is living abroad and they are separated for reasons other than a breakdown in their relationship, the newcomer's marital status is considered to be single.

True

Sorry, that's incorrect

If a newcomer's spouse or common-law partner is living abroad and they are separated for reasons other than a breakdown in their relationship, you must still report a marital status of either married or common-law on their tax return.

False

That's correct

If a newcomer's spouse or common-law partner is living abroad and they are separated for reasons other than a breakdown in their relationship, you must still report a marital status of either married or common-law on their tax return.

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

Martin immigrated to Canada from France on February 1, 2023, and is not a Canadian citizen but has a work permit. After his arrival he worked two jobs. Martin's world income outside of Canada in 2023 was \$5,000 CAN, which he earned as an employee at a market in France. Martin's wife, Simonne, still lives in France. Simonne's net income in 2023 was \$2,800 CAN, which she earned as an employee in a grocery store. Martin and Simonne do not own any foreign property.

Identification information

Name	Martin Dubois
Social insurance number (SIN)	000 000 000
Address	123 Main Street City, Province X0X 0X0
Date of birth (DOB)	October 30, 1985
Marital status	Married to: Simonne Dubois on July 18, 2009 No SIN DOB: April 5, 1988

Required slips

T4 – Statement of Remuneration Paid (Pete's Market) (for Martin)

Employer's name – Nom de l'employeur Pete's Market		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="6,600.00"/>		Income tax deducted / Impôt sur le revenu retenu: 22 <input type="text" value="1,215.00"/>	
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="202.00"/>	
Social insurance number / Numéro d'assurance sociale: 12 <input type="text" value="000 000 000"/>		Exempt – Exemption: 28 <input type="text"/> (CPP/QPP) EI PPIP RPC/RRQ AE RPAP		EI insurable earnings / Gains assurables d'AE: 24 <input type="text" value="6,600.00"/>	
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres moulées): DUBOIS First name – Prénom: MARTIN Address: 123 Main Street, City, Province X0X 0X0		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"/>	
		Employee's EI premiums / Cotisations de l'employé à l'AE: 18 <input type="text" value="115.00"/>		Union dues / Cotisations syndicales: 44 <input type="text"/>	
		RPP contributions / Cotisations à un RPA: 20 <input type="text"/>		Charitable donations / Dons de bienfaisance: 46 <input type="text"/>	
		Pension adjustment / Facteur d'équivalence: 52 <input type="text"/>		RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB: 50 <input type="text"/>	
		Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso: 55 <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"/>

Protected B when completed / Protégé B une fois rempli

T4 (21)

T4 – Statement of Remuneration Paid (Janitor's Inc.) (for Martin)

Employer's name – Nom de l'employeur Janitor's Inc.		Canada Revenue Agency / Agence du revenu du Canada	T4 Statement of Remuneration Paid / Etat de la rémunération payée		
Year / Année		14	Employment income / Revenus d'emploi 4,300.00	22	Income tax deducted / Impôt sur le revenu retenu 850.00
54	Employer's account number / Numéro de compte de l'employeur	10	Province of employment / Province d'emploi	16	Employee's CPP contributions – see over / Cotisations de l'employé au RPC – voir au verso 125.00
12	Social insurance number / Numéro d'assurance sociale 000 000 000	28	Exempt – Exemption / CPP/QPP EI PPIP / RPC/RRQ AE RPAP	24	EI insurable earnings / Gains assurables d'AE 4,300.00
Employee's name and address – Nom et adresse de l'employé Last name (in capital letters) – Nom de famille (en lettres majuscules) / First name – Prénom / Initial – Initiale DUBOIS / MARTIN 123 Main Street / City, Province X0X 0X0		29	Employment code / Code d'emploi	17	Employee's QPP contributions – see over / Cotisations de l'employé au RRQ – voir au verso
		18	Employee's EI premiums / Cotisations de l'employé à l'AE 55.00	26	CPP/QPP pensionable earnings / Gains ouvrant droit à pension – RPC/RRQ 4,300.00
		20	RPP contributions / Cotisations à un RPA	44	Union dues / Cotisations syndicales
		52	Pension adjustment / Facteur d'équivalence	46	Charitable donations / Dons de bienfaisance
		55	Employee's PPIP premiums – see over / Cotisations de l'employé au RPAP – voir au verso	50	RPP or DPSP registration number / N° d'agrément d'un RPA ou d'un RPDB
		56	PPIP insurable earnings / Gains assurables du RPAP		
Other information (see over)		Box – Case	Amount – Montant	Box – Case	Amount – Montant
Autres renseignements (voir au verso)		Box – Case	Amount – Montant	Box – Case	Amount – Montant

Takeaway points

Steps to follow

1. Review their background information and required slips
2. In Spouse interview type, select **Net income only** from the **What information will you provide for your spouse?** drop-down menu
3. In Spouse – basic information, enter **\$2,800** into the **Net federal income of your spouse (line 23600 of his or her return)** OR **net world income in Canadian dollars**, if your spouse is a non-resident of Canada field and select **No** from the **Did your spouse receive universal child care benefits in 2023?** drop-down menu
4. In CRA questions, select **Yes** from the **Are you filing an income tax return with the CRA for the very first time?** drop-down menu and **No** from the **Do you have Canadian citizenship?** drop-down menu

5. In **Interview setup**, tick the boxes next to:
 - **Immigrant, emigrant, non-resident taxpayer, you are a Canadian resident and your spouse immigrated to Canada in the year in the Specific situations section**
 - **Employment income and employment insurance benefits (T4, T4E/RL-6) in the Employment and other benefits section**
6. On the **Immigrant, emigrant or non-resident** page, click the + sign next to **You immigrated to Canada in 2023** to enter Martin's **Date of entry**
7. Under the **Canadian sourced income (excluding Part XIII income) earned when you were not a resident of Canada** heading, select **Income from employment in Canada** from the **Source of income** drop-down menu and enter the amount of **\$0.00** into the next field
8. Under the **Canadian source Part XIII income PLUS foreign sourced income earned when you were not a resident of Canada** heading, enter **France** into the **Name of country** field, select **Net employment income** from the **Source of income** drop-down menu, and enter the amount of **\$5,000** into the next field

Since Simonne still lives in France, she does not need to complete a Canadian tax return so only her net income is needed on Martin's tax return.

Income earned prior to immigration is not reported in the solution because it is only used to calculate benefit and credit eligibility.

Martin's basic personal amount and spouse or common-law partner amount are reduced. These amounts are prorated by the tax software based on the amount of time he has been in Canada.

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

Review your results

Federal		Martin Dubois
◆ Total income		
10100 Employment income		\$10,900.00
15000 Total income		\$10,900.00
◆ Net income		
22215 Deduction for CPP and QPP enhanced contributions		\$54.96
23600 Net income		\$10,845.04
◆ Taxable income		
26000 Taxable income		\$10,845.04
◆ Non refundable tax credits		
30000 Basic personal amount		\$13,726.03
30300 Spouse or common-law partner amount		\$10,926.03
30800 CPP or QPP contributions through employment		\$272.04
31200 Employment Insurance premiums through employment		\$170.00
31260 Canada employment amount		\$1,368.00
33500 Total		\$26,462.10
33800 Total @ 15%		\$3,969.32
35000 Non refundable tax credits		\$3,969.32
◆ 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		\$2,065.00
◆ Payments and credits		
48200 Total credits		\$2,065.00
48400 Refund		\$2,065.00