



Bean Counters' Quarterly

March 2021



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GREETINGS! WELCOME TO THE MARCH 2021 ISSUE!

Welcome to the SPRING edition of our enewsletter.

I think it's safe to say that we are ALL looking forward to **Spring weather**, perhaps more outdoor time, and dreams of summer (or is that dreams of Covid vaccinations and summer...). This issue has a particular tax focus with new tax changes, deadline for getting your tax info to us (**APRIL 9th** but we'll mention it again), tax filing deadline, tax payments deadlines, etc.

In our Dialogue section, we've asked Steve (keeping everyone else very busy) to reply to our question asking about **what do you think have been some positive changes, and perhaps things that may continue to have a positive influence or impact even past the pandemic?**

With Covid still affecting many people (adults, children, families) with unemployment, food insecurity, and housing issues, we've once again highlighted two of our local organizations in the **Spotlight section** who need donations, resources, and/or volunteers. We continue to promote these two as they serve a wide variety of needs, they're local to us, and the need continues each time we promote it and they remain committed to help.

Our quarterly book recommendation is **VALUE(S): Building A Better World For All** by Mark Carney. Yes, *that* Mark Carney, former Governor of Bank of Canada (2008-2013) and Governor of Bank of England (2013-2020) plus a few other key roles. Don't let the 608 pages deter you from this newly released, interesting read.

The last portion of our enewsletter is always our **About Us** section. Reading between the lines, I think we see 'mostly tax season' and 'still Covid', but also...'depends on what Covid has in store for us with availability of vaccines'. Once you get to Derek's section, he has provided a link to quite a creative and funny **YouTube** that he made with his daughter, which you should definitely check out.

I'd like to wish everyone a **very special Easter holiday** (and any other holidays you might be celebrating)! One of the themes we like to focus on in many of our communications is that of HOPE, so what better time to wish you a season full of hope going forward.

With Hope and Gratitude,
Steve Kirkham



Dialogue Department

*Here's our question/topic for this issue:
"It's been one year since the pandemic really affected us in Canada, with ensuing lockdowns, and pandemic protocols. Sometimes it feels like it started last week, and other times like several years ago... So much has changed in our individual lives and our businesses. We've learned a lot and adapted in so many ways, and we're definitely still adapting as the pandemic continues and vaccines are introduced. Some areas have been incredibly difficult, but what do you think have been some positive changes, and perhaps things that may continue to have a positive influence or impact even past the pandemic?"*



Taxes for 2020 - What's New

Two changes that affect many Canadians this year are related to taxable Covid-19 benefits received and WFH (Work-from-home) deductions.

Covid-19 benefits received are taxable. This might be unexpected, though there was a lot of communication and debate sparked on the issue. However, receiving a benefit because it's available and you need it, might still cause concern when it's time to pay tax on it. This is the reasoning for the government implementing a one year extension on taxes owing, to April 30, 2022, if you received a Covid-19 benefit and filed a 2020 return with a taxable income of \$75,000 or less. (see deadlines below)

Our reply for this quarter is from:

STEVE KIRKHAM:

"I, like most I am sure, can not believe that we are still dealing with a very different way of life one full year after it all began. It does make you think about the concept of "normal" and depending on what yours was, whether it will actually return to its pre-Covid days. There will definitely be a return to normalcy, but I imagine that it will be a new normal. Focusing on the positives and what do I think the good will be that comes from this...it truly depends on everyone's unique perspectives. One thing I have said thru this is that we only really see what is happening directly in our lives, and what **we** can/cannot do, but that is just human nature. When I start thinking about how I have been affected, I need only think about the local restaurant, the athlete that trained all of his life for the Olympics, or the individuals that could not be with their loved ones as they passed away, to realize that my life has not really been affected to any great extent. Some positives that will hopefully come from all this – better awareness of our surroundings in terms of hygiene and hopefully keeping even the common illnesses at bay, more appreciation of friends and family and making the most of time that can actually be spent together, and maybe the realization that bigger is not always better, focus on the important things in life (and again, that will differ for each and everyone of us). **Let's keep our heads up, dreams alive, and look forward to the new normal!"**

Work-from-home (WFH) is a one-time deduction available for 2020 tax year. The government has recognized there are some costs associated with setting up a working area at home (regardless of whether this is a dedicated office room or a corner of your bedroom or living room or the kitchen table). To qualify, you must have worked from home more than 50% of the time for at least 4 *consecutive* weeks during 2020.

To claim a deduction, there are two options available.

The first is the easiest and the method that will likely be optimal for most people - **the flat rate method**. It's a temporary method introduced by CRA so that an employee who was allowed WFH can simply claim \$2 per day for each day worked from home, to a maximum of \$400.

The other method is - **the detailed method**. *You MUST attach a T2200 form* from your employer to use this method. This involves calculating what percentage of your household costs can be used to deduct as 'home office space'. In order to calculate the percentage, you need to calculate the actual square footage used versus entire household space, calculate eligible costs such as utilities, internet, rent, and you must keep receipts. Also note, that percentage of any rent paid can be used as an eligible cost, but not mortgage or capital improvement costs (i.e. new furnace, new floors, etc.).

Keep in mind, not only will this take extra effort on your part, but also on ours in the preparation of your return and therefore additional fees may be incurred for time spent.

Here's What I Have To Say - (send reply to) steve@kirkhamca.ca



SPOTLIGHT

KIRKHAM Chartered Accountants:
This pandemic has affected everyone, but it has not affected everyone equally. Many in our community have been extremely affected by loss of income, business, and/or resources. The impacts are most certainly financial, but also contribute to physical/mental health risk and harm. Many don't qualify for the government programs that have been available or have exhausted the programs or services. In light of this, we'd like to use this space in our enewsletter to highlight a local option (local to us in the Oakville area) where they really need help with donations, resources, and/or volunteering.

Salvation Army - Oakville

The Salvation Army is one of the world's largest social services agencies, outside of government and those sponsored by the United Nations. It has grown to be so large because of its commitment to work with disadvantaged people and those discarded by society to

If you are eligible for the deduction, we have a **checklist template** for you to request and complete (choosing which method you prefer and providing the information required). Please contact the office if you require a copy.



Taxes For 2020 - Filing Dates and Deadlines

Deadline to have your tax information into our office:

APRIL 9th, 2021

Via our online Portal, or drop off inside the office door.

Deadline to file return with

CRA (Canada Revenue Agency):

APRIL 30th, 2021 (individual T1 return) or **JUNE 15th, 2021** (if self-employed)

NOTE: CRA has NOT provided an extension at this time.

Deadline to pay taxes owing (to avoid interest charges):

APRIL 30th, 2021 (if you did NOT receive Covid-19 related benefits);

Interest relief for 2020 income taxes will be provided by CRA - up to **APRIL 30th, 2022**, if you meet the following eligibility criteria:

improve their lives and to offer them hope of a better future. The Salvation Army helps one person at a time, believing that each person is infinitely valuable and equally worthy.

Salvation Army

SafetyNet - Child and Youth Charities

Helping people is what we do. We rely on community donations to provide free items and services to financially disadvantaged families. If your family is suffering financial hardship, feel free to contact Safetynet for a needs assessment. A needs assessment is where families are invited to sit down with one of our volunteers to develop a plan to best service the entire family.

Services include: clothing, furniture and kitchen items, bicycles, tutoring, and music programs.

Donations needed include clothing, furniture and kitchen items, bicycles, diapers, as well as financial donations. Volunteer opportunities available.

SafetyNet

- claim total taxable income of \$75,000 or less

AND received one or more of the following Covid-19 benefits listed below:

- Canada emergency response benefit (CERB)
- Canada emergency student benefit (CESB)
- Canada recovery benefit (CRB)
- Canada recovery caregiving benefit (CRCB)
- Canada recovery sickness benefit (CRSB)
- Employment Insurance benefits
- Similar provincial emergency benefits

AND

- filed your 2020 income tax return

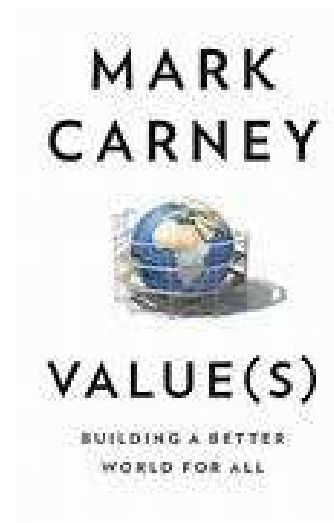
Covid-19 taxes and interest relief

Recommended Reading:

VALUE(S): Building A Better World For All by Mark Carney

A bold and urgent argument by economist and former bank governor Mark Carney on the radical, foundational change that is required if we are to build an economy and society based not on market values but on human values.

Our world is full of fault lines--growing inequality in income and opportunity;



systemic racism; health and economic crises from a global pandemic; mistrust of experts; the existential threat of climate change; deep threats to employment in a digital economy with robotics on the rise. These fundamental problems and others like them, argues Mark Carney, stem from a common crisis in values. Drawing on the turmoil of the past decade, Mark Carney shows how "market economies" have evolved into "market societies" where price determines the value of everything.

When we think about what we, as individuals, value most highly, we might list fairness, health, the protection of our rights, economic security from poverty, the preservation of natural diversity, resources, and beauty. The tragedy is, these things that we hold dearest are too often the casualties of our twenty-first century world, where they ought to be our bedrock.

In this profoundly important new book, Mark Carney offers a vision of a more humane society and a practical manifesto for getting there. How we reform our infrastructure to make things better and fairer is at the heart of every chapter, with outlines of wholly new ideas that can restructure society and enshrine our human values at the core of all that we build for our children and grandchildren.

**VALUE(S): Building A Better World
For All by Mark Carney**

ABOUT US



We'll use this pic representing our team of 6, saying THANKS to all of you for reading, until we can get a new photo that includes Andrea with all of us!

Sherry says there is not much happening here. She has been on more video messaging and zoom calls than ever this year. Her Dad especially loves the video calling as he can see her when they talk. He's in Alberta so that makes it extra special. Everyone in her life is healthy and happy so far. The skin on her fingers are cracking from all the hand washing but she says it's a small price to pay for safety. Hopefully she will have more exciting news for the next report. In the meantime, she says taxes are calling.

Andrea says this past winter has been fairly enjoyable for her, given the nature of the world these days. She spent a lot of time hiking outdoors with her dog and family, and even got in some skiing once the hills opened up. She looks forward to the warmer weather and spring (her favourite season)!

Andre says that during the long, second round of lockdown in Toronto, his life went back to sleeping-working- browsing-hand-held device mode. In his spare time, he was interested in learning recipes to make new salads.... He has been away from the office all of the last year and really hopes that things can be back to normal as vaccination programs progress in the city and things are gradually warming up. He wanted have the chance to see Linda and say thanks and wish her good days ahead in retirement, and for her help in the office all those years that they were on the same team. Also he looks forward to meeting Andrea, in person, to express his warm welcome to her.

Ana says OMG! Her mother turned 100 in January. They were able to visit her and have a quiet celebration. Both, she and her husband, celebrated milestone birthdays. He is not taking it well, but Ana couldn't care less about it. Steve had a "celebration lunch" for her and Sherry, as their birthdays are a week apart. Other than aging/birthdays nothing exciting is happening. She is just gearing up for tax season & looking forward to May and warm weather staying.

Derek says it's all about change, change, change. As we get older it seems more difficult. This past year we've all been forced into a change we weren't expecting. It's tough, but he's been doing his best to embrace the change. In January he changed real estate brokerages to be part of Laura's team selling waterfront in Muskoka. Laura has been working on her online presentation skills using Zoom for client meetings and preparing YouTube videos on market updates. Paige's class has been forced into self-

isolation by Toronto Public Health several times this past few months but she's used her extra time off to work on her acting career.

Check out her most recent video here: **[Canpar Delivery - YouTube.](#)**

Steve says it was a pretty quiet (and quick) 3 months for the Kirkham clan. Christmas, although a distant memory now, was enjoyed quietly with just the 5 of them Xmas eve games and appetizers was a good time around the table. One of Steve's sisters dropped off a basket full of wrapped (fun) gifts with instructions on a "steal a gift" game that was lots of fun to pass time. NY Eve was similar with a hot tub at midnight for 4 of them in the backyard (one of the children had to sneak out with friends....). Erin is back out in BC now awaiting her tree planting job which she hopes will begin in April. Justin is still living in Waterloo, having graduated, and now doing some part-time remote jobs while contemplating grad school. Gavin is finishing up grade 12 from home, waiting for University acceptances before making the big decisions for next year. Sherry is getting in a lot of walks (and thankful for the warmer days) while she dreams about her 3rd Camino once all the mayhem has subsided. Steve, as mentioned before, is lucky that office life has remained fairly normal and allows him to continue with a bit of routine. All are looking forward to summer, although still unknown to what it will bring, some time at the lake is definitely in the plans.

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