

Release Notes

Cantax T1

Versions 24.3.3xx.110

March 2025

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About this version

This version allows you to EFILE or paper file all types of T1 returns, including capital gains or losses. However, the following forms cannot be filed, as we are still awaiting certification from the CRA:

- Forms relating to multiple jurisdictions; and
- Forms relating to emigrants and non-residents.

End of Phone Support: Benefit from our Advanced Virtual Agent 24/7!

Since July 22, 2024, Wolters Kluwer Canada provides customer support for *Cantax* exclusively through web tickets and chats on the Support Platform. This transition is part of Wolters Kluwer Canada's ongoing investment in digital strategy and customer experience. The Support Platform is designed to ensure customers can quickly access helpful information whenever needed.

All customers must be registered on the Support Platform in order to submit, modify, and track their support cases. You can register for the Support Platform by consulting [Register for our Support Platform](#).

For more details about the web ticketing system and best practices, watch the following “How to” videos:

- [How to Register for the Support Platform to Begin](#)
- [How to Open a Support Case](#)
- [How to Manage Your Support Cases](#)
- [How to Reset Your Support Platform Password](#)

Try our Knowledge Base!

Consult our Knowledge Base to quickly find the information you need!

Our [Knowledge Base](#) contains an array of articles answering technical and tax questions most frequently asked to Support Centre agents. All you need to do is enter a few key words and the articles display in order of relevance to provide you with valuable information that will accurately answer your questions.

Version Presentation

This version allows you to work with files created in the Working Pre-Release version.

Throughout these *Release Notes*, the programs will be referred to as “T1Plus,” including versions with EFILE, unless the description pertains to only one of the programs, in which case it will be referred to individually.

Carrying forward your preferences

Once your preferences from last year are carried forward to the current year, it is important to verify that the options defined with respect to the returns of your clients and to the electronic filing of data (EFILE) still correspond to your situation for the current season.

Training

To consult the different training options available regarding *Cantax* T1 (seminars, webinars, tutorials and more), access the [Training](#) section of the Wolters Kluwer Web site. You can also access it from the program, by selecting **Help, Cantax on the Web** and **Get Cantax Training**.

Electronic Transmission of Authorization

February 10, 2025 – Opening of the system for electronic transmission of authorization requests

You can electronically file an authorization request with this version of the program as version 105 for 2024 has been approved by the CRA.

In order to be able to electronically file an authorization, you must meet the following two criteria:

1. Have a valid EFILE number and password; and
2. Be a registered representative.

A registered representative is a person who is registered with the CRA's "Represent a Client" online service. To register with the service, go to <https://www.canada.ca/en/revenue-agency/services/e-services/represent-a-client.html>.

For more details on the Electronic Transmission of authorizations, see the *Cantax T1 Help*.

Auto-fill T1 return (AFR)

February 10, 2025 – Opening of the service.

Downloading prior-year data

You can download data from the eight previous years (2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023). To download data of a given year, you will have to use the *Cantax* program of the year in question. Ensure that your EFILE password is updated.

Note that only data on slips of prior years will be available. In addition, data that does not relate to a specific year, such as carried forward balances, will not be available.

What's New:

- The following boxes relating to the slips listed below can now be downloaded:
 - T4 slip, boxes 16A, 17A, 90, 91 and 92
 - T3 slip, boxes 52, 53, 54, 55, 56, 57, 58 and 59
 - T5 slip, box 34
- The first home savings account (FHSA) amounts from the prior year can now be downloaded and transferred to Schedule 15.
- The CDE indicator **Uncashed cheque** has been discontinued by the CRA. It can no longer be downloaded.

EFILE

Filing of 2024 tax returns

February 24, 2025 – Opening of the EFILE transmission system.

January 30, 2026 – The CRA will shut down its system.

Note: Tax returns with diacritics (accented characters) CANNOT be EFILED to the CRA.

New:

Starting with the 2024 tax year, the CRA is lifting additional EFILE restrictions to allow the following type of T1 returns to be accepted electronically:

- T1 return which includes Form T1198 - Statement of Qualifying Retroactive Lump-Sum Payment

Temporary EFILE restrictions present in this version of the program:

- Multiple jurisdictions returns
- Emigrant returns, non-residents filing a return under section 116 and deemed residents filing a return for reasons other than having resided in Canada for 183 days or more

EFILE exclusion diagnostics have been added for these situations.

Electronic services prior years' support

In addition to the current tax year 2024, the CRA also supports prior-year electronic services as indicated below until January 2026:

	2023	2022	2021	2020	2019	2018	2017	2016
T1 EFILE (original returns)	✓	✓	✓	✓	✓	✓	✓	
T1 ReFILE (amended returns)	✓	✓	✓					
T1135	✓	✓	✓	✓	✓	✓	✓	
Auto-fill my return (slips only)	✓	✓	✓	✓	✓	✓	✓	✓
Notice of assessment (NOA)	✓	✓	✓	✓	✓	✓	✓	

You will have to use the *Cantax* program of the year in question and update your EFILE password to the current year.

Modifications Made to Version 110

Modifications Made to Forms

Federal

Update with respect to the capital gains inclusion rate

Note:

This version of the program can be used to paper file and EFILE capital gain returns.

The forms and calculations have been updated in accordance with the announcement made on January 31, 2025. They include the 50% inclusion rate for all of 2024 and the increase to the Lifetime Capital Gains Exemption (LCGE) limit to \$1.25 million of eligible capital gains for dispositions realized after June 24, 2024. The \$1,016,836 limit for gains realized before June 25, 2024, remains. The T5013 slip has also been updated in this version.

The forms have retained a separate presentation for capital gains realized in Period 1 (before June 25, 2024) and those realized in Period 2 (after June 24, 2025), even after the CRA made its announcement regarding the inclusion rate on January 31. For this reason, entries are mandatory in the period boxes of the slips and schedules even if capital gains (losses) are calculated at the 50% inclusion rate. The program's calculations are based on the entries made in these boxes.

The Canada Revenue Agency is proposing relief in their January 31, 2025, update.

[Update on the Canada Revenue Agency's administration of the proposed capital gains taxation changes](#)

RC71, Statement of Discounting Transaction (RC71)

The Government of Nova Scotia has announced that the rate of the provincial component of the harmonized sales tax (HST) will be lowered to 9% effective April 1, 2025, resulting in an HST rate of 14% in Nova Scotia.

Given that this change is occurring in the middle of the tax season and that the program cannot determine with certainty when each discounting transaction has been completed, the Nova Scotia HST rate will not be lowered to 14% in Form RC71 of *Cantax T1* for the current tax season.

A Nova Scotia discounter who deems that a discounting transaction qualifies for the 14% HST rate can override the rate in section **D** of Form RC71. Effective April 1, 2025, the maximum amount of HST that can be charged on a discounting transaction in Nova Scotia will be \$4.20.

Alternative minimum tax reform

Note:

This version of the program can be used to paper file and EFILE alternative minimum tax returns.

Several changes announced in the 2023 and 2024 federal budgets have been made to the calculation of the alternative minimum tax. The various changes are reflected in the program as follows:

T691, Alternative Minimum Tax (691)

In addition to the changes made to the form, the following new input lines and sections can be found in Part 1:

- **(Period 1) Gifts of publicly listed securities acquired under a security option plan included on line 24900 of your return**
- **(Period 2) Gifts of publicly listed securities acquired under a security option plan included on line 24900 of your return**
- **If you claimed net capital losses, incurred in another year on line 25300 of your 2024 return, indicate the difference between those losses and the losses that are deductible for AMT purposes**
- **Non-deductible office and employment expenses**
- **Section 119 former resident credit**

Part 4:

- **Non-taxable part of foreign capital gains included in adjusted taxable income (cannot be more than line 23 of Part 1)**

T1-INV, Statement of Investment Income, Carrying Charges, and Interest Expenses (T1-INV)

Three input lines have been added to the form:

- **Interest expenses on money borrowed to earn income or to purchase an annuity contract**
- **Premiums on life insurance policies used as collateral for money borrowed to earn income from property**
- **Financing expenses on money borrowed to earn income from property**

Forms and calculations Under Review

The following forms are currently under review because we are not yet certified by ARC. They will be updated in the next release of *Cantax T1Plus*.

- T2203, Provincial and Territorial Taxes for Multiple Jurisdictions
- Calculations of returns for emigrants, non-residents filing a return under section 116 and deemed

residents filing a return for other reasons than staying in Canada for 183 days or more.

Modifications Made to Version 105

Modifications Made to Forms

Federal

Update with respect to the capital gains inclusion rate

Announcement from the Department of Finance Canada:

[Update on the Canada Revenue Agency's administration of the proposed changes to the capital gains inclusion rate – Canada.ca](#)

As announced by the Department of Finance on January 31, 2025, the CRA has resumed administering the capital gains inclusion rate of one-half, in accordance with the current rule.

As a result of this announcement, several forms and calculations relating to capital gains will have to be modified to remove the capital gains inclusion rate of two-thirds. These adjustments will be made in a subsequent release of the program. We recommend that you do not complete the forms affected by capital gains until you receive the version containing the necessary adjustments.

As a result of this situation, the following forms display a review notice and cannot be filed on paper or electronically with the current version.

- Schedule 3 (including Form S3B)
- ABIL
- SECOPT
- LOSSESC
- LOSSESD
- T1A
- T657
- T936
- T1212
- T1237
- T2017
- T1170
- T5013

Authorization/Cancellation Request – Signature page (AUTH)

The CRA has updated its service to cancel a representative to ensure that electronic filers can only submit a request to cancel their own authorization. Therefore, fields **Cancel all representatives** and **Group**

ID in section **Cancellation information** have been removed from the signature page.

Furthermore, the CRA has confirmed that, unlike the transmission of the T1 return, it is not possible to transmit an authorization request with EFILE software for a taxpayer without a first name.

General T1, Income Tax and Benefit Return (T1)

Line 25395, **Capital gains deduction for qualifying business transfer (complete Form T2048)**, has been added. Please note that Form T2048 is not supported by *Cantax T1*. Line 25395 has to be completed manually for returns requiring Form T2048, and these returns must be filed on paper format. An EFILE exclusion diagnostic has been added for this purpose.

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

Box 205, **One-time payment for older seniors**, has been removed from the form.

T776 – Non-compliant short-term rentals

Effective January 1, 2024, if a residential property is rented or offered for rent for less than 90 consecutive days, it is considered a short-term rental, and new tax rules apply to rental expenses.

If the rental property is located in a province or a municipality that, as the case may be:

- does not allow the short-term rental to be operated at its location
- requires registration, a licence or a permit to operate the short-term rental, and the short-term rental does not meet this requirement

The short-term rental will then be considered to be non-compliant, and rental expenses will not be deductible against rental income.

Form T776 has been modified to enter short-term rental income and expenses and to calculate non-compliant expenses.

T1198, Statement of Qualifying Retroactive Lump-Sum Payment (T1198)

Starting with the 2024 tax year, the CRA is lifting EFILE restrictions for the electronic filing of returns, including Form T1198. However, the CRA allows only one copy of this form to be filed. For paper filings, the CRA allows only one copy of this form in the 2D barcode of the T1 General Condensed form. For this reason, only one copy of Form T1198 can be created moving forward. Please note that if additional copies were created in version 100 of *Cantax T1*, they will be deleted in the current version of the program. Only the first copy of

Form T1198 is taken into account in the EFILE calculations and the 2D barcode.

T2205, Amounts from a Spousal or Common-law Partner RRSP, RRIF or SPP to Include in Income (T2205)

A line was added to the form to enter the amounts of transfers from an RRSP to a FHSA that are considered to be taxable withdrawals. This is the case when, for example, the annuitant of a spousal or common-law partner RRSP makes a transfer to a FHSA and the spouse or common-law partner contributed to a spousal or common-law partner RRSP during the year or the two preceding years.

Canada Carbon Rebate (GSTC)

The 2024 fall economic statement proposes to amend the *Income Tax Act* to expand eligibility for the rural supplement to individuals who, within a CMA, reside in a census rural area (fewer than 1,000 individuals) or a small population centre (fewer than 30,000 individuals) as designated by Statistics Canada. This measure also proposes to base eligibility for the supplement on these geographical designations as per the most recent census published before the taxation year.

Provincial

British Columbia

General T1, Income Tax and Benefit Return (T1)

The section **Consent to share contact information – Organ and tissue donor registry** has been added to the form.

The section **Residency information for tax administration agreements** has been removed from the form.

Forms Under Review

The following forms are currently **under review**, either because the CRA has not yet released the final version, or we have received these forms too late to integrate them into this version. They will be updated in the next release of *Cantax T1Plus*.

Forms Under Review

Forms related to Capital gains inclusion rate modifications (Consult the [note relating to this subject](#).)

T691 – Alternative minimum tax

T1206 – Tax on Split Income

T5013 – Statement of partnership income

T101 – Statement of resource expenses

T1221 – Ontario Focused Flow-Through Share Tax Credit

T1229 – Statement of Resource Expenses and Depletion Allowance

T1231 – BC Mining Flow-Through Share Tax Credit

T1241 – Manitoba Mineral Exploration Tax Credit

RESOURCE – Resource Income and Deductions

T2203 – Provincial and Territorial Taxes - Multiple Jurisdictions

EDUPLN – Education Savings Planner

EDUWS – RESP Savings Growth Chart

EMPPLN – Employee Benefits Planner

INVPLN – Investment Tax Planner

LIFEPLN – Lifetime Tax Planner

PLAN – Tax Planner

Modifications Made to Version 100

New forms

Manitoba

T1294, Manitoba Green Energy Equipment Tax Credit (T1294)

This credit previously had to be manually calculated and entered directly in Form MB479. The CRA has added Form T1294 to calculate the credit.

Modifications Made to Forms

Federal

CPP2/QPP2 – Second additional CPP and QPP contributions

In 2024, the CRA launched the CPP enhancement, commonly referred to as CPP2.

For Québec residents, similar contributions have also been implemented for taxpayers contributing to the QPP (QPP2).

CPP2 and QPP2 contributions are made by anyone who earns wages above the first earnings ceiling (\$68,500). The contributions are calculated as a percentage of wages above the first earnings ceiling up to the amount of the second earnings ceiling (\$73,200).

The maximum income subject to second additional contributions for 2024 is \$4,700.

- Employees contribute 4% of the amount they earn between the first earnings ceiling and the second earnings ceiling, up to a maximum contribution of \$188.
- Self-employed individuals contribute 8% of the amount they earn between the first earnings ceiling and the second earnings ceiling, up to a maximum contribution of \$376.

CPP2 and QPP2 contributions are shown respectively in boxes 16A and 17A of the T4 slip (**T4**). The contributions are calculated in Schedule 8 (**T1-S8**), Schedule 8 for Québec residents (**T1-S8QC**) and Form RC381 (**RC381**).

The amount of CPP2 and QPP2 contributions on employment income qualifies for a deduction that can be claimed on line 21500 of the T1 income tax return (**T1**). Likewise, the amount of the contributions payable on self-employment can be claimed on line 22200 of the T1 return.

QPP – New rules applicable to Québec residents contributing to the QPP

Possibility to stop making QPP contributions

Since January 1, 2024, it is possible for Québec residents to stop contributing to the QPP when the following conditions are met:

- The resident is aged 65 or over.
- The resident is receiving a retirement pension under the Québec Pension Plan (QPP) or the Canada Pension Plan (CPP).

With respect to employment income, Form RR-50, **Election to stop contributing to the Québec pension plan, or revocation of an election**, must be completed and given to the taxpayer's employer (this form is not available in *Cantax T1*).

With respect to self-employment income, the taxpayer must decide the month in which the QPP contributions should end and enter that month in the Québec T1 return (this form is not available in *Cantax T1*).

Taxpayers aged 72 and over

Starting in 2024, a taxpayer who is 72 years of age on December 31 of the previous year is no longer required to pay QPP on his or her income.

Wages paid and earnings received from January 1 onwards in the year in which a worker reaches the age of 73 will no longer be subject to QPP contributions.

Schedule 15, FHSA Contributions, Transfers and Activities (T1-S15)

In order to consider some of the amounts calculated in the previous year in the calculation of Schedule 15 for the current year and to reflect the technical changes from Bill C-59, the layout of Schedule 15 has been significantly modified through the addition of lines.

Furthermore, the following changes have been made to the program:

- The custom question **Did the taxpayer open one or more FHSAs in 2024 and did not make any contributions, transfers or withdrawals?** has been replaced by **Did the taxpayer open a first FHSA or become a successor holder in 2024 or in a previous year? (If a FHSA has been opened but no contributions or transfers were made, answer Yes.)**
- The line **Indicate the year the first FHSA was opened, if applicable. If the taxpayer became a successor holder and had previously opened a FHSA, indicate the year the account was opened (otherwise, indicate the year the taxpayer became a successor holder)** has also been added.
- In order to properly calculate Schedule 15, some information is required from the previous year. That information can be found on the notice of assessment from the previous year or on Form T1028 from the current year. The relevant information is entered on the lines concerned by a carry forward or a manual entry.

Client letters

Since January 1, 2024, payments of more than \$10,000 to the Receiver General for Canada must be made electronically, either through a financial institution's online services, the CRA's *My Payment* service or through a pre-authorized debit agreement set up on the CRA's *My Business Account* site.

The client letters have been modified.

Home Buyers' Plan Withdrawal (HBP)

For the 2024 and subsequent years, the withdrawal limit under the Home Buyers' Plan has increased to \$60,000. This limit applies only to withdrawals made after April 16, 2024. For withdrawals made prior to this date, the maximum amount that can be withdrawn is \$35,000.

A diagnostic has been added to the program and is displayed when the withdrawal amount is greater than \$60,000.

For participants making a first withdrawal between January 1, 2022, and December 31, 2025, the start of the 15-year repayment period is deferred by three years.

Thus, the repayments must begin in the fifth year following the year of the first withdrawal.

Doubling the volunteer firefighters and the search and rescue volunteers tax credits (VOLUNTEER)

Effective for the 2024 and subsequent taxation years, the federal volunteer firefighters and the search and rescue volunteers tax credits amount is increasing from \$3,000 to \$6,000.

Provincial

Alberta

AB428, Alberta Tax and Credits (T1C/428)

The investor tax credit has been removed from the form. Indeed, this credit was abolished in 2019, and the last year eligible for carryover was 2023.

Manitoba

MB479, Manitoba Credits (T1C/479)

Effective for 2024 and subsequent taxation years, the fertility treatment tax credit amount is increasing from \$8,000 to \$16,000.

New Brunswick

NB428, New Brunswick Tax and Credits (T1C/428)

Two new non-refundable tax credits are available for eligible volunteers as of January 1, 2024:

- the Volunteer firefighters' amount
- the Search and rescue volunteers' amount

The conditions of the tax credits on line 58315, **Volunteer firefighters' amount**, and line 58316, **Search and rescue volunteers' amount**, are equivalent to those of the federal credits. However, the amount of the provincial credit is \$5,000.

Prince Edward Island

PE428, Prince Edward Island Tax and Credits (T1C/428)

The current three personal income tax brackets and surtax have been replaced by a five-bracket system for the 2024 tax year, with lower tax rates for each of the first three brackets. The brackets are divided as follows:

- 9.65% on taxable income of \$32,656 or less;

- 13.63% on the portion of taxable income exceeding \$32,656, but not exceeding \$64,313;
- 16.65% on the portion of taxable income exceeding \$64,313, but not exceeding \$105,000;
- 18% on the portion of taxable income exceeding \$105,000, but not exceeding \$140,000;
- 18.75% on taxable income exceeding \$140,000.

The Prince Edward Island non-refundable tax credit rate has decreased to 9.65% for the 2024 taxation year.

Technical Enhancement

NOA via Tax Software

The Canada Revenue Agency has renamed the **Express NOA** service **NOA via Tax Software**. Therefore, to comply with **this modification**, all instances of the word **Express** have been removed from *Cantax T1*. For example, the **Download Express NOA** option in the **EFILE** menu has been renamed **Download notice of assessment**.

Corrected Calculations

The following problem has been corrected in version 100:

- [T2036 – Provincial foreign tax credit – Ontario](#)

Carry Forward

This version can be used to carry forward 2023 T1 files from *Cantax T1* and ProFile to *Cantax*.

To carry forward your client files, proceed as follows:

1. Open the 2024 *Cantax* program.
2. Select **File/Carry Forward** from the menu.
3. The **Carry Forward Return** dialog box will be displayed.
4. Use the drop-down list at the bottom of the **File of Type:** dialog box to select the type of return you will be carrying forward.
5. *Cantax* users will select file type *Cantax T1 (*.P23)*. ProFile users will select file type *ProFile (*.23T)*. Use the **Look In** drop-down list at the top of the dialog box to select the folder location where your 2022 files are stored.
6. This will bring up a selection of your client files. You can select the client either by entering the file name or double-clicking the appropriate file.
7. Once the file is selected, click **Open** to begin the carry forward.

Cantax e-Bulletin

For your convenience, you are automatically subscribed to the **Cantax e-Bulletin**, a free e-mail service that ensures you receive up-to-date information about the latest version of *Cantax T1*.

If you want to review your subscription to **Cantax e-Bulletin**, visit

<https://support.wolterskluwer.ca/en/newsletter>

You can also register to our Support Platform at <https://support.cch.com/oss/canada> and [submit a support ticket](#) to indicate the products for which you wish to receive general information or information on our software (*Cantax T1*, *Cantax T2*, *Cantax FormMaster* or *CCH Accountants' Suite*).

Help

Support Ticket

<https://support.wolterskluwer.ca/en/support-case/>

Web Site

<https://support.wolterskluwer.ca/en/support/>