



FILING CANADIAN TAX RETURNS FROM IRELAND

[November 2018]

To File or Not File a Tax Return

You're required to file a tax return in the year you leave Canada if you have a tax balance owing or you'd like to receive a tax refund. In the tax year you leave, complete the T1 General income tax and benefit package for your province or territory of residence on the day you emigrated from Canada. Your tax filing deadline is the same; you'll have to file on or before April 30, or if you have a business in Canada, you have until June 15 to file your tax return.

You need to report your worldwide income earned on your tax return during the time you were a Canadian resident. Once you ceased to be a resident, you only need to pay income tax on income earned in Canada.

Reporting Income in the Year You Leave

If you emigrate from Canada during the tax year, you must report any property holdings to the CRA if the fair market value of all the property you own is over \$25,000 on the date you leave Canada. Please note this rule doesn't apply for personal-use property with a value under \$10,000, bank deposits, pension plans, Registered Retirement Savings Accounts and deferred profit sharing plans.

Regardless of whether the above rule applies to you, you are required to complete Form T1161, List of Properties by an Emigrant of Canada. Filing T1161 is a requirement even if you don't need to file a tax return in the tax year you left Canada. Make sure you file the form before the April 30 tax filing deadline, otherwise you'll face the same late filing penalties and interest as Canadian residents.

1) What is the easiest way for someone to file taxes for Canada if they have returned to Ireland?

They can either prepare and submit/mail a paper tax return with receipts/T4s etc. OR use a Canadian-based tax preparer OR use a software package that is approved for filing Canadian tax returns online. Enter your **date of departure from Canada** on page 1 of your return in the area "Information about your residence".

2) Can they give a friend's address in Canada if they are already at home?

One is supposed to provide one's current address even if it's outside Canada. Also a non-resident doesn't qualify for certain credits like the GST credit and Ontario Trillium credit.

3) Can their tax refund be paid straight into their Irish bank account?

No, direct deposit is only for Canadian financial institutions.

[T1132 - Alternative Address Authorization](#)

Attach a completed copy of Form T1132 to the return if the taxpayer wants their Notice of Assessment and any refund sent to an address other than that on the T1 Jacket. The authorization is valid for the current tax year only. If the use of an alternative address is required for subsequent years, a new authorization must be signed and filed. The CRA will not use the alternative address to mail the GST/HST credit payments, Canada Child Tax Benefit payments, correspondence, or Notice of Reassessment.

This form cannot be used if:

- the taxpayer was bankrupt at any time in the taxation year;
- a discounter is submitting the tax return;
- the return is for a tax year other than the current one;
- the taxpayer is a non-resident filing an Old Age Security Return of Income; or
- the taxpayer is filing multiple returns representing more than one tax year.

How to Complete this Form

If the taxpayer wants to use an alternative address, enter the personal information along with the desired alternative address in the appropriate fields. The taxpayer has two options available on the form:

1. Check the first box on Form T1132 if both the Notice of Assessment and any refund resulting from that assessment are to be mailed to the alternative address; or
2. Check the second box to have only the Notice of Assessment mailed to the alternative address.

Note: The CRA will deposit the refund (if applicable) directly into the taxpayer's account according to the direct deposit information on file. If they cannot deposit the refund into the taxpayer's account, they will mail a cheque to the alternative address on the completed Form T1132. You can submit form T1-DD to sign up for direct deposit; see <https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/direct-deposit.html>

Filing of the T1132 Form (above)

This form can be used only for a paper return and must be enclosed with the return to be processed.

This guide can be taken as general information only. Please speak with CRA and/or your accountant.