



CANADIAN COUNCIL of CHRISTIAN CHARITIES

CCCC News Release

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New CRA Requirements for Reducing Tax Deductions at Source for Clergy

Canadian Council of Christian Charities

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Recently, the Canada Revenue Agency (CRA) made retroactive technical changes to the requirement to file form T1213 (Request to Reduce Tax Deductions at Source) for certain employees who qualify for the Clergy Residence Deduction (CRD).

Since 2005, CRA's previous position was that the T1213 form was no longer required for any CRD eligible employee who informed their employer, via the annual CRA form T1223 Clergy Residence Deduction, that they would be making a CRD claim.

Now, employees who own or rent their accommodation will again be required to file form T1213 with CRA, and receive written approval from CRA, before being allowed a reduction of income tax at source.

When housing is provided by the employer (e.g. a manse or parsonage), the T1213 filing is not required because the provided-housing taxable benefit will generally equal the CRD amount.

CCCC suggests that a T1213 form should be filed by October or early November of a current year to allow sufficient time for CRA to issue an approval for the following year.

CCCC discovered that CRA had amended its policy (2005 Charties Newsletter No. 23), but had not indicated that a change had been made. When notified by CCCC, the omission was corrected.

In the future, whenever an old edition of a CRA newsletter has been modified, a "What's New" notification will be sent out to highlight the amendment or modification. The CRA webpage will also indicate a "last updated" or "date modified" to inform the reader that changes have been made to the original document.

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REQUEST TO REDUCE TAX DEDUCTIONS AT SOURCE FOR YEAR(S) _____

- Use this form to ask for reduced tax deductions at source for any deductions or non-refundable tax credits that are not part of the Form TD1, *Personal Tax Credits Return*.
- All your income tax returns that are due have to be filed and amounts paid in full before you send us this form.
- You usually have to file this request every year. However, if you have deductible support payments that are the same or greater for more than one year, you can make this request for two years.
- Send the completed form with all supporting documents to the Client Services Division of your tax services office. You can find the addresses on our Web site at www.cra.gc.ca/tso or by calling us at 1-800-959-8281.
- We will notify you in writing within four to eight weeks whether or not we approve your request.

Identification				
First name		Last name		Social Insurance Number
Address				
City	Province or territory	Postal code	Residence	Telephone Business
Employer		Contact person		Telephone and fax numbers
Name				
Address				
Request to reduce tax on				
<input type="checkbox"/> Salary <input type="checkbox"/> Lump sum – if lump sum, give payment amount and details (for example, a bonus or vacation pay)				
\$ _____				
Deductions from income and non-refundable tax credits				
Registered retirement savings plan (RRSP) contributions				\$ _____
<ul style="list-style-type: none"> • Give details or a copy of the payment arrangement contract • Do not include contributions deducted from your pay by your employer 				
Child care expenses				\$ _____
<ul style="list-style-type: none"> • Give details on a separate sheet 				
Support payments				\$ _____
<ul style="list-style-type: none"> • Attach a copy of your court order or written agreement and Form T1158, <i>Registration of Family Support Payments</i> (if not previously filed); • Recipient's name and social insurance number: _____ 				
Employment expenses				\$ _____
<ul style="list-style-type: none"> • Attach a completed Form T2200, <i>Declaration of Conditions of Employment</i>, and Form T777, <i>Statement of Employment Expenses</i>. 				
Carrying charges and interest expenses on investment loans				\$ _____
<ul style="list-style-type: none"> • Attach a copy of statements from the lender confirming the purpose and amount of the loan(s) and the interest payments to be made in the year 				
Other (for example, charitable donations or rental losses)				\$ _____
<ul style="list-style-type: none"> • Attach all supporting documents. Use a separate sheet to give details if necessary. Specify: _____				
Total amounts to be deducted from income				\$ _____
Subtract income not subject to tax deductions at source (interest, net rental or self-employed income)				_____
Net amount requested for tax waiver				\$ _____
Certification				
I request authorization for my employer to reduce my tax deductions at source based on the information given. I certify that the information given is, to the best of my knowledge, correct and complete.				
_____			_____	
Signature			Date	