Tax filing in the ’20s: Mining your tax return for extra money this spring

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The 2024 federal T1 Personal Income Tax Return (Tax Return) contains many tax deductions, credits and other calculations that may impact the taxes you pay. You’ll need to know where to look within the Tax Return to claim valuable tax benefits for 2024. You may be surprised to learn that many commonly-claimed items have relatively little value, while some lesser-known ones can produce significant tax savings.

The deadline for filing your Tax Return is April 30, 2025 (or June 16, 2025 if you or your spouse or partner[1] are self-employed). The balance of any taxes owing for 2024 must be paid by April 30, 2025 to avoid interest or penalties. Taxpayers who realized a capital gain in 2024,however, won’t be charged interest and penalties as long as they file by June 2, 2025.

Personal information

Page one of the Tax Return asks for basic identification information, such as your name, address, e-mail address, province of residency, marital status and information about your spouse or partner.

[1] In this report, spouse refers to someone to whom you are legally married. Partner refers to a common-law partner under the *Income Tax Act*, which means someone who cohabits with you in a conjugal relationship, provided the two of you have cohabited for the past 12 months or are jointly parents of a child.

The second page asks whether you wish the Canada Revenue Agency ("CRA") to have your personal information included in the National Register of Electors. It also asks whether you have any income that is exempt under the Indian Act – if you tick off the box, you are instructed to complete form T90 Income Exempt from Tax under the *Indian Act*.

The bottom of page 2 is where you indicate whether you owned any foreign investment property (excluding foreign property in registered accounts) where the total cost amount was more than $100,000 at any time during the year. If so, make sure you complete form T1135 Foreign Income Verification Statement and file it by the deadline for your Tax Return, since penalties for failure to file form T1135 are $25 per day to a maximum of $2,500.

Income

Moving on to page 3, that's where you calculate your total income, which is reported on Line 15000.

Rental income, line 12600 and short-term rentals

When you rent property, the income is reported on line 12600. You can claim certain expenses when calculating your rental income.

New for 2024, you cannot deduct expenses related to non-compliant short-term rentals. The rules apply to residential property that you rented or offered for rent for a period of less than 90 consecutive days in the year. The property is non-compliant if it's located in a province or municipality that doesn't permit short-term rentals at that location, or if it doesn't comply with provincial or municipal registration, licensing and permit requirements for short-term rentals.

For non-compliant short-term rentals, you cannot deduct any expenses, including interest expenses, incurred to earn income from the property in 2024. The CRA has more information on changes to rules for eligible deductions from short-term rental income.

Schedule 3 - Capital Gains or Losses

Unlike interest income that is fully taxable, only 50% of capital gains (less capital losses) are included in your total income on Schedule 3. The remaining 50% is excluded from income and tax is saved at your marginal rate on this excluded half of net capital gains.

As an example, suppose you had net capital gains of $1,000 from the sale of shares and your marginal tax rate was 20.5%[2]. Only half of this amount ($500) would be taxed so you would pay tax of $102.50 ($500 x 20.5%) on the capital gain. If instead you had earned interest income of $1,000, you would have paid tax of $205 ($1,000 x 20.5%). The tax savings from earning capital gains in comparison to interest income would, therefore, be $102.50 ($205 - $102.50.)

If you sold securities in a foreign currency, the gain or loss may be larger or smaller than you anticipated once you take the foreign exchange component into account. For example, suppose you bought shares of a US company for USD$10,000 when the US dollar was at par with the Canadian dollar. In 2024, you sold the shares for USD$9,000 when exchange rate is USD$1.00 = CAD$1.35. In US currency, there would be a capital loss of USD$1,000 (USD$9,000 − USD$10,000.) For your Tax Return, you'll need to convert purchase and sale values into Canadian dollars, so there would actually be a capital gain of CAD$1,350 (USD$9,000 × 1.35 − USD$10,000 ×1.00).

[2] The federal tax rate of 20.5% applies with taxable income between $55,867 and $111,733 in 2024.

New for 2024: – Period 1 and Period 2 for capital gains

For 2024, Part 3 of Schedule 3 is broken down into two subparts. The first is labelled Period 1: Dispositions between January 1 and June 24, 2024, and the second, Period 2: Dispositions between June 25 and December 31, 2024. The 2 discrete periods resulted from the 2024 federal budget announcement that proposed an increase to the capital gains inclusion rate for gains realized on or after June 25, 2024. On January 31, 2025, the day the new Schedule 3 was originally supposed to be released, the government announced it would not be increasing the inclusion rate after all. By that point, it was likely too late for many slip issuers and software developers to change the forms and programs used to report capital gains. The CRA said that period 1 and period 2 reporting “is being maintained to ensure continued alignment with the tax slips that have already been published and are currently being issued to Canadians and filed with the CRA.”

Also new for 2024 is Part 4 – Total capital gains or losses, which shows two columns: one for reporting gains from T-slips pre-June 25, and one for gains from June 25 onwards. In the end, however, both columns are simply added together, and a 50% applies to the total.

Correctly inputting the boxes from the various T-slips into certified tax software should send capital gains information to the proper sections of Schedule 3.

The system of tax deductions and tax credits

Tax savings generally begin on page 4 of the Tax Return, as this is where many valuable tax deductions are claimed. These are amounts that you can deduct from your total income to arrive at your taxable income, which is the base for calculating the amount of tax that is payable.

Additional savings can be found on pages 5 through 7 of your Tax Return, where you claim a number of non-refundable tax credits that directly reduce the tax you pay.

Income tax is levied at graduated, “progressive” rates, such that higher tax rates apply as your income level increases. Figure 1 shows the federal tax rates that apply to various levels of taxable income.

Figure 1: Federal tax rates for 2024

Taxable income	Tax rate
Up to $55,867	15.0%
Above $55,867 and up to $111,733	20.5%
Above $111,733 and up to $173,205	26.0%
Above $173,205 and up to $246,752	29.0%
Above $246,752	33.0%

Let’s look at an example that shows how a tax deduction yields tax savings at the marginal tax rate[3] that varies with your income level, while a tax credit generally yields tax savings at the lowest marginal tax rate, regardless of your income. Suppose you have total income of $60,000. Figure 2 shows how deductions and credits reduce the tax that you pay for 2024.

The amount of the deduction is subtracted from income, so that this amount of income is not taxed. In Figure 2, a $1,000 tax deduction yields $205 of tax savings, calculated as the $1,000 deduction multiplied by the marginal tax rate that would have applied to the income (20.5%). Consequently, a deduction yields tax savings at your marginal tax rate.

With tax credits, a fixed rate (usually the lowest marginal tax rate) is applied to eligible amounts and the resultant credit amount offsets taxes payable. Figure 2 shows that when the federal tax credit rate of 15% is applied to a $1,000 amount, $150 of tax savings results.

[3] This report considers statutory income tax rates and does not consider the impact of low-income tax reductions or the loss of various income tested benefits, such as Old Age Security or the Age Amount, that are “clawed back” once income reaches various annually-indexed, legislated thresholds.

Figure 2: Value of a $1,000 federal tax deduction and tax credit in 2024

Description	No deduction or credit	Tax deduction	Tax credit
Total income	60,000	60,000	60,000
Deduction	0	(1,000)	0
Taxable income	60,000	59,000	60,000
Tax on $55,867 of income @ 15.0%	8,380	8,380	8,380
Tax on remaining income @ 20.5%	847	642	847
Total tax	9,227	9,022	9,227
Tax credit: $1,000 @ 15.0%	0	0	(150)
Tax payable	9,227	9,022	9,077
Value of deduction or credit		**205**	**150**

The value of selected tax deductions, credits and other amounts

Since the value (tax savings) from a tax deduction is based on your marginal tax rate, a tax deduction can provide greater value for those who have higher levels of income. The value of a tax credit is generally based on a rate that is fixed for all taxpayers, so a tax credit usually yields the same value regardless of income level or marginal tax rate.[4]

The provinces and territories also have their own versions of many deductions and credits, so the overall tax savings is usually much higher than the federal savings alone. Combined federal and provincial or territorial rates range from about 20% to 55% for tax deductions (depending on your taxable income) and 20% to 54% for tax credits. Some provinces even have deductions or credits that are not available federally.

Let's look at some common tax deductions and credits in the Tax Return. We'll show the potential federal tax savings via some examples, assuming a 20.5% federal marginal tax rate for deductions (which would apply with taxable income over $55,867 and up to $111,733 in 2024) and a 15% federal rate for tax credits.

Tax deductions

Registered Retirement Savings Plan (RRSP) deduction, line 20800

One of the most commonly-known ways to save tax is to make a contribution to an RRSP. You can generally claim a deduction for contributions made up to 60 days after year end that do not exceed your RRSP deduction limit (also called your RRSP contribution room). Your RRSP deduction limit is calculated as 18% of your previous year's earned income, up to the RRSP dollar limit of $32,490 for 2024, subject to pension adjustments, plus any unused RRSP contribution room for the previous year. You can check your RRSP deduction limit reviewing your prior year's Notice of Assessment (NOA) for the T1 Income Tax and Benefit Return, through the CRA's online My Account service, or by contacting the CRA directly.

You may choose to defer claiming your deduction until a later year, which can be advantageous if you expect your marginal tax rate to be materially higher in the future.

Suppose you made an RRSP contribution of $1,000. At a marginal tax rate of 20.5%, the deduction would have a value of approximately $205. Of course, this is merely deferring the tax owing on the $1,000 until a later time, such as retirement, when the funds are withdrawn, hopefully at a lower marginal tax rate. In the interim, the investment income earned inside your RRSP is effectively tax-free.[5]

4 Some tax credits (such as the basic personal amount) depend on your net income.

5 For a full discussion of the benefits of RRSP investing, please see the CIBC report Just do it: The case for tax-free investing.

FHSA deduction, line 20805

If you opened an FHSA in 2024, you'll need to complete new form, Schedule 15 - FHSA Contributions, Transfers and Activities. This schedule is used to tell the CRA that you opened up an FHSA (step 1), that you made a contribution (step 2), that you're claiming a deduction in the year, or saving some of that deduction for a future year (step 3), and whether you made a qualifying withdrawal to buy your first home (step 4).

If you contributed to an FHSA in 2024, you'll receive a T4FHSA First Home Savings Account Statement showing your total contributions and any withdrawals. You can choose to deduct your contributions (up to $8,000 plus any unused FHSA contribution room for 2024) on line 20805 of your Tax Return. Similar to an RRSP, you can defer claiming (part of) the deduction to a future year, perhaps when you're in a higher tax bracket and the deduction may be worth more.

Suppose you made an FHSA contribution of $1,000. Like an RRSP, at a marginal tax rate of 20.5%, the deduction would have a value of approximately $205 and there will be no tax on investment income earned in an FHSA. Unlike an RRSP, if you withdrew funds for a qualifying first home purchase in 2024, you will not pay tax on the withdrawal.

If you made a non-qualifying withdrawal in 2024, such as withdrawing the funds without buying a home, you may need to report an income amount on Line 12906 – Taxable FHSA income.

Deduction for contributions to the Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

To calculate this deduction, use Schedule 8 for CPP contributions or form RC381 if you had any QPP contributions.

New for 2024, second additional contributions to CPP and QPP were added. You can claim a tax deduction on Line 22215 – Deduction for CPP or QPP enhanced contributions for your additional contributions, up to a total of $838 ($650 for first additional contributions[6] and $188 for second additional contributions[7]). If you're self-employed you would pay double the amount, and you can claim a deduction on Line 22200 – Deduction for CPP or QPP contributions on self-employment income. If your marginal tax rate was 20.5%, claiming the maximum deduction would reduce taxes by $172 ($344 if you are self-employed).

Home office expense deduction, line 22900

You can write off your home-office expenses if your home workspace is where you "principally" (more than 50% of the time) performed your duties of employment for a period of at least 4 consecutive weeks during the year.

You'll need to calculate your actual home office expenses, and pro-rate them according to work use, using form T777 Statement of Employment Expenses. You'll also need to get a signed copy of CRA form T2200 Declaration of Conditions of Employment from your employer. Form T2200 is not submitted with your Tax Return, but you're required to keep it in case the CRA asks to see it later.

Tax credits

Basic personal amount (BPA), line 30000

The basic personal amount (BPA) is the mechanism used to ensure that no tax is paid on a certain amount of basic income. The BPA is $15,705 and has a value of $2,356, which is the 15% federal tax that would have been paid on $15,705 of taxable income. The BPA is reduced with net income in the second-highest federal tax bracket (over $173,205 and up to $246,752). Only a lower BPA of $14,156 is available with net income in the top federal tax bracket (above $246,752) and the reduced credit is $2,123.

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6 First additional contributions equal 1% of your pensionable earnings between the $3,500 exemption and the $68,500 YMPE.

7 Second additional contributions were added in 2024 and equal 4% of your pensionable earnings between the $68,500 YMPE and the year's additional maximum pensionable earnings (YAMPE) of $73,200.

Age amount, line 30100

You can claim the maximum age amount of $8,790 if you were at least 65 years of age and your net income was no more than $44,325. At a tax credit rate of 15%, the maximum age amount is worth $1,319. Your age amount will be reduced at a rate of 15% with additional net income and is completely eliminated with net income above $102,925.

Spouse or common-law partner amount, line 30300; or amount for an eligible dependant, line 30400

You may be able to claim one of these 2 amounts if you supported your spouse or partner (or another eligible dependant) who had little or no income and, therefore, could not claim (all of) the BPA. Each of these amounts is equal to your BPA, so the maximum amount is 15,705.[8] If your spouse or partner (or eligible dependant) had net income, the amount you can claim is reduced dollar-for-dollar because of the BPA that could be claimed by the dependant.

If you supported your spouse or partner at any time in the year, you may claim the spouse or partner amount, which will give you a credit with a maximum value of $2,356.

If you don't have a spouse or partner[9] and live with an eligible dependant (such as your child, grandchild, parent, grandparent, brother or sister), you may claim the amount for an eligible dependant.[10] This credit also has a maximum value of $2,356.

Credit for base contributions to the Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

To calculate this credit, use Schedule 8 for CPP contributions or form RC381 if you had any QPP contributions.

You can claim a tax credit on Line 30800 – CPP or QPP contributions through employment income for base contributions up to $3,217.50 for CPP ($3,510.00 for QPP)[11]. If you're self-employed, you pay double the amount (both the employee and employer portions) and you can claim a credit for those amounts on Line 31000 – Base CPP or QPP contributions on self-employment income. The maximum credit (at 15%) is $483 for CPP ($527 for QPP), or $965 for CPP ($1,053 for QPP) if you were self-employed.

Canada caregiver amount, line 3045012

You can claim the Canada caregiver amount if you have a spouse or partner, or another eligible family member,[13] who has a physical or mental impairment and depends on you for support. The Canada caregiver amount is reduced dollar-for-dollar by the dependent's net income over $19,666. Although only one Canada caregiver amount is available on behalf of each dependant, in some cases the credit can be shared by multiple caregivers who support the same individual.

Claiming the Canada caregiver amount of $8,375 for one dependant provides a federal Canada caregiver credit that, at rate of 15%, would yield tax savings of $1,256.

Note that if you claim the spouse or partner amount or the amount for eligible dependents, the Canada caregiver amount is limited to $2,616, so a 15% credit would only provide savings of $392.

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8 The amount (and related tax credit) is reduced with taxable income over $173,205 and is eliminated with income over $246,752.

9 You can also claim the amount for an eligible dependant even if you did have a spouse or partner but were not living with, supporting, or being supported by that person.

10 Your eligible dependant must live with you in a home that you maintain.

11 Base contributions equal 4.95% for CPP (5.4% for QPP) of your pensionable earnings between the $3,500 basic exemption and the $68,500 year's maximum pensionable earnings (YMPE).

12 The Canada caregiver amount may be claimed on other lines in your Tax Return if you claim the you claim the spouse or common-law partner amount or the amount for eligible dependents.

13 Qualifying relatives include your or your spouse's or partner's child, grandchild, parent, grandparent, brother, sister, uncle, aunt, niece, or nephew. They must rely on you to regularly and consistently provide them with some or all of the basic necessities of life, such as food, shelter and clothing.

Home Buyers' Amount tax credit, line 31270

The Home Buyers' Amount provides a 15% non-refundable federal credit for first-time home buyers. To qualify, you or your spouse or partner must not have lived in another home owned by you (or your spouse or partner) in the year or in any of the four preceding calendar years. The credit is calculated as 15% of the $10,000 base amount, yielding a maximum tax credit of $1,500. These funds are meant to help compensate a first-time home buyer for the extra costs of buying a home, including closing costs, legal fees, transfer taxes and inspections.

Home Accessibility Tax Credit, line 31285

The Home Accessibility Tax Credit provides a 15% non-refundable credit for eligible home renovation or alteration expenses made for an individual who is at least 65 or is entitled to the Disability Tax Credit. The amount eligible for the credit is $20,000, so the maximum credit is $3,000.

Allowable medical expenses, line 33099

You can claim a federal credit for total medical expenses that exceed a minimum threshold, which is the lesser of 3% of your net income or $2,759. Common eligible medical expenses include fees for doctors, dentists, qualified therapists or other medical practitioners, prescription medication or eyewear, and hospital or medical laboratory services.[14]

One commonly-overlooked expense is out-of-pocket costs for medical and dental insurance plans. Although amounts are not eligible if they have been reimbursed (such as by a health insurance plan), you can claim amounts paid within any 12-month period that ends in the tax year. Private health services plan premiums may be reported using code 85 on your T4 Statement of Remuneration Paid slip.

For example, suppose you had medical insurance premiums, prescription medications and eyeglasses, and some visits to therapists for an aching back, that totaled $2,500. If you had net income of $50,000, you could claim a tax credit for your expenses that exceed $1,500 (which is 3% of $50,000), so you would have $1,000 of allowable medical expenses. You could, therefore, claim a tax credit worth $150 at a rate of 15%.

Charitable donations and gifts, line 34900

A tax credit is provided for donations and gifts to qualified charitable organizations, including registered charities, and public or private foundations. The government introduced draft legislation that would allow you to claim donations made by cash, cheque, credit card, money order or electronic payment between January 1 and February 28, 2025 on your 2024 Tax Return.

A federal tax credit of 15% applies to total gifts up to $200. For the amount of total charitable gifts exceeding $200 in a tax year, the federal credit rate is generally 29%.[15]

If you made charitable gifts of $1,000, your federal tax credit would be $262 ($200 × 15% + $800 × 29%).

Disability amount for self, line 31600

You can claim the disability amount if a medical professional certifies on form T2201 Disability Tax Credit Certificate that you had a severe and prolonged impairment in physical or mental functions. The disability amount is $9,872.[16] At a tax credit rate of 15%, the disability tax credit would be worth $1,481.

Disability amount transferred from a dependant, line 31800

You may also be able to claim a disability amount that would otherwise be claimed by another individual (such as your spouse or partner, child or parent) to the extent that the individual does not need to claim the disability tax amount to reduce taxes payable to zero.

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14 Qualifying medical expenses can differ from province to province. See information from the CRA about Authorized medical practitioners for the purposes of the medical expense tax credit.

15 The federal credit rate rises from 29% to 33% for total gifts over $200 to the extent that your taxable income exceeds $246,752.

16 The disability amount is allowed federally and in all provinces except Quebec, where an “amount for a severe and prolonged impairment in mental or physical functions” can be claimed.

Tuition amount, line 32300

If you were enrolled in qualifying post-secondary education, you can claim a federal tax credit based on the amount of tuition that you paid. If you do not have sufficient income to use the credit in the year of attendance, up to $5,000 can be claimed by your spouse or partner, or a supporting parent or grandparent. You can carry any remaining amounts forward and claim the credit in a future year.[17]

If your post-secondary tuition was $1,000, your tax credit would be $150 ($1,000 x 15% rate).

Dividend tax credit, line 40425

When calculating your taxable income, you must include 138% of eligible dividends from Canadian corporations (to approximate the income earned by the Canadian corporation) and you can claim a federal dividend tax credit of 20.7%[18] of eligible dividend income. If you had eligible dividend income of $1,000, the value of this credit would be $207 ($1,000 × 20.7%).

If you received non-eligible dividends from Canadian corporations, you must include 115% of these dividends and you can claim a federal dividend tax credit of 10.4%[19] of the dividend income. If you had non-eligible dividend income of $1,000, the value of this credit would be $104 ($1,000 × 10.4%).

Multigenerational home renovation tax credit (MHRTC), line 45355

The refundable Multigenerational Home Renovation Tax Credit (MHRTC) assists Canadians with the costs incurred to renovate a home to create a secondary unit so that certain family members can live with them. If eligible, you can claim up to $50,000, with a maximum credit of $7,500, for each qualifying renovation. The credit is claimed on Line 45355 – Multigenerational home renovation tax credit, and Schedule 12 - Multigenerational Home Renovation Tax Credit must be completed to provide details.

Form T1032 Joint Election to Split Pension Income

You and your spouse or partner can jointly elect to split your pension income if you each file form T1032. You can deduct up to 50% of your pension income if it qualifies for the pension amount, provided your spouse or partner adds this same amount to income. This pension income splitting technique has value when you receive pension income and have a higher marginal tax rate than your spouse or partner.

Suppose you receive pension income and have a marginal tax rate of 20.5%, while your spouse has a 15% marginal tax rate. The net tax savings from splitting your pension income would be 5.5% (the difference between your 20.5% marginal rate on the pension deduction and your spouse's 15% marginal rate on pension income). The value of splitting $1,000 of pension income would, therefore, be $55 ($1,000 × 5.5%.) If you paid tax at the top marginal rate of 33% and your spouse paid tax at the lowest marginal rate of 15%, your tax savings would be 18% (33% −15%) or $180 per $1,000 of pension income that you split.

Pension income splitting may also help you prevent the loss of income-tested benefits, such as the Old Age Security (OAS) pension or the age amount, by lowering your income below the recovery (clawback) threshold. For example, in 2024 OAS benefits had a maximum of $8,618 ($9,480 if you were age 75 or over) and were clawed back at a rate of 15% with net income exceeding $90,997.

Calculating your net federal tax

You calculate your net federal tax in Part C on page 7 of the Tax Return. The non-refundable credits calculated on page 6 are deducted, along with various other credits like the dividend tax credit and the foreign tax credit, to arrive at net federal tax on Line 42000.

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17 Education and textbook amounts were also available before 2017. To the extent that these amounts were not claimed in previous years, they can still be carried forward and claimed by the student in the current year or a future year.

18 Calculated as 6/11 x 38%.

19 Calculated as 9/13 x 15%.

Alternative Minimum Tax (AMT)

The AMT system imposes a minimum level of tax on taxpayers who claim certain tax deductions, exemptions or credits to reduce the tax that they owe to very low levels. Under the AMT system, there is a parallel tax calculation that allows fewer deductions, exemptions, and credits than under the regular income tax calculation. If the amount of tax calculated under the AMT system is more than the amount of tax owing under the regular tax system, the difference owing is payable as AMT for the year.

Changes to the AMT came into effect in 2024 which include: raising the AMT rate, increasing the AMT exemption, and broadening the AMT base by limiting certain amounts that reduce taxes (such as exemptions, deductions, and credits.) For more information about AMT, see the CIBC report The new Alternative Minimum Tax (AMT).

Form T691 Alternative Minimum Tax is used to calculate any AMT, which is reported on Line 41700 – Minimum tax in Part C of your Tax Return when it applies.

Refund or balance owing

Finally, you calculate any refund or balance owing on page 8 of your Tax Return.

Filing your Tax Return

The deadline for filing your 2024 Tax Return is April 30, 2025 (or June 16, 2025 if you or your spouse or partner are self-employed). The balance of any taxes owing for 2024 must be paid by April 30, 2025 to avoid interest or penalties. If you realized a gain (loss) on dispositions of property in 2024, you won't be charged interest or penalties if you file by June 2, 2025.

It's also a good idea to file your Tax Return as soon as possible if you're expecting a tax refund.

If you owe money on your Tax Return, you can use the "Proceed to Pay" button located in the CRA's My Account for Individuals to make a secure and quick payment.

Once you've filed your Tax Return, the CRA will allow you to access your NOA instantly in the certified tax software, right after your Tax Return has been received and processed by the CRA. Otherwise, a formal NOA will arrive within 2 weeks of filing an electronic Tax Return and within 8 weeks of filing a paper Tax Return, or you can view your NOA using the CRA's My Account for Individuals.

Amending tax returns for previous years

You can see that valuable tax savings can be realized by claiming tax deductions and credits. But what if you didn't know about these savings or forgot to make claims in previous years? You can still remedy the situation by filing form T1-ADJ T1 Adjustment Request for any of the 10 previous tax years. In this form you report the amount of the deduction or credit that you originally claimed (zero if no claim was made), along with the revised amount that you are claiming. You can also use the Change my Return feature the CRA's My Account for Individuals once you've received your NOA.

If you prefer, you can often request an adjustment to current or prior year tax returns by using ReFILE. This online service lets you and your EFILE service providers send online adjustments for your tax returns with certified NETFILE and EFILE software. You or your EFILE service provider may be able to use ReFILE to send adjustments for returns from 2020 to 2023. But be sure to wait for your NOA prior to using ReFILE.

CRA will process your request and, assuming the deduction or credit is allowed, will issue you a refund for the tax that was overpaid.

The CRA offers additional information on how to change your return.

Other benefits

Some benefits, such as the GST/HST credit and Canada Child Benefit depend on the income you report and may not be paid if you don't file a tax return. If you expect to receive these benefits, it's advisable to file your Tax Return by April 30, to help ensure your benefits can be properly calculated in time for 2025-2026 program payments that begin in July 2025.

Some other benefits, such as the Canada Carbon Rebate, are only available if you've filed a tax return.

Canada Carbon Rebate (CCR)

The CCR is a tax-free amount that started in 2024[20] in provinces where federal pollution pricing applies. Payments vary by province, and the amounts for 2024-2025 range from $95 to $225 per quarter for an individual. Additional amounts are available if you have a spouse or partner, or children.

To qualify for the CCR, on the first day of the payment month you must:

- Have been at least 19 years old[21] and a resident of Canada in the prior month, and
- Reside in Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, or Saskatchewan.

By filing your Tax Return, you will automatically receive the CCR in 2025 if you're eligible.[22] You can also tick the box on page 2 of your Tax Return to receive a 20% supplement if your primary residence is outside a Census Metropolitan Area (CMA) and you (expect to) continue to reside outside the same CMA on April 1, 2025[23].

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[20] In 2021 to 2023, it was known as the Climate action incentive payment (CAIP). In 2018 to 2020, it was known as the Climate action incentive (CAI), which was a refundable tax credit claimed annually on personal income tax returns.

[21] You also qualify if you are under 19 and you either: have or had a spouse or common-law partner, or you are or were a parent, and live(d) with your child.

[22] Some candidates for the Liberal leadership have announced an intention to cancel consumer carbon taxes, so it is unclear if the CCR will continue to be available in the future.

[23] If you live in Prince Edward Island, the rural supplement is already included in the basic amount, so you don't need claim it by ticking the box on your tax return. Under proposed changes, eligibility for the CCR rural supplement would be expanded to include individuals who reside within a census rural area or small population centre (less than 30,000 individuals) in a census metropolitan area (CMA), as designated by Statistics Canada, and would affect payments beginning in April 2025.