



January 2009
Québec Tax Updates

December 11, 2008

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Changes to the Québec Basic Personal Exemption and base tax rate come in to effect January 1st, 2009.

Two updates are required prior to running your first payroll of January. The first update report inserts new TD1 values for all employees. The second update – a manual update –creates the new tax brackets.

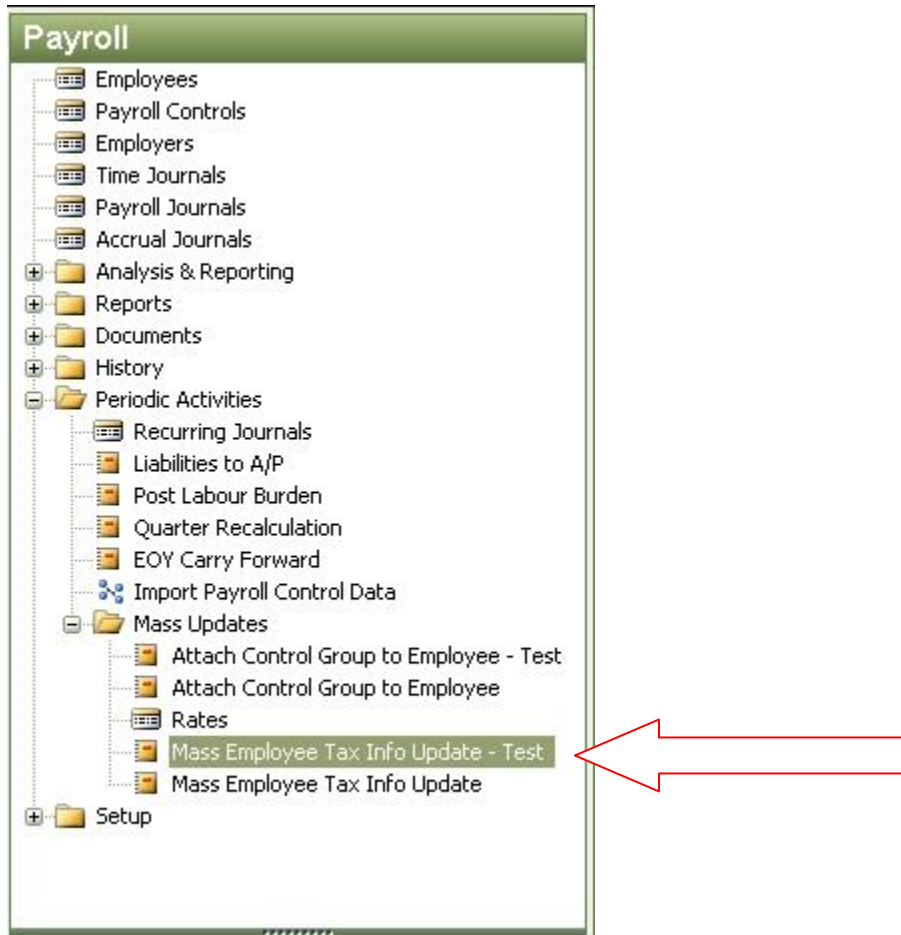
This is an instruction document intended to assist clients updating tax brackets in NAV. Open Door Technology includes rates in the procedure examples but does not guarantee these rates. Clients are responsible for knowing and entering the correct rates as released by the Canada Revenue Agency (CRA).

Note: The Federal changes are not included in this document. Please refer to the Canadian Payroll Tax Update Base Jan 2009 document.

CHANGING THE BASIC PERSONAL EXEMPTION

This process should be run in a test mode prior to applying the update. The test mode allows you to view the change report before the process is actually run. The update process inserts new Tax Authority records on the **Employee Card > Tax Authorities** – *it does not replace the existing records*. If an employee has additional credits, the process will accordingly increase or reduce the existing TD1 value by the amount of change to the basic exemption. This only adjusts for the Basic Personal Amount. Any other amounts claimed must be adjusted manually.

From the **Payroll Menu > Periodic Activities > Mass Updates**



Select **Mass Employee Tax Info Update – Test**.

In Navision 5.0, the Mass Employee Tax Info Update – Test option is not available in the payroll menu. There is now a Test Print field on the Options tab.

The following screen will open:

The screenshot shows a window titled "Mass Emp. Tax Info Update Test". The "Options" tab is selected. Under "TD1 Tax Credit Changes", there is an "Effective Date" field. Below it is a table with three columns: "Reporting Authority", "Old Amount", and "New Amount". Each row contains an upward arrow icon, a text box with "0.00", and another text box with "0.00". At the bottom are buttons for "Print...", "Preview", "Cancel", and "Help".

| Reporting Authority | Old Amount | New Amount |
|----------------------|------------|------------|
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |

Navision 5.0

The screenshot shows a window titled "Mass Employee Tax Info Update". The "Options" tab is selected. A "Test Print" checkbox is checked and highlighted with a red box. Below it is the "TD1 Tax Credit Changes" section with an "Effective Date" field and a table with "Reporting Authority", "Old Amount", and "New Amount" columns. The table shows the first row with an upward arrow icon, a text box with "0.00", and another text box with "0.00".

| Reporting Authority | Old Amount | New Amount |
|----------------------|------------|------------|
| <input type="text"/> | 0.00 | 0.00 |
| <input type="text"/> | 0.00 | 0.00 |

Use the effective date of January 1st, 2009.

Using the look up in the Reporting Authority field, select **QCTAX**.

- In the Old Amount field, enter **10215**
- In the New Amount field, enter **10455**

Using the look up on the second Reporting Authority field, QCTAX Reporting Authority, and enter the old and new amounts accordingly.

| Reporting Authority | Old Amount | New Amount |
|---------------------|------------|------------|
| Québec | 10,215 | 10,455 |

Mass Emp. Tax Info Update Test

Options

TD1 Tax Credit Changes

Effective Date. 01/01/09

| Reporting Authority | Old Amount | New Amount |
|---------------------|------------|------------|
| QCTAX | 10,215.00 | 10,455.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| | 0.00 | 0.00 |

Print... Preview Cancel Help

Print the report. The report will give you before and after values for all employees.

Review the report for Employees that have TD1 amounts that are not equal to the Basic Personal Amount. These employees may require further adjustments if the amounts they have claimed have been indexed.



From the Mass Updates menu, now select Mass Employee Tax Info Update. Complete the process, now in update mode.

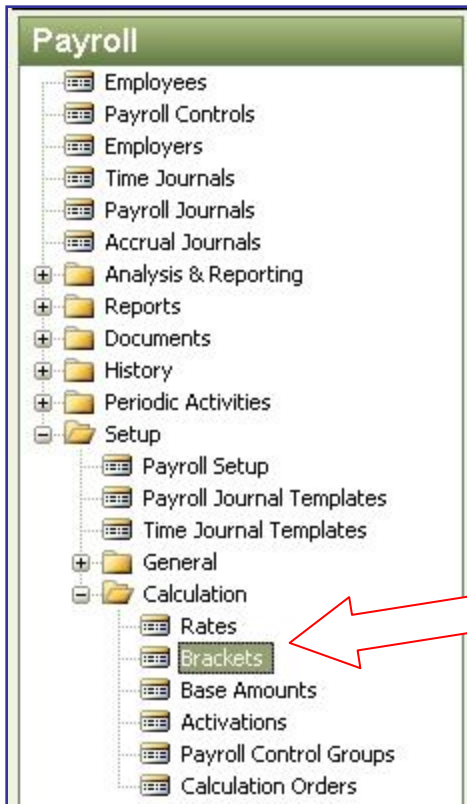
Note: The update is applied when Print or Preview is chosen.

On the Employee card > Payroll button > Tax Auth Info, the new TD1 values will now be in place.



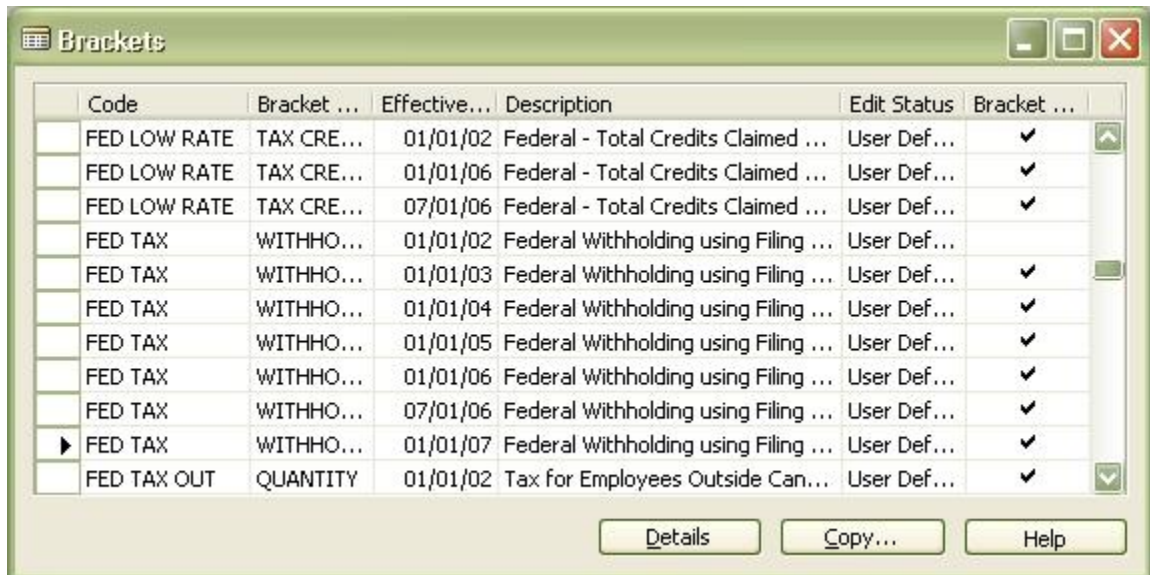
ADJUSTING THE TAX BRACKETS

From the **Payroll Menu > Setup > Calculation**



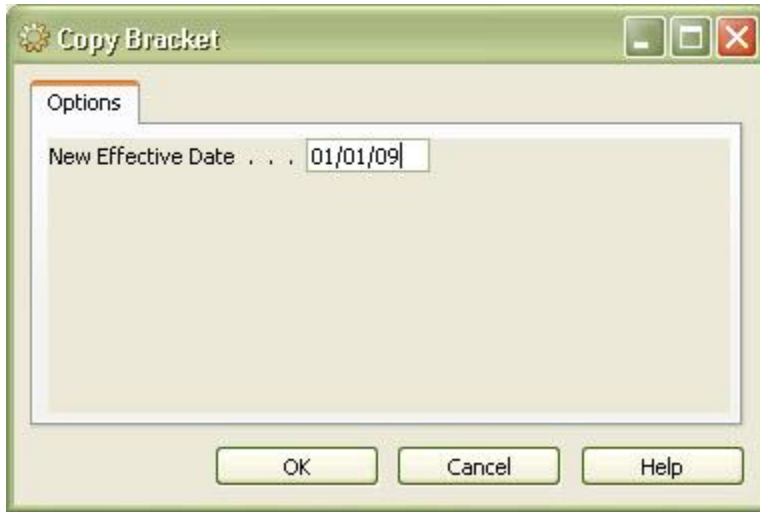
Select Brackets

The following screen will open:



Using the copy button copy, create a new bracket for each of the following with the Effective Date of January 1, 2009. After copying, remember to select the record with the January 1, 2009

Effective Date before updating the details.



You will need to update the information in the newly created brackets as follows.

QC RED

| Reporting Authority Code | Filing Status Code | Activation Code | % | Amount | Min. Amount | Max. Amount | Per Allowance | From Allowance |
|--------------------------|--------------------|-----------------|---|--------|-------------|-------------|---------------|----------------|
| | | | 6 | 0.00 | 0.00 | 1,025.00 | | 0 |
| | | | | | | | | |
| | | | | | | | | |

QC TAX W/H

| Reporting Authority Code | Filing Status Code | Activation Code | Amount Over | Tax % | Tax Amount | Limit | Max W/H |
|--------------------------|--------------------|-----------------|-------------|-------|------------|-------|---------|
| | | | 0.00 | 16 | 0.00 | 0.00 | 0.00 |
| | | | 38,385.00 | 20 | 6,141.60 | 0.00 | 0.00 |
| | | | 76,770.00 | 24 | 13,818.60 | 0.00 | 0.00 |
| | | | | | | | |

QC LOW RATE

| Reporting Authority Code | Filing Status Code | Activation Code | % | Amount | Min. Amount | Max. Amount | Per Allowance | From Allowance |
|--------------------------|--------------------|-----------------|----|--------|-------------|-------------|---------------|----------------|
| ▶ | ↑ | | 20 | 0.00 | 0.00 | 0.00 | | 0 |
| | | | | | | | | |
| | | | | | | | | |

QPIP EE

| Reporting Authority Code | Filing Status Code | Activation Code | Amount Over | Tax % | Tax Amount | Limit | Max W/H |
|--------------------------|--------------------|-----------------|-------------|-------|------------|--------|---------|
| ▶ | ↑ | | 0.00 | 0.484 | 0.00 | 300.08 | 0.00 |
| | | | | | | | |
| | | | | | | | |

QPIP ER

| Reporting Authority Code | Filing Status Code | Activation Code | Amount Over | Tax % | Tax Amount | Limit | Max W/H |
|--------------------------|--------------------|-----------------|-------------|-------|------------|-------|---------|
| ▶ | ↑ | | 0.00 | 0.677 | 419.74 | 0.00 | 0.00 |
| | | | | | | | |
| | | | | | | | |

QPIP MAX

| Reporting Authority Code | Filing Status Code | Activation Code | Tax % | Limit |
|--------------------------|--------------------|-----------------|-------|-----------|
| | ↑ | | 0 | 62,000.00 |
| | | | | |
| | | | | |

Help

EI W/H Q

| Reporting Authority Code | Filing Status Code | Activation Code | Amount Over | Tax % | Tax Amount | Limit | Max W/H |
|--------------------------|--------------------|-----------------|-------------|-------|------------|--------|---------|
| | ↑ | | 0.00 | 1.38 | 0.00 | 583.74 | 0.00 |
| | | | | | | | |
| | | | | | | | |

Help

EI MAX Q

| Reporting Authority Code | Filing Status Code | Activation Code | Tax % | Limit |
|--------------------------|--------------------|-----------------|-------|-----------|
| | ↑ | | 0 | 42,300.00 |
| | | | | |
| | | | | |

Help

QC CNT ER CONT

Limit + Tax% Bracket Amounts QC CNT ER CONT - Bracket Details

| Reporting Authority Code | Filing Status Code | Activation Code | Tax % | Limit |
|--------------------------|--------------------|-----------------|-------|-----------|
| | ↑ | | 0.08 | 62,000.00 |
| | | | | |
| | | | | |

Help