

## **ATTENTION: News Editors, Business Editors**

### **Federal Budget 2014 will reduce some administration for employers through increased payroll remittance thresholds**

**TORONTO (February 11, 2014)** – In his 2014 Federal Budget, Finance Minister Flaherty announced one payroll-related measure that would ease some administration burden for Canadian employers.

#### **Increased payroll remittances thresholds will benefit some employers:**

Currently, every employer with an average monthly withholding amount (AMWA) of \$15,000 is classified as an accelerated remitter. As well, employers with a \$50,000 AMWA are required to remit bi-weekly. Budget 2014 proposes the introduction of increased thresholds for accelerated remitters to \$25,000 (from \$15,000) and to \$100,000 (from \$50,000). The Department of Finance has estimated that 50,000 employers will see their required number of remittances cut in half.

“Increased thresholds for accelerated remitters will lower administration costs for some employers that were previously required to remit on a more frequent basis,” said Patrick Culhane, President and CEO of the Canadian Payroll Association. “The world has changed dramatically since 1990 and an average payroll remittance of \$50,000 per month is no longer a large business.”

Despite this measure, the Canadian Payroll Association is disappointed that more payroll-related measures to reduce the financial and administrative burden for employers were not included in the 2014 Budget. The Canadian Payroll Association had advocated that the Federal Government introduce more significant payroll-related measures to support more efficient and effective payroll administration for all stakeholders. For example, enabling employers to provide electronic T4 slips to employees would have reduced paper T4s and saved employers more than \$73 million annually.

#### **Some other components of the 2014 Federal Budget that may also affect payroll include:**

- Extending changes to the pension transfer limits
- Enhanced access to sickness benefits
- Strengthening compliance with GST/HST registration

Canada's 1.5 million employers annually produce more than 26 million T4 slips, 10 million T4As and nearly 7 million RL-1s in Quebec. They annually pay \$860 billion in wages and benefits, \$268 billion in federal and provincial statutory remittances and \$94 billion in health and retirement benefits, while complying with more than 190 federal and provincial regulatory requirements.

The Canadian Payroll Association has been advocating for more efficient payroll legislative processes for Canadian employers since 1978. The Association's advocacy and education programs provide the legislative compliance content used in the payroll processing and remitting systems of over five hundred thousand small, medium and large employers. The Canadian Payroll Association's 18,500 members include 90 of Canada's top 100 companies, as well as Canada's payroll service and software providers. Canadian organizations seek and value the expertise of Canadian Payroll Association members to be compliant and contribute to their goals.

For more information on the Canadian Payroll Association's [Professional Development Seminars](#), [Certification Programs](#) and [Benefits of Organizational or Professional Membership](#), visit [payroll.ca](http://payroll.ca).

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**CPA representatives are available for Budget 2014 commentary.**

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