# SAMPLE EMPLOYEE YEAR-END AND NEW YEAR COMMUNICATION

Dear (Insert employee name here),

Below is important information regarding your 2023 tax slips (T4/T4A) and what to expect for the 2024 calendar year.

**New Canada Dental Care Plan T4/T4A Boxes**

To support the administration of the new [Canadian Dental Care Plan](https://www.canada.ca/en/public-services-procurement/news/2023/09/the-government-of-canada-announces-progress-on-the-canadian-dental-care-plan.html), the following new boxes have been added to the tax slips beginning with the 2023 tax year.

* Box 45 on the [T4: Statement of Remuneration Paid](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/completing-filing-information-returns/t4-information-employers/t4-slip.html)
* Box 15 on the [T4A: Statement of Pension, Retirement, Annuity and Other Income](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/completing-filing-information-returns/t4a-information-payers/t4a-slip.html)

A corresponding reporting code *(not deduction)* will represent the dental coverage you **had access to** under our dental plan as of December 31 of the tax year. “Access” refers to the plan coverage available to you and not to your individual family status or the coverage you may have elected. For example, your T4 may be coded with a “3” even if you have no spouse or dependents.

| **Code** |  | **Access** |
| --- | --- | --- |
| 1 |  | Not eligible to access any dental care insurance or coverage of dental services of any kind |
| 2 |  | Payee only |
| 3 |  | Payee, spouse, and dependent children |
| 4 |  | Payee and their spouse |
| 5 |  | Payee and their dependent children |

**Second Canada/Quebec Pension Plan (C/QPP) Enhancement Contribution**

As a part of the C/QPP enhancement, a **second additional range of earnings will be** phased in between 2024 and 2025.

In 2024, this additional range of earnings will be between the **Year’s Maximum Pensionable Earnings (YMPE $68,500**) and a new higher limit known as the**Year’s Additional Maximum Pensionable Earnings (YAMPE $73,200).** Employees who earn more than $68,500 per annum will continue with a second C/QPP contribution at a rate of 4% until they reach the YAMPE of $73,200.

For example, an employee who earns $78,000 annually will contribute to CPP at a rate of 5.95% (QPP at a rate of 6.4%) up to the YMPE of $68,500 and will continue to contribute to C/QPP at 4% up to the YAMPE. The maximum second C/QPP contribution will be in the amount of $188 ($73,200 - $68,500 = $4,700 x 4% = $188).

The Canada Revenue Agency has created two new additional boxes on the current T4 as follows:

* Box 16A – for reporting of employees’ second CPP contribution
* Box 17A – for reporting of employee’s second QPP contribution

Note: Although you will see the above boxes on your T4, no amounts will be reported on your 2023 T4 slips because the second C/QPP contributions (deductions) will only begin in 2024. A new enhanced QPP box will only appear starting with the 2024 Relevé 1.

# 2024 TAX YEAR

# NEW TD1/TP-1015.3-V PERSONAL TAX CREDIT FORMS

If you wish to claim more than the basic personal tax credit amount because you are eligible to claim additional tax credits that would reduce the income tax withholding on your pay, please complete a new 2024 TD1 federal and provincial forms including the TP-1015.3-V form if applicable.

Below are the links to the TD1s/TP1015.3-V and Worksheet forms:

* [TD1 Personal Tax Credit Return form](https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later/td1.html) and
* [TD1-Worksheet forms](https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later/td1-ws.html),
* [TP-1015.3-V form](https://www.revenuquebec.ca/en/online-services/forms-and-publications/current-details/tp-1015-3-v/)

**Note:** It is your responsibility to provide us with a new TD1/TP-1015.3-V form no later than seven days after a change in your eligible tax credit amounts.

If you claimed the basic tax credit amount in 2023 and there are no changes to your tax credit amounts, no action is required on your part.

# CHANGE OF ADDRESS

If you moved, please provide us with your new address prior to December 31.

# DISTRIBUTION OF YOUR 2023 TAX SLIPS

# T4 and Relevé 1 Slip Delivery

Your 2023 tax slips will be available on or before February 29, 2024. The payroll department will advise you when they are available for you to download.

**Note:** In certain circumstances, you may receive multiple year-end slips. You need to include all tax slips when filing your personal income tax return. Please ensure that you have received tax slips from all your employers and for any RRSP contributions, you have made in the year before filing your personal income tax return. RRSP tax slips are issued by your financial institution.

# REMINDER - YOUR PAY FIRST PAY OF 2024

**New Tax Year – Deduction Update**

If you reached the maximum annual contributions to the Canada Pension Plan (CPP) or the Quebec Pension Plan (QPP), Employment Insurance (EI) and Quebec Parental Insurance Plan (QPIP) before December 31, 2023, these deductions will commence again on your first pay in 2024. The restarting of these deductions will result in a reduction of your net (take-home) pay.

Thank you,

Your Payroll Department

Additional resources that may be attached to this communication:

* Statutory holiday / business closures calendar
* Pay date calendar
* New year C/QPP, EI, QPIP rate and contribution limit changes
* Year-end vacation carry-over policy (if applicable)
* Expense report submission deadline (if applicable)
* Automobile logbook submission deadline (if applicable)
* Other company specific deadlines/updates