

RESIDENCY STATUS

INCOME TAX PURPOSES

CANADA TAX SYSTEM

Based on residency, not citizenship & self-assessed.

Different classifications of residency based on specific residential ties.

DETERMINE YOUR RESIDENTIAL TIES

Primary (significant) residential ties with Canada:

- A home in Canada.
- A spouse or common-law partner in Canada.
- Dependants in Canada.

Secondary residential ties with Canada:

- Personal property in Canada, such as a car or furniture.
- Social ties in Canada, such as memberships in Canadian recreational or religious organizations.
- Economic ties in Canada, Canadian bank accounts or credit cards.
- A Canadian driver's licence.
- A Canadian passport.
- Health insurance with a Canadian province or territory.



RESIDENCY STATUS

Canadian Government employees:

- Posted outside Canada are usually factual residents of Canada or deemed residents of Canada for income tax purposes.
- This could also apply to the family members of a Canadian Government employee who is posted abroad.

DETERMINED ON A CASE-BY-CASE BASIS

Your residency status depends on:

- Why and how long you are staying outside Canada.
- The ties you establish in your new country.
- How long and how often you return to Canada.
- Your residential ties to Canada.

Under Canada's tax system, your income tax obligations to Canada are based on your residency status.

To understand your tax obligations and filing requirements in Canada, it is essential to determine your residency status first.

Click Link:
https://bit.ly/Tax_Res_Status

IF YOU NORMALLY, CUSTOMARILY OR ROUTINELY LIVE IN ANOTHER COUNTRY

You may be considered a non-resident of Canada if you did not have significant residential ties with Canada and one of the following applies:

- You lived outside Canada throughout the year (except if you were a deemed resident of Canada).
- You stayed in Canada for less than 183 days in the tax year.



FACTUAL RESIDENTS

INCOME TAX PURPOSES

RESIDENTIAL TIES

Factual Residents:

- You may be a factual resident of Canada for income tax purposes if you keep significant residential ties in Canada while living abroad.
- The term factual resident means that although you are not in Canada, you are still considered a resident of Canada for income tax purposes.
- If you are a factual resident and a resident of another country with which Canada has a tax treaty, you may be considered a deemed non-resident of Canada for income tax purposes.



YOUR TAX OBLIGATIONS

Factual Residents income is taxed as if you never left Canada.

- Report all income you receive from sources inside and outside Canada for the year and claim all deductions that apply to you.
- Claim all federal and provincial or territorial non-refundable tax credits that apply to you.
- Pay federal tax and provincial or territorial tax for the province or territory where you keep residential ties.
- Claim any federal and provincial or territorial refundable tax credits that apply to you.
- Be eligible for the GST/HST credit (goods and services tax/harmonized sales tax), and Canada child benefit.

YOU COULD BE CONSIDERED A FACTUAL RESIDENT IF YOU ARE:

- Working temporarily outside Canada.
- Teaching or attending school in another country.
- Commuting (going back and forth daily or weekly) from Canada to your place of work in the United States (U.S.)
- Vacationing outside Canada.
- Spending part of the year in the U.S., for example, for health reasons or on vacation.

You are usually considered a factual resident or deemed resident of Canada if you left Canada and you are a government employee outside Canada, which includes members of the Canadian Forces posted abroad.

For more information, see [Government employees outside Canada](#).

RESOURCES

Which tax package should you use:

For each tax year that you're a factual resident of Canada for tax purposes, use the Income Tax Package for the province or territory where you keep residential ties.

Generally, this is the province or territory where you lived before you left Canada.

Filing due date:

Generally, must be filed on or before:

- April 30 of the year after the tax year.
- June 15 of the year after the tax year, if you or your spouse or common-law partner carried on a business in Canada.

- **File your taxes online: CAN NETFILE**

Click Link:
[CAN NETFILE](#)

DEEMED RESIDENTS

INCOME TAX PURPOSES

RESIDENTIAL TIES

Deemed Residents:

- Lived outside Canada during the tax year.
- Are not considered a factual resident of Canada because you did not have significant residential ties in Canada.



YOUR TAX OBLIGATIONS

Deemed Residents will need to report your income.

- Must report world income (income from all sources, both inside and outside Canada) for the entire tax year.
- Can claim all deductions and non-refundable tax credits that apply to you.
- Are subject to federal tax and instead of paying provincial or territorial tax, you'll pay a federal surtax.
- Can claim all federal tax credits, but you cannot claim provincial or territorial tax credits.
- Are eligible to apply for the goods and services tax/harmonized sales tax (GST/HST) credit.



YOU COULD BE CONSIDERED DEEMED RESIDENT IF YOU ARE:

A member of the Canadian Forces

Overseas school staff and you choose to file an income tax return as a deemed resident of Canada.

A federal or provincial government

Employee and you were either a resident of Canada just before being posted abroad or you received a representation allowance during the tax year.

A person working under a Global Affairs Canada assistance program

If you were a resident of Canada at any time during the three month period just before you began your duties abroad.

A dependent child

Of someone who falls into one of the categories described above and your net world income was not more than \$15,705.

Therefore, as a member of the Canadian Forces stationed outside of Canada, your situation will likely fall under **subsection 250(1) of the Income Tax Act**. For more information, visit the [Justice Laws Website](#).

RESOURCES

Which tax package should you use:

If you are a deemed resident, for the tax year you leave Canada and for all following years that you are outside Canada, use the [Income Tax Package for Non-Residents and Deemed Residents of Canada](#).

Filing due date:

Generally, must be filed on or before:

- April 30 of the year after the tax year.
- June 15 of the year after the tax year, if you or your spouse or common-law partner carried on a business in Canada.

Send return by mail or use the online service: CAN NETFILE

DEEMED RESIDENTS OF QUEBEC

INCOME TAX PURPOSES

LIVED IN QUEBEC JUST BEFORE LEAVING CANADA

DEEMED RESIDENTS - LIVED IN QUEBEC JUST BEFORE LEAVING CANADA

Deemed Residents:

- You are a member of the Canadian Forces and were resident in Québec immediately before leaving Canada on military service abroad.
- You are an ambassador, Member of Parliament, officer, high commissioner, minister, servant or senator of Canada, or an agent-general, officer or servant of a province, and were resident in Québec immediately prior to election, employment or appointment by Canada or the province or received representation allowances in respect of the year.
- You perform services in a country other than Canada under a prescribed international development assistance program of the government of Québec or Canada and were resident in Québec at some point in the six-month period preceding the day on which those services commenced.
- You are the dependent child of an individual referred to in any of the previous points.

Click Link:

<https://bit.ly/RevenuQC>

YOUR TAX OBLIGATIONS

Deemed Residents:

- Must report your world income (income from all sources, both inside and outside Canada) for the entire tax year.
- Can claim all deductions and non-refundable tax credits that apply to you.
- Are subject to federal tax and instead of paying provincial or territorial tax you'll pay a federal surtax.
- Can claim all federal tax credits, but you cannot claim provincial or territorial tax credits.
- Are eligible for the GST/HST credit.

DID YOU LIVE IN QUEBEC JUST BEFORE YOU LEFT CANADA?

Deemed Residents under Quebec Law:

- You may also be considered a deemed resident of that province.
- You may have to pay Quebec income tax while you are serving abroad.

TO AVOID DOUBLE TAXATION

Surtax for non-residents and deemed residents of Canada plus Quebec provincial income tax.

Attach a note to your federal return telling the Canada Revenue Agency all of the following:

- You are subject to Quebec income tax.
- You are filing a Quebec provincial return.
- You are asking for relief from the non-resident and deemed resident of Canada surtax.
- The Province of Quebec also grants relief to certain taxpayers who were deemed residents of Canada and Quebec.
- This includes deemed residents of Canada who are members of the Canadian Forces or at any time in the year an ambassador, minister, high commissioner, officer, or servant of Canada, and who were also deemed residents of Quebec.

RESOURCES

Which tax package should you use:

For deemed residents of Canada and Quebec, you should use the Income Tax Package for Non-Residents and Deemed Residents of Canada. [This package includes the necessary forms and guides to help you file your taxes correctly.](#)

Filing due date:

Generally, must be filed on or before:

- April 30 of the year after the tax year.
- June 15 of the year after the tax year, if you or your spouse or common-law partner carried on a business in Canada.

Send return by mail or use the online service: **CAN NETFILE**

DEEMED NON-RESIDENTS

INCOME TAX PURPOSES

You are a deemed non-resident of Canada if you would have been considered a resident of Canada (or deemed resident of Canada) but you are instead considered a resident of another country under a tax treaty between Canada and the other country.

RESIDENTIAL TIES:

You are a non-resident for income tax purposes if you:

Normally, customarily, or routinely live in another country and are not considered a resident of Canada.

Do not have significant residential ties in Canada and any of the following applies:

- Live outside Canada throughout the tax year.
- Stay in Canada for less than 183 days in the tax year.



YOUR TAX OBLIGATIONS

The rules that apply to non-residents of Canada also apply to deemed non-residents of Canada. This means you complete your return the same way as a non-resident of Canada.

- As a non-resident of Canada, you pay tax on income you receive from sources in Canada. The type of tax you pay and the requirement to file an income tax return depend on the type of income you receive.
- Canadian income received by a non-resident is subject to Part XIII tax or Part I tax.



PART XIII TAX

Part XIII tax is deducted from the types of income listed below. To make sure the correct amount is deducted, it is important to tell Canadian payers:

- That you are a non-resident of Canada for income tax purposes.
- Your country of residence.

The most common types of Canadian income subject to Part XIII tax are:

- dividends
- rental and royalty payments
- pension payments
- old age security pension
- Canada Pension Plan and Quebec Pension Plan benefits
- retiring allowances
- registered retirement savings plan payments
- registered retirement income fund payments
- annuity payments
- management fees



RESOURCES

Which tax package should you use:

The type of Canadian income you receive during the tax year determines [which income tax package you should use.](#)

Filing due date:

Generally, must be filed on or before:

- April 30 of the year after the tax year.
- June 15 of the year after the tax year, if you or your spouse or common-law partner carried on a business in Canada.

Send return by mail or use the online service: **CAN NETFILE**

RESOURCES

INTERNATIONAL TAX AND NON-RESIDENT ENQUIRIES OFFICE

Phone:

1-800-959-8281

613-940-8495 (for service in English)

613-940-8496 (for service in French)



REVENU QUEBEC

Phone:

Monday - Friday: 8:30 am to 4:30 pm

Québec: 418-659-6299

Montréal: 514-864-6299

Elsewhere in Canada:

1-800-267-6299 (toll-free)

Mail:

Revenu Québec

3800, rue de Marly

C. P. 25555, succursale Terminus

Québec (Québec) G1A 1B9

Click Link:

<https://bit.ly/RevenuQC>

REVENU QUEBEC

Click Link:

https://bit.ly/Tax_Res_Status

RESIDENCY STATUS

Click Link:

https://bit.ly/Tax_NETFILE

CAN NETFILE - FILE YOUR TAXES ONLINE

CANADA REVENUE AGENCY (CRA)

Individual Tax Enquiries:

1-800-959-8281

Business Enquiries:

1-800-959-5525

Website:

<https://www.canada.ca/en/services/taxes/income-tax.html>

Hours:

Monday - Friday: 6:30 am to 11 pm (ET)

Saturday: 7:30 am to 8 pm (ET)

CANADA REVENUE AGENCY (CRA)

Mailing address for income tax and benefit returns:

Denmark, France, Netherlands, USA, United Kingdom:

Winnipeg Tax Centre
PO Box 14001, Station Main
Winnipeg MB R3C 3M3
CANADA

Fax: 204-984-5164

All Other Countries:

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C2
CANADA

Fax: 705-671-3994 or 1-855-276-1529

CANADA CHILD BENEFIT (CCB)

Phone:

1-800-387-1193

Website: <https://bit.ly/CanChildBenefit>

Yukon, Northwest Territories and Nunavut:

1-866-426-1527

Monday - Friday: 9:00 am to 5:00 pm (LT)

Alberta Benefit Programs:

1-800-959-2809

Monday - Friday: 9:00 am to 5:00 pm (MT)

Please note:

The information provided is intended to offer helpful pointers about your taxes while on OUTCAN. This information does not replace the guidance provided by the Canada Revenue Agency (CRA).

For specific questions related to your situation, please consult the CRA directly.