



### What's New at DMC...

**Please join us in welcoming Eric Gebert to the team!**

**We are participating in the Big Red Bike on May 17<sup>th</sup> to raise funds for Heart and Stroke Foundation. Please consider donating to our team and cheer us on! Go to [heartandstroke.ca](http://heartandstroke.ca) and look for our team name: "Run DMC"**



### Employer Health Tax Overview

*The employer health tax is an annual tax on an employer's B.C. remuneration paid to employees and former employees in a calendar year beginning on January 1, 2019.*

*The employer health tax applies to:*

*Employers in B.C.*

*Charitable or non-profit employers in B.C.*

*Note: The employer health tax is separate and distinct from remitting source deductions or MSP premiums.*

*Employers*

*- Employers with B.C. remuneration greater than \$500,000 (exemption amount) in a calendar year must register for the employer health tax.*

*- Employers include an individual, a corporation, a partnership, a trust or a government.*

*A joint venture is not considered to be an employer for purposes of the employer health tax. Rather, it is the venturers individually that are considered to be the employers.*

*Employers with B.C. remuneration:*

- Of \$500,000 (exemption amount) or less don't pay employer health tax*
- Between \$500,000.01 and \$1,500,000 (notch rate amount) pay the reduced tax amount as calculated:*
- $2.925\% \times (\text{B.C. remuneration} - \$500,000)$*

*Greater than \$1,500,000 pay the tax on their total B.C. remuneration as calculated:  
 $1.95\% \times \text{total B.C. remuneration}$*

*If you are required to pay the tax, you must register for the employer health tax.*

*If you are associated with other employers and the combined B.C. remuneration of the associated employers is between \$500,000.01 and \$1,500,000, you must share the \$500,000 exemption. If the combined B.C. remuneration of the associated employers is greater than \$1,500,000, there is no exemption available to any of the employers.*

*Note: The B.C. employer health tax is deductible from business income for income tax purposes.*

*Continued on page 2...*

## Have You Heard?

New Legislation: BC Employer Health Tax



**Employer Health Tax Overview...** *continued from page 1*

The employer health tax applies differently to charitable or non-profit employers.

*Charitable or Non-Profit Employers*

You're considered a charitable or non-profit employer if you're a registered charity with the Canada Revenue Agency (CRA) or you're exempt from paying income tax under the following sections of the Income Tax Act (Canada):

- An agricultural organization, a board of trade, or a chamber of commerce (section 149(1)(e))
- A registered Canadian amateur athletic association (section 149(1)(g))
- A corporation constituted exclusively to provide low-cost housing for seniors (section 149(1)(i))
- A non-profit corporation for scientific research and experimental development (section 149(1)(j))
- A labour organization or society or a benevolent or fraternal society or order (section 149(1)(k))
- A club, society or association that isn't a charity and is organized and operated only for social welfare, civic improvement, pleasure or recreation and any other purpose other than profit (section 149(1)(l))

For employer health tax purposes, a charitable or non-profit employer doesn't include an organization within the government reporting entity.

Remuneration paid by employers who are status First Nations individuals carrying on business on a reserve is not subject to the EHT. Remuneration paid to status First Nation individuals working for a business situated on a reserve is also excluded from the EHT

Please call our office for more information or if you have any questions.

Reference: <https://www2.gov.bc.ca/gov/content/taxes/employer-health->

**Income Tax Preparation  
Proprietorship – June 15<sup>th</sup>**

- All your T3's, T4's, T5's, and interest slips from banks and investments
- Your 2017 Notice of Assessment from Revenue Canada that you received after you filed last year
- Correct birthdates for your family members
- Correct address and telephone numbers
- If your marital status and/or surname has changed, please inform the interviewer
- Your RRSP, union, charitable and medical receipts
- Tax instalments you may have already paid
- Child care receipts with Social Insurance Number and address of your caregiver
- Spousal support payment receipts
- Pension receipts
- Business, rental or commission income and expenses
- Investment expenses
- Capital Gains information
- Mileage log (if applicable)
- Tuition receipts (T2202 – Contact your educational institute if you have not received a T2202 and you went to school in 2017)
- Banking information for CRA refunds
- Summary of proprietorship reviews and expenditures, including related source documentation

\*Please note that taxes due are payable as of April 30<sup>th</sup>

**Five Key Factors That Make Company Culture Effective**

**1. Consistent communication:** The cultural principles of the company must be communicated consistently by the leadership and demonstrated every day. Nothing will bring greater discredit to culture than leaders who say they subscribe to the culture but behave another way. Internal newsletters, business planning processes and company awards all need to be structured around the principles held.

**2. Celebrate success:** The key to maintaining cultural momentum is providing all employees with a line of sight on every success the company achieves. Success needs to be celebrated throughout the organization, and the teams primarily responsible should be lauded across the company. A leader must have the good sense to make these successes about his people, not himself. Celebrating success drives the esprit de corps and a pride that enhances the quality of the work a company does.

**3. Be transparent:** Companies need to be transparent in their strategic planning and how they treat their employees. The more a company shares information, the more employees feel like a team and have a shared responsibility over the success of the company. This transparency should even extend to lessons about the failures that occur – because failure can be our best teacher, provided people learn from those mistakes. You should talk about them and not cover them up.

**4. Respect everyone's contribution:** You need to be able to listen to your people, and accept their feedback and criticism. A good corporate culture also invests in the training and welfare of its staff and trusts what employees have to say. This rule of thumb must cascade from the most senior levels of the organization right down to the company mailroom. Everyone needs to feel that their contribution is respected in a meaningful way.

**5. Continually benchmark your performance:** Being a great place to work doesn't happen overnight – it's a process of continual improvement, where each year you try to do a better job of employee satisfaction and retention. There are a variety of benchmarking metrics you can use and you must survey your company annually – in good times and bad – to get honest feedback. Then you need to have a transparent discussion about the findings and put a plan in place to make improvements for all to see.

Reference: <https://www.theglobeandmail.com/report-on-business/careers/leadership-lab/five-factors-to-make-your-corporate-culture-effective/article20008618/>