

8 | Taxes

Objective

Many Aboriginal people think they do not need to file an **income** tax return. Some common misconceptions include: “I’m status. I don’t pay **taxes** so I don’t need to file,” or “I didn’t have any income so I don’t need to file,” or “It costs money to file a tax return and I can’t afford to pay for it.” This section addresses these misconceptions and discusses the benefits of filing a tax return. We will address the following topics:

- The facts about filing income tax returns.
- Tax credits and benefits.
- How to file an income tax return.

The Facts on Filing Income Tax Returns



Believe it or not, there can be financial fitness benefits to filing your taxes!

First of all, let’s address those misconceptions.

“I’m status. I don’t pay taxes so I don’t need to file.”

Well it’s not quite that simple. There are many considerations and the laws are always changing. The bottom line is, when in doubt; check it out! Call and talk to a Revenue Canada representative at **1-800-959-8281**

“I didn’t have any income so I don’t need to file.”

Not true! In fact, if you have not had any income, there is even more reason to file! No-income or low-income individuals and families may qualify for a number of credits. We’ll talk more about these credits later in this section.

“It costs money to file a tax return and I can’t afford to pay for it.”

There are free options to help you file. The Community Volunteer Income Tax Program assists those unable to complete an income tax return by themselves. The [Volunteer Tax Preparation Clinics](#) are generally offered between February and April of each year; however, some tax clinics operate year-round and, best of all, the service is free.

Now that those misconceptions are out of the way and you are ready to file, let’s talk about tax credits and benefits.

Tax Credits and Benefits

By filing your income tax return, you could receive the following credits:

- **GST/HST Credit**

If you have not had any income, there is even more reason to file!

- BC HST Credit
- BC Low-Income Climate Action Tax Credit
- You may also be eligible for other benefits such as:
- Canada Child Tax Benefit, which includes the BC Family Bonus and BC Earned Income Benefit
- National Child Benefit Supplement
- Universal Child Care Benefit
- Working Income Tax Benefit
- It's important to file your tax return because you could receive more money from the Federal and Provincial governments through tax credits and benefits. By simply filing your income tax return, a single person may receive approximately \$585 more each year; a single parent with one child could receive \$4,700 each year, and a two-parent family with two children may receive up to \$8,600 more each year. Ready to file now? Here's how...

How to File an Income Tax Return

There are several ways to file your income tax return:

By mail

You can mail a paper income tax return to the tax centre using the envelope included in your tax package. Income tax return forms can be downloaded from the Canada Revenue Agency [website](#). You can also pick one up from any Canada Post outlet or at an Employment and Income Assistance Office.

By Internet

You may be eligible to use [NETFILE](#) if you are completing and sending your own income tax return, or [EFILE](#) if you are having your return prepared and sent by an authorized service provider. There are several no-cost tax applications for NETFILE for low-income families.

Take the next step: **9 | Family Matters**

Learning Resources

The following link is the Canada Revenue Agency website with information for Aboriginal Peoples. [Here](#) you will find all sorts of information related to taxation.

For a list of the available tax clinics in British Columbia, check this [link](#).

Tips Just for You...

Seniors

If you qualify for full pension (old Age Security and Guaranteed Income Supplement) you will need to provide proof that you have lived in Canada your whole life.

Seniors who qualify for Guaranteed Income Supplement (GIS) must file on time or their GIS payments would be interrupted in July.

Families

Parents with low income must file on time to receive their **Child Tax Credit** or their payments would be interrupted in July.

If you are low income you may qualify to receive the GST/HST and BC Climate Benefits.

Take the next step: [9 | Family Matters](#)

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