

# Contents

Acronyms .....	vii
<b>Chapter 1: Source Deductions .....</b>	<b>1</b>
<i>Question 1: Coverage Under the Canada Pension Plan (CPP)         versus the Quebec Pension Plan (QPP).....</i>	1
<i>Question 2: Coverage Under Employment Insurance (EI)         versus the Quebec Parental Insurance Plan (QPIP).....</i>	2
<i>Question 3: Remittance Due Dates for Threshold 2 Remitters .....</i>	3
<i>Question 4: Employee Electing to Stop Contributing to Canada         Pension Plan (CPP).....</i>	6
<i>Question 5: Bonuses for Temporary Partial-Year Employees .....</i>	7
<i>Question 6: Form CPT30–Election to Stop Canada Pension         Plan (CPP) Contributions .....</i>	8
<i>Question 7: Post-Dated CPT30 Forms.....</i>	8
<i>Question 8: Treatment of Unused Accumulated Sick Pay         Credits for Retirees .....</i>	9
<i>Question 9: Statutory Deductions for Outstanding Vacation         Pay on Termination .....</i>	10
<i>Question 10: Treatment of Lump Sum Payment with Benefits         Continuance.....</i>	10
<i>Question 11: Wages in Lieu of Notice .....</i>	11
<i>Question 12: Source Deductions for Banked Overtime         Lump Sum Payments .....</i>	12
<i>Question 13: Banked Overtime/Vacation Pay Transferred to RRSP... </i>	13
<i>Question 14: Grossing Up an Employee’s Bonus Payment.....</i>	14
<i>Question 15: Source Deductions on Vacation Pay for a         Deceased Employee.....</i>	14
<i>Question 16: Decreasing Income Tax Source Deductions.....</i>	15
<i>Question 17: Meaning of “in kind” for EI Premiums.....</i>	16
<i>Question 18: Employer Obligations for a T2200 .....</i>	17
<b>Chapter 2: Taxable Allowances and Benefits.....</b>	<b>19</b>
<i>Question 19: Waiting Until Year End to Calculate Taxable         Benefits.....</i>	19
<i>Question 20: Taxation of Employer Paid Premiums for an         Accident Insurance Plan.....</i>	19

*Payroll FAQ 2015*

*Question 21: Per-Kilometre Reimbursements for Personal Vehicles....* 19

*Question 22: Taxable Benefits on an Interest-Free Loan.....* 21

*Question 23: Taxation of Prizes Won by Employees .....* 23

*Question 24: Calculating Standby Charge for Automobile  
Taxable Benefits Relating to Employee Vacations .....* 23

*Question 25: Occasional Personal Use of Company Vehicles Leased  
from Employer.....* 24

*Question 26: Use of Company Vehicles for Personal Reasons.....* 26

**Chapter 3: Retiring Allowances .....** **31**

*Question 27: Retiring Allowance When Benefits Continued  
Beyond Retirement .....* 31

*Question 28: Retiring Allowances versus Retention Bonuses.....* 31

*Question 29: Transfer of Non-eligible Portion of Retiring Allowance  
to an RRSP .....* 32

*Question 30: Retiring Allowances and Employment with an  
Affiliate .....* 32

**Chapter 4: Year-End Reporting.....** **35**

*Question 31: T4s for an Employee Working in More than One  
Province.....* 35

*Question 32: Reporting an Overpayment Made to an Employee.....* 35

*Question 33: Year-End Reporting Requirements for Garnishee  
Orders.....* 36

*Question 34: Reporting a Retiring Allowance in Box 14  
(Employment Income).....* 36

*Question 35: Calculating Pension Adjustments on T4s.....* 36

**Chapter 5: Record of Employment.....** **39**

*Question 36: Employment Insurance (EI) Insurability of  
Standby Hours.....* 39

*Question 37: Reporting Vacation Taken Before Maternity  
Leave on Record of Employment (ROE).....* 39

**Chapter 6: Social Insurance Number .....** **41**

*Question 38: Elimination of Social Insurance Number (SIN) Cards... 41*

**Chapter 7: Employment/Labour Standards .....** **43**

*Question 39: Upcoming Minimum Wage Changes .....* 43

*Question 40: Statutory Holidays in February by Jurisdiction .....* 45

*Question 41: Upcoming Statutory Holidays in 2016.....* 45

*Question 42: Vacation Pay for Salaried Employees .....* 47

*Contents*

<i>Question 43: Calculating Statutory Holiday Pay .....</i>	48
<i>Question 44: Inclusion of Wages Paid in Lieu of Notice in Calculating Vacation Pay .....</i>	50
<i>Question 45: Overtime Pay for an Employee Not Normally Scheduled to Work on a Saturday.....</i>	51
<i>Question 46: Overtime Pay versus Lieu Time.....</i>	52
<i>Question 47: Employee Breaking up Parental Leave .....</i>	53
<i>Question 48: Notice Requirements for Employee Not Returning After Maternity/Parental Leave.....</i>	54
<i>Question 49: Inclusion of Overtime Pay When Calculating Vacation Pay .....</i>	56
<i>Question 50: Taking Vacation in Short Intervals .....</i>	56
<i>Question 51: Employees Waiving Their Vacation Entitlements .....</i>	59
<i>Question 52: Inclusion of Hours Worked on a Statutory Holiday in Calculation of Overtime Pay .....</i>	62
<i>Question 53: Time Limits for Using Banked Overtime.....</i>	64
<b>Chapter 8: Health Care/Employer Levies .....</b>	<b>67</b>
<i>Question 54: Employer Deductions for Employees' Provincial Health Care Coverage.....</i>	67
<b>Chapter 9: Workers' Compensation .....</b>	<b>71</b>
<i>Question 55: Proration of Employee Earnings in Calculating Assessable Payroll for Workers' Compensation Premiums.....</i>	71
<b>Sources .....</b>	<b>73</b>