

Notice to employees or pensioners with dependent children under age 18

Form TD1MB, *2001 Manitoba Personal Tax Credits Return*, is new for the 2001 tax year. Complete this form and give it to your employer or payer so that the proper amount of provincial income tax can be withheld from your pay or pension.

Residents of Manitoba can use the form to claim personal tax credits as well as a Family Tax Reduction. The Family Tax Reduction reduces tax based on the personal amounts you claimed, such as the spousal or age amount. There is also a \$300 tax reduction for each dependent child who is under age 18 at any time in the year. The reduction is offset by 1% of net income.

Form TD1MB for 2001 does not contain an area for reporting the number of dependants. However, employers or payers who use computer payroll programs can include the Family Tax Reduction in calculating income tax withholdings. To ensure that your pay office is aware of the number of your dependants who qualify for this amount, and for whom you wish to claim the Family Tax Reduction, write a note on the form at the bottom of page 2 near the certification section, as in the following example:

"For the Manitoba Family Tax Reduction for 2001, I claim ____ dependent children under age 18 in the year."

Only the spouse (or common-law partner) with the higher net income for the year may claim the reduction. Do not include a child for whom you have claimed an equivalent-to-spouse amount on line 7 of the front page of the form.

Note:

If your employer or payer calculates tax withholding manually, or does not include this reduction in their computer payroll program, you will get credit for any reduction for dependent children to which you are entitled for 2001 when you file your 2001 income tax return.

Notice

We have revised the following provincial TD1 form to reflect changes to some personal tax credit amounts in the latest provincial budget. Existing printed versions, however, are not obsolete.



2001 MANITOBA PERSONAL TAX CREDITS RETURN

TD1MB

Do I have to complete this form?

Complete this Manitoba TD1 form if you completed a federal Form TD1, *2001 Personal Tax Credits Return*, and you are:

- an employee working in Manitoba; or
- a pensioner residing in Manitoba.

If you complete this form, be sure to sign and date it on the back page and give it to your employer or payer with your federal TD1 form. Your employer or payer will use both forms to determine the amount of your payroll tax deductions.

Last name	First name and initial(s)	Date of birth (YYYY/MM/DD)	Employee number
Address including postal code		For non-residents only – Country of permanent residence	Social insurance number

1. Basic personal amount – Every person employed in Manitoba and every pensioner residing in Manitoba can claim this amount. If you will have more than one employer in 2001, see the section called "Income from other employers or payers" on the back page.

\$7,412

2. Age amount – If you will be 65 or older on December 31, 2001, and your net income from all sources will be \$26,941 or less, enter \$3,619. If your net income will be between \$26,941 and \$51,068 and you want to calculate a partial claim, get the *Worksheet for the 2001 Manitoba Personal Tax Credits Return (TD1MB-WS)* and complete the appropriate section.

3. Pension income amount – If you will receive regular pension payments from a pension plan or fund (excluding Canada or Quebec Pension Plans (CPP/QPP), Old Age Security and guaranteed income supplements), enter \$1,000 or your estimated annual pension income, whichever is less.

4a. Tuition and education amounts (full-time) – If you are a student enrolled full-time at a university, college, or educational institution certified by Human Resources Development Canada, enter the total of the tuition fees you will pay, if more than \$100 per institution, plus \$400 for each month that you will be enrolled full-time.

4b. Tuition and education amounts (part-time) – If you are a student enrolled part-time at a university, college, or educational institution certified by Human Resources Development Canada, enter the total of the tuition fees you will pay, if more than \$100 per institution, plus \$120 for each month that you will be enrolled part-time.

5. Disability amount – If you will claim the disability amount on your income tax return by using Form T2201, *Disability Tax Credit Certificate*, enter \$6,000.

6. Spouse or common-law partner amount – If you are supporting your spouse or common-law partner who lives with you, and his or her net income for the year will be \$630 or less, enter \$6,293. If his or her net income for the year will be between \$630 and \$6,923 and you want to calculate a partial claim, get the *Worksheet for the 2001 Manitoba Personal Tax Credits Return (TD1MB-WS)* and complete the appropriate section.

7. Amount for a dependant of a qualified person – If you do not have a spouse or common-law partner and support a dependent relative who lives with you, and his or her net income for the year will be \$630 or less, enter \$6,293. If his or her net income for the year will be between \$630 and \$6,923 and you want to calculate a partial claim, get the *Worksheet for the 2001 Manitoba Personal Tax Credits Return (TD1MB-WS)* and complete the appropriate section.

8. Caregiver amount – If you are taking care of a person who lives with you, whose net income for the year will be \$11,953 or less, and who is **either** your or your spouse's or common-law partner's:

- parent or grandparent age 65 or older, **or**
- relative age 18 or older who is dependent on you because of an infirmity,

enter \$3,500. If the dependant's net income for the year will be between \$11,953 and \$15,453 and you want to calculate a partial claim, get the *Worksheet for the 2001 Manitoba Personal Tax Credits Return (TD1MB-WS)* and complete the appropriate section.

9. Amount for infirm dependant age 18 or older – If you are supporting an infirm dependant age 18 or older who is your or your spouse's or common-law partner's relative, who lives in Canada, and his or her net income for the year will be \$4,966 or less, enter \$3,500. You cannot claim an amount for a dependant claimed on line 8. If the dependant's net income for the year will be between \$4,966 and \$8,466 and you want to calculate a partial claim, get the *Worksheet for the 2001 Manitoba Personal Tax Credits Return (TD1MB-WS)* and complete the appropriate section.

10. Amounts transferred from your spouse or common-law partner – If your spouse or common-law partner will not use all of his or her age amount, pension income amount, tuition and education amounts (maximum \$5,000), or disability amount on his or her income tax return, enter the unused part.

11. Amounts transferred from your dependant – If your dependant will not use all of his or her tuition and education amounts (maximum \$5,000) or disability amount on his or her income tax return, enter the unused part.

12. TOTAL CLAIM AMOUNT – Add lines 1 through line 11. Your employer or payer will use your claim amount to determine the amount of your provincial payroll tax deductions.

\$

Form continues on the back →

Forms and publications

You can get the forms and publications mentioned on this form from the Internet at www.c CRA-ADRC.gc.ca or by calling 1-800-959-2221.

Why is there a Manitoba TD1 form?

Manitoba has adopted a new method of calculating personal income tax. This new method is called "Tax on income". With this method, your provincial income tax will no longer be a percentage of federal income tax. You will calculate your provincial income tax directly on your taxable income, according to Manitoba's own tax rates and brackets, as well as Manitoba's own non-refundable tax credits. Similarly, your employer or the payer of your pension will now calculate the provincial tax to deduct from your pay or pension cheque using the "Tax on income" method.

Your employer or payer uses the personal tax credit amounts you claim on your TD1 form to calculate your payroll tax deductions. With the former "Tax on tax" method, there was only a federal TD1 form. With "Tax on income", there is also a Manitoba TD1 form because Manitoba established its own values for many of the personal tax credit amounts.

Income from other employers or payers

Your earnings may not be subject to payroll tax deductions if your employment income from all employers for the year will be less than your total claim amount.

Will your total employment income for the year be less than your total claim amount on line 12 on the front page?

Yes No

If you have more than one employer or payer and you have already claimed personal tax credit amounts on another Form TD1MB for 2001, you can choose not to claim them again. By doing this, you may not have to pay as much tax when you will file your income tax return. To choose this option, enter "0" on line 12 on the front page and do not complete lines 2 to 11.

Certification

I certify that the information given in this return is, to the best of my knowledge, correct and complete.

Signature _____

Date _____

It is a serious offence to make a false return.