

December 31, 2021

Dear Client:

RE: TRUST AND T5 INVESTMENT INCOME SLIPS

It's that time of year again! The 2021 T3 Trust income tax returns must be filed with the Canada Revenue Agency on or before March 31, 2022.

In addition, the T5 slip filing deadline is February 28, 2022. The T5 slips are required to be filed by corporations which paid dividends or interest during 2021. In order to prepare these returns by the filing deadline, we will require the following information as soon as possible and ideally no later than January 24, 2022:

1. Trust bank statements and cancelled cheques for January to December 2021
2. Trust ledger or summary (if available) for January to December 2021

DOES YOUR TRUST TAX RETURN HAVE TO BE FILED THIS YEAR?

If your trust was inactive throughout the year, you may not have to file if:

1. No dividends (other than a small loan to cover last year's accounting fees) were paid to the trust in the calendar year by your corporation.
2. The trust did not receive any investment income (e.g. interest, capital gains or dividends).

If your trust was inactive, please advise us by email.

However, to the extent the new filing requirements rules for 2021 come to effect prior to March 31, 2022, an inactive trust may still be required to file a trust return for 2021, unless an exception applies.

POTENTIAL NEW FILINGS REQUIREMENTS RULES FOR TRUSTS FOR 2021 AND SUBSEQUENT YEARS

For 2021 and subsequent taxation years, the 2018 Budget proposes that all non-resident trusts that currently have to file a T3 return and express trusts that are resident in Canada, with some exceptions, may have to provide additional information on an annual basis to improve the collection of beneficial ownership information with respect to trusts. As a result, for the 2021 and subsequent taxation years, certain trusts may have to file a T3 return that were not required to file in prior years.

The new legislation proposed in the 2018 Budget has not been enacted yet (i.e., no formal requirements to provide additional information for now), but **if such rules come into effect before March 31, 2022, we will be sending you a list of additional required information.**

DOCUMENT SUBMISSION

Once you have gathered all of your documents, please upload them through our portal which can be accessed through our website martinhenry.ca.

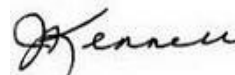
Yours truly,



John D. Martin, CPA, CA



Charlene M. Henry, CPA, CA



Julie Kennell, CPA, CA