



Diocese of Toronto
Anglican Church of Canada

The Incorporated Synod
of the Diocese of Toronto

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Memo

To: All Clergy and Parish Payroll Administrators

From: Keri Stilling, General Accountant

Date: April 25, 2024

Re: Payroll Deductions and T4/T4A slips

Hi,

It is a requirement of the Canada Revenue Agency (CRA) that deductions for income tax (both Federal and Provincial), Canada Pension Plan (CPP) and Employment Insurance (EI) be deducted from all employees regardless of how much they earn. Please note that the parish is responsible for submitting these deductions (along with the employer contributions for CPP and EI) to CRA according to their remittance schedule.

The CPP rate is 5.95% up to an earnings maximum of \$68,500 and there is another rate, CPP2, of 4% for the next \$4,700.00 in earnings. The CPP/ CPP2 rates are the same for the employee and employer. There is a basic CPP exemption on the first \$3,500.00 of income per year. Annual earnings between \$68,500 and \$73,200 are subject to the new CPP2 rate.

CPP starts the month after the person turns 18 and stops the month after the person turns 70. If the person is between the ages of 65-70, a CPP exemption can be applied for. The person must complete a CPT30 and CPP will cease the month following when the form is remitted to CRA. A copy should also be given to the Parish payroll administrator. The CPT30 form can be found at [CPT30 Election to Stop Contributing to the Canada Pension Plan, or Revocation of a Prior Election - Canada.ca](https://www.cra.gc.ca/cpt30).

There are no exemptions or age limitations to EI or Income Taxes. The EI rate is 1.66% for the employee and employer rate is 2.324% (or 1.4% the employee rate). The EI maximum contribution is \$1,049.12 for the employee and \$1,468.77 for the employer.

A T4 would also be issued to all employees that had earnings during the year.

A T4A needs to be issued to any non-employee who was paid \$500.00 or more in a calendar year.

There will be 2 payroll workshops coming this fall on Wednesday, October 16 and Wednesday, October 23, 2024.

If you have any questions, please contact me at kstilling@toronto.anglican.ca or by phone at 647-578-9747.

Kind regards,

Keri Stilling, General Accountant