InVision
CHARTERED PROFESSIONAL ACCOUNTANTS

Volume 114– December 2025

Contributing To Your Success

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How well do you know these business and finance acronym's?

- CEO
- ATM
- IQ
- EBITA
- ROI

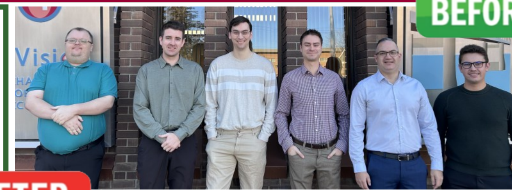
Answers on page 2

COMMUNITY INVOLVEMENT

A Salute to our Movember Heroes!
These dedicated men committed their upper lips to a fantastic cause. Incredibly, the team has raised $13,590 since 2020!
L-R Matthew Mines, Jake Southwick, Carter Vreeling, Sean Vreeling, Robby Hoy, Jordy Greschner

MOVEMBER®

BEFORE



AFTER

Snow Fest was attended by Robby, Chelsea, Karen, Jeff, Taryn, Jacob, Jordy and Nev. A wonderful fundraising event for the Misery Mountain Ski Hill.

OFFICE NEWS

InVision CHARTERED PROFESSIONAL ACCOUNTANTS **WE'RE HIRING**

Temporary Admin Assistant

Personal tax administrative assistant will be responsible for organizing client personal tax documents and scanning all relevant tax slips into specialized tax computer software. Send your resume & cover letter to:

Email: heather@invisioncpa.com

Position from:
March 16th to April 30th

Watch for your Personal Tax Return package in the mail mid-February.

InVision Holiday Hours

Thursday December 25th
Friday December 26th
Thursday January 1

Thank you again to InVision for sponsoring two curling teams in the Peace River Curling mixed league. It's always fun when we meet each other in a game!
L-R Dave Beblow, Jeff and Karen Schoettler, Heather Vedress, Zophia Benliro, Peter Clarke, Sean and Carter Vreeling.

TFSA Limit and Penalties

TFSA Limit and Penalties

The 2026 TFSA (Tax Free Savings Account) Contribution Limit is $7,000. This is added to any unused contribution room you may have from previous years.

CRA has not always assessed TFSA overcontribution penalties, but that seems to be changing. Penalties are 1% per month on the overcontribution amount. Taxpayers who have overcontributed may receive a Notice of Assessment. It provides a detailed calculation of when the excess arose and the length of time it stayed in the account and applicable penalties and interest. You can request for CRA to cancel the penalties and interest and CRA may do so if they determine it is "fair to do so after reviewing all factors", like if the penalty and interest "arose because of a reasonable error". Such requests can be uploaded on MY ACCOUNT or mailed to:

TFSA Processing Unit
Canada Revenue Agency
Post Office Box 14000, Station Main
Winnipeg MB R3C 3M2

Over contributions often arise from taxpayers misunderstanding how withdrawals factor into contribution room. For example, if you have contributed your maximum amount to your TFSA in 2025 and withdraw $15,000 of funds later in 2025, you will be able to put that $15,000 back into your TFSA. In other words, you get that $15,000 of contribution room back because you had withdrawn it, but you only get that contribution back **the following year, January 1, 2026** (in this example). If you deposit this $15,000 back before January 1, 2026, you are now overcontributed and subject to the 1% month penalty until January 1, 2026 when the $15,000 contribution room reinstatement takes effect.

Business and Finance Acronym's answers from Page 1:

- Chief Executive Officer
- Automated Teller Machine
- Intelligent Quotient
- Earnings Before Interest, Taxes, and Amortization
- Return On Investment

CRA ONLINE AUDIT LETTERS NOT BEING READ

CRA stopped sending paper mail through Canada Post on June 16th, 2025 to corporations (GST, payroll, corporate tax, information returns) and to sole proprietors/partnerships for their GST and payroll accounts. Such CRA mail is now posted only on the CRA website. This applied to anyone/any corporation set up with a CRA MY ACCOUNT **or** with an authorized representative who has online access (such as your accountant, Invision CPA's). *That's basically 100% of our clients!*

Solution #1: It is a must that corporations and individuals/partnerships with GST or payroll accounts sign up for a CRA MY ACCOUNT and have an email address listed in the profile to receive notifications when CRA has posted online mail in your MY ACCOUNT portal. The sign up process to do so is not always straight forward.

Our June 2025 Newsletter insert has detailed instructions outlining the options for online vs paper mail and steps to get a MY ACCOUNT. If you need assistance, please contact our office. Use the QR code to access that information.

Solution #2 (temporary): You can google and complete CRA from RC681 "Request to Activate Paper Mail for My Business". All documents will still be on CRA's website as usual for you or your accountant to view. This is a temporary solution that allows continuance of paper mail from CRA, but the request expires after 2 years. At that time, you can resubmit the RC681 form. Failure to resubmit after 2 years, will result in an automatic switch to online mail. You can also activate paper mail under "Profile" of your CRA MY ACCOUNT by selecting "online" under the "opt out of" mail delivery section.

We have already received numerous calls from CRA for audit letters sent to clients through the CRA online mail on MY ACCOUNT that clients haven't received because they don't have an email address set up in their MY ACCOUNT or they received a notification from CRA but didn't check their MY ACCOUNT online mail. For the time being, CRA is granting us an extension, on our clients behalf, to respond to the audits.

AgriInvest Environmental Farm Plan

Beginning with the 2025 year, if your average Allowable Net Sales (ANS) is $1 million or more for the previous 3 program years, you must have an eligible and valid agri-environmental risk assessment to receive matching AgriInvest government contributions. The most common agri-environmental risk assessment is an "Environmental Farm Plan". Without it, you will lose the government matching deposit opportunity.

Who can help with an Environmental Farm Plan?

The Agricultural Research & Extension Council of Alberta provides free support to farmers to assist with Environmental Farm Plans. They cover MD's and counties in the Peace Region. Kate Lovsin is the program coordinator and can put farmers in touch with field staff in the various MD's/counties. She can be contacted at (587) 200-2552, extension #2000 or klovsin@areca.ab.ca. Approval of and certificates for the Environmental Farm Plan can all done by the Agricultural Research & Extension Council of Alberta.

MY AAFC online account

Farmers must have a MY AAFC online account in order to make the declaration to AgriInvest that they have a valid Agri-environmental risk assessment. The online declaration includes entering the certificate number and expiry date from your Environmental Farm Plan (or other assessment) certificate. Alberta Environmental Farm Plans are generally valid for 10 years (unlike other provinces who issue 5 year certificates).

How do I create a MY AAFC online account?

Google "sign in my AAFC account" and choose the "sign into Agriculture and Agri Food Canada online services". Near the bottom of the page, click the "login or sign up to my AAFC account" to set up your account. Have information from your most recent AgriInvest application, prepared by our office, on hand. You can set this up through your online banking (sign in partner), or set up a user ID and password (GC Key). We generally recommend the set up with a user ID and password.

What's the deadline to submit my declaration to AgriInvest?

The deadline to submit the declaration to declare you have an agri-environmental risk assessment for the 2025 year is your 2025 year end. However, AgriInvest is accepting such declarations up to December 31, 2025, as this is the first year of this requirement. This is not to be confused with the deadline for submitting the usual paper AgriInvest application that the accountants normally prepare for the 2025 program year, which is June 30, 2026.

Federal Budget Highlights

2025 FEDERAL BUDGET

Starting with Fall 2025, the federal budget will now be delivered each fall, followed by an economic and fiscal update in the spring. Points of note from the November 4, 2025 federal budget for small business owners were:

1. **Accelerated CCA Reinstated** - The Accelerated CCA (Capital Cost Allowance), whereby a business can claim 3 times the normal first year CCA, was being phased out for asset purchases made after December 31, 2023. Budget 2025 reinstated this for November 4, 2025 to December 31, 2029 asset purchases. This will then be phased out from 2030 to 2033.

   Note that 100% Immediate Expensing, to claim 100% CCA in the year of purchase, was reinstated for only select CCA classes (manufacturing and processing equipment and computers and system software).

2. **Capital Gains Inclusion Rate Stays at 50%** - The Fall 2025 budget confirmed the complete cancellation of the proposed increase to the capital gains inclusion rate from 50% to 66 2/3%.

   As a backgrounder, Budget 2024 increased the capital gains inclusion rate from 50% to 66 2/3%, effective June 25, 2024. On January 31, 2025, the Federal Government had announced it would not implement this Capital Gains Inclusion rate increase, effective June 25, 2024, but would defer the effective date to January 1, 2026.

3. **Bare Trust Filing Deferral** – For the third year in a row, the federal government announced bare trusts will not need to file a T3 trust return for 2025. CRA first expanded trust filing requirements to include bare trusts for 2023. Since then, the government has changed these rules and deferred the year for these new filing rules to take effect.

   The budget confirmed the government's intent to ultimately proceed with the requirement for bare trusts to file T3's, but not until the 2026 tax year. Since the extensive and overreaching rules first devised in 2023, rules to exempt some of these bare trusts from having to file were recently introduced (like land/building bare trusts between related parties, principal residences with related parties, certain family trusts with under $250,000 of property/investments), in addition to the originally announced exemptions for trusts (including those in existence for less than 3 months, trusts not exceeding $50,000 of value, lawyer trust accounts).

   Even with the recent new exemption rules, there are many situations you wouldn't otherwise think are bare trusts.

   These rules are very complex and large penalties will still apply for non-filing even though the trust owes no tax. For example, a late filing penalty of $25 per day to a maximum of $2,500 will be charged if no tax is owing. Additional penalty calculations apply if tax is owing or if a person knowingly failed to file.

The Lights are glowing bright,
The tree is standing tall,
Songs fill the air with delight,
It's Christmas time for all.

Congratulations Jordy!!

Jordy Greschner recently wrote and passed the difficult and rigorous Common Final Exam! It's the final hurdle towards his Chartered Professional Accountant's (CPA) designation. Way to go Jordy!!

Jordy Greschner - In his own words…

I was born and raised in Manning and Peace River became a second home where I played hockey for several years and met many great people, including my wife. After graduating high school, like many others, I decided to take on the big city and swore I'd never move back home. As it turns out, I couldn't get home fast enough when I finished university. The hospitality of the North is unbeatable.

Growing up in a grain farming family, I was aware of the ebbs and flows of running a business. I also knew that I wasn't cut out to be a full-time farmer, but I still wanted to be involved in the agriculture community in some capacity. So, as I progressed through my Commerce degree, I decided to pursue accounting to work alongside farmers and small business owners as they navigate the challenges of growing and maintaining a successful business.

The CPA PEP program was a difficult and long process that I couldn't have done alone. Thank you to my family, friends, and coworkers for their guidance, unwavering support, and reassurances during anxious waits for exam results. I look forward to seeing familiar faces and meeting new ones as I continue my career here at InVision.

GST Audits on the Rise

We have seen a surge in CRA GST audits since spring 2025. GST audits focus more on specific details of the invoice versus assessing how the expense or the asset relates to the business. This is not saying that business use and justifying the expense as business is not required, it is just not the main focus of the GST audit.

We see time and time again GST being disallowed on a GST audit for one of two reasons:

1. **Supplier GST number**: when GST is paid on any kind of purchase, expense or capital asset, the GST number for the supplier must be on the invoice. It is perfectly acceptable to ask a vendor that is charging you GST for their GST number. It must be on the invoice in order for them to legally be charging that GST. For example, the standard vehicle bill of sale for used vehicles doesn't have a box or line for the seller's GST number, however, ensure it is handwritten or typed on there by the seller.

   If the supplier GST number is not on the invoice, the GST auditor will disallow the GST being claimed.

2. **Invoice in personal name versus company name**: if the invoice is in the shareholder's personal name, for example, versus the name of the corporation, the GST auditor will disallow the GST. Be sure that all bills of sale, supplier accounts and all purchase invoices are in the name of the corporation. *(note: your company name is not required on invoices under $150)*

   Once an invoice is provided to CRA in the shareholder's personal name in the GST audit response, the GST auditor will not accept a corrected invoice in the company name. CRA views that as a new separate invoice.

Audit yourself! Randomly pick a GST return. From the list of GST paid amounts on that return, note the 10 largest and review the related 10 invoices. Do they contain the supplier's GST number? Are they in the correct name? Be precise and particular, because GST auditors are!

InVision exclaims Christmas Greetings! Great things happen when advisors and clients care about each other. Gratitude to our loyal clients for this. We are a Peace Country proud business, wishing you Peace Country prosperity for 2026!

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