

## What We'll Cover



Knowing the difference between employees and contractors.

Getting a payroll number and remitting deductions.

T4s – Submitting to employees and employers

WSIB Basics

Stat Pay

## Who Am I?

- 15+ years of bookkeeping experience, both independently and as an employee
- Local to Northern Bruce Peninsula since August 2018
- Business owner & previous owner of a retail store, café, and previous landlord.



### Employee or Independent Contractor?

#### EMPLOYEE

- You have control over when and where they work. You have say in how they complete the work and what work they need to do.
- You provide all or most of the tools and equipment needed to get the job done or you reimburse them.
- Worker has no right to hire someone else to do the work.

#### INDEPENDENT CONTRACTOR

- Worker has control over when and where they work. They decide how the work gets completed and the scope of the work.
- They provide the tools and equipment needed to get the job done. The financial burden is on them.
- They can hire a subordinate and delegate the work but maintains responsibility for it.

## Some Employment Rules

- Must pay at least minimum wage. Right now, that's 16.55 per hour for employees over 18. (15.50 for those under 18)
- Must receive an additional 4% in vacation pay, either paid out on every cheque or held until requested or they take vacation time.
- Must receive overtime pay (1.5 times their regular wage) for all hours over 44 in a week.
- Must provide a pay stub to each employee.



## Getting a Payroll Number



Same as registering for HST

 Online through Business Online Registration. <u>https://www.canada.ca/en/revenue-age</u> <u>ncy/services/tax/businesses/topics/regi</u> <u>stering-your-business/business-registra</u> <u>tion-online-overview.html</u>

By phone. 1-800-959-5525

Payroll number is 9-digit business number followed by RP 0001

# What to Withhold from a Paycheque

Great tool, the CRA Payroll Deductions Online Calculator. <u>https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-busines</u> <u>ses/payroll-deductions-online-calculator.html</u>

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Need to withhold:

- Income Tax
- Canada Pension Plan
- Employment Insurance
- Don't forget the employer part of CPP & El

Also remember to set money aside, or at least know that money is not yours.

#### Remitting Deductions

- Usually monthly but can be quarterly.
- Due the 15<sup>th</sup> after the end of the period.
- Can be paid online through your business bank account or through your My Business Account.
- Also, can be paid at your bank, by withdrawal or cheque.
- Can be mailed, but that takes longer, and you're given no leeway for Canada Post delivery.



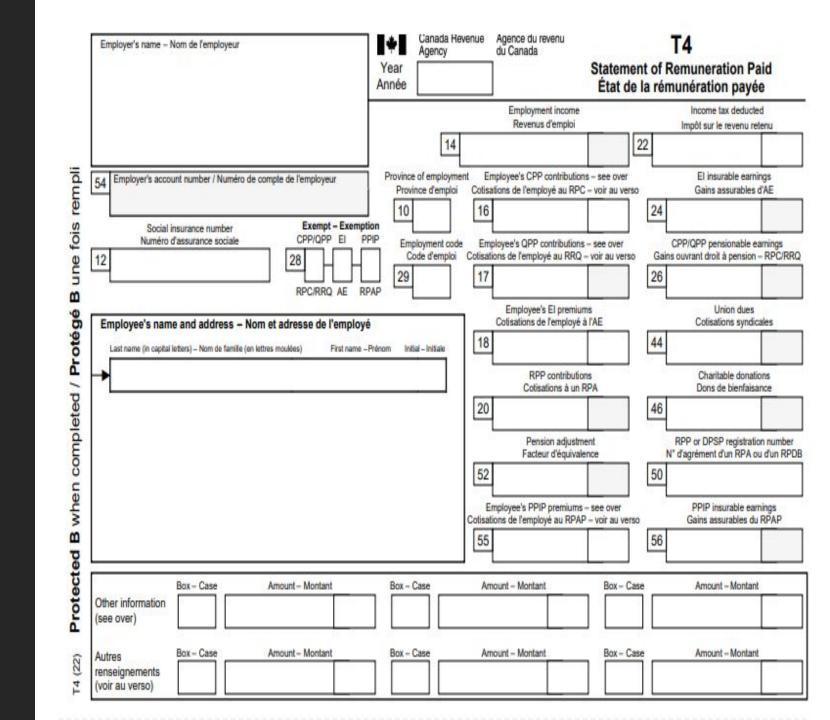
#### AMOUNT OF PAYMENT

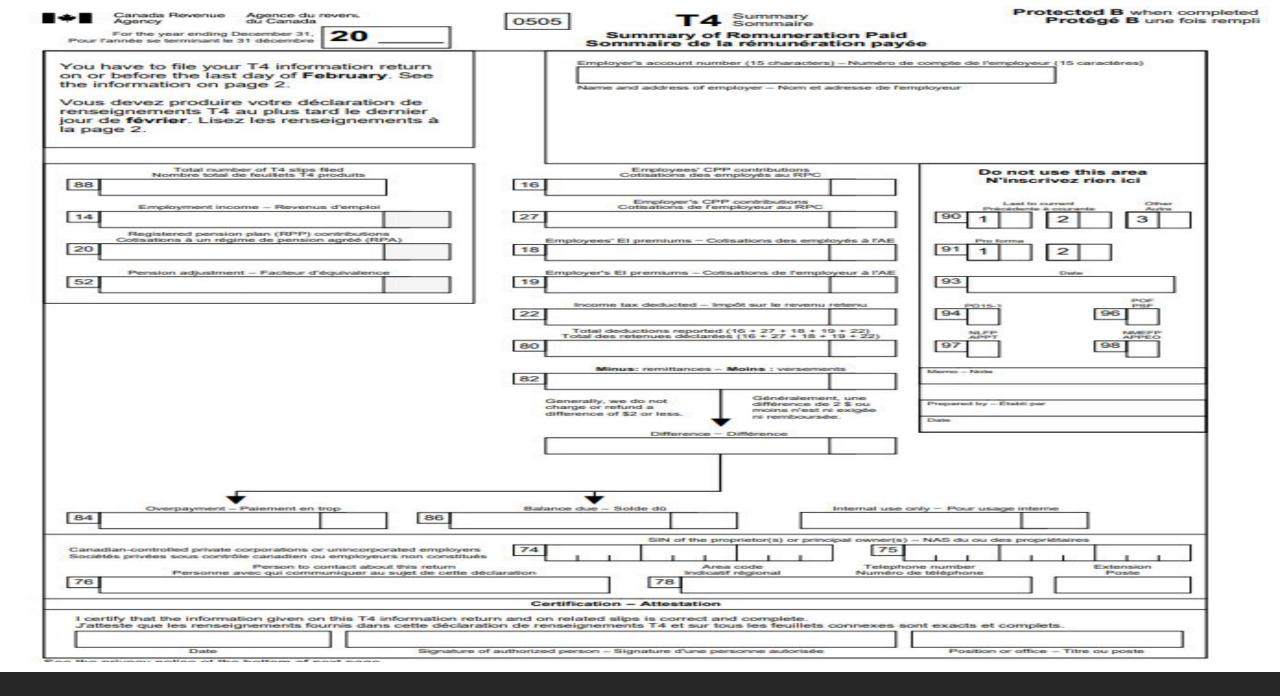
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#### T4

- T4s must be remitted to employees and government by February 28<sup>th</sup>
- Must be filed online for 5 or more employees. Under 5 it can be mailed.
- Access through your My Business Account or sign up to WebForms using your payroll account number and the web access code.
- Most bookkeeping software offers and XML file that can be uploaded.





## Workplace Safety Insurance Board



WSIB is independent of CRA but is required if you have employees. It's insurance to cover workers hurt on the job.

- <u>https://www.wsib.ca/en or</u>
  <u>1-800-387-0750</u> to register
- WSIB must be reported and paid quarterly.
- It's a rate given by WSIB. Percentage of your payroll expense.

## Ontario Stat Holidays

New Years Day	Not Required		
Family Day	Easter Sunday & Easter Monday		
Good Friday	Civic Holiday		
Victoria Day	National Day for Truth & Reconciliation		
Canada Day	Remembrance Day		
Labour Day			
Thanksgiving Day			
Christmas Day			

Boxing Day

Stat pay

Premium pay for working a stat

- Every employee is entitled to be paid for the day off.
- Calculation is wages paid over last 4 weeks (including vacation but not including overtime) / 20
- An employee working 40 hours a week, every week will get 8 hours for the day.

- Any employee who works on the stat get paid 1.5 hours (time and a half) for every hour worked on the stat.
- □ The premium pay is ON TOP OF stat pay.
- Other option is to give a different day off as the stat day, but the previous is the norm for most retail, service, and construction industries.

#### Ontario Stat Holidays (Contd.)

https://www.ontario.ca/document/your-guide-employment-standards-act-0/public-holidays# section-4

## Questions?