



H&R BLOCK

Attention: Business and Personal Finance Editors

Media Advisory

Make the most of the 2006 tax season with the following year-end tips

- The Tax Credit for Transit Passes took effect starting July 1, 2006 so make sure you are saving your monthly transit passes along with your receipts. Only passes that are valid for a month or more qualify for the tax credit. But you can claim passes purchased for yourself, your spouse or common-law partner and any dependent children under the age of 19 at the end of the year.
- If you want to take advantage of the government's Canada Education Savings Grant (CESG), you must make a contribution to your child's Registered Education Savings Plan (RESP) before December 31. The government provides a matching 20% contribution to a maximum of \$400 on a contribution of \$2,000. If your family net income is less than \$72,756, you will also get an increased rate on your first \$500 of contributions.
- Feeling generous? If you want to claim a charitable donation on your 2006 tax return, you have to make it before December 31. If you have already made more than \$200 in donations in 2006, it will also be worth a 29% federal credit instead of the 15.25% for donations under \$200.
- Have you got an expensive trip to the dentist coming up? Medical expenses can be claimed in any 12-month period ending in 2006. So if you need to visit the dentist more than once, you should try to fit the visits into the same 12-month period in order to maximize your claim. Remember, medical expenses are reduced by a percentage of your income. So the greater their dollar value, the likelier it will be that you can make a claim.
- Moving to start a job in a different province? Check the provincial tax rates before deciding the moving day. You are subject to provincial tax in the province where you reside on December 31. So if there is a substantial difference in the tax rates, you may want to either speed up or defer the move.

A local H&R Block tax professional can talk about end of year tax tips.

About H&R Block Canada

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