

TAX CREDITS

Apprentices and challengers are eligible for a number of federal grants and provincial tax credits once each level of technical training and the accompanying work-based hours are successfully completed. In addition, a completion grant is available upon certification.

British Columbia Training Tax Credit Program

The Training Tax Credit program came into effect January 1, 2007 and provides tax credits for employers and apprentices who are engaged in eligible apprenticeship programs administered through the Industry Training Authority. Government recently announced its intent to extend the training tax credit program through 2017.

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There are three main elements to the training tax credit:

1. Basic credit for non-Red Seal training programs
2. Completion credit for Red Seal and non-Red Seal training programs
3. Enhanced credit for First Nations individuals and persons with disabilities

For more information, see [Training Tax Credit](#) on the BC Government website

Tradesperson's Tool Deduction

If you were a tradesperson in 2014, use the following formula to calculate your maximum tradesperson's tools deduction for the cost of eligible tools you bought in 2014:

Maximum deduction for eligible tools is the lesser of:

- a) \$500; and
- b) the amount, if any, determined by the formula: **A - \$1,127** where A = the lesser of:
 1. the total cost of eligible tools that you bought in 2014; and
 2. your income from employment as a tradesperson for the year.

plus the amount you received in 2014 under the *Apprenticeship Incentive Grant* and the *Apprenticeship Completion Grant* programs;

minus the amount of any *Apprenticeship Incentive Grant* and *Apprenticeship Completion Grant* overpayments that you had to repay in 2014.

For more information, see [Deduction for Tools](#) on the Canada Revenue Agency website.

Licensing Examination Fees Deduction

Examination fees paid to an educational institution, professional association, provincial ministry or other similar institution, to take an occupational, trade or professional examination that is required to obtain a professional status recognized by federal or provincial statute, or to be licensed or certified as a tradesperson, to allow you to practice the profession or trade in Canada, may be eligible for the tuition tax credit. You should be provided with a receipt to substantiate your eligible exam fees.



Tuition Fees Deduction

You will have received a tax certificate from your educational institution with the total eligible fees paid for the tax year.

If you have more than one tax certificate, you can claim all amounts that are more than \$100.

You cannot claim the tuition amount on your tax certificate if any of the following applies to you:

- the fees were paid or reimbursed by your employer, or an employer of one of your parents, where the amount is not included in your or your parent's income;
- the fees were paid by a federal, provincial, or territorial job training program, where the amount is not included in your income;
- the fees were paid (or eligible to be paid) under a federal program to help athletes, where the payment or reimbursement has not been included in your income.

Textbook Tax Credit

You can claim only one textbook amount for each month that you qualify for the full-time or the part-time education amounts.

You can claim the textbook amount only if you are eligible to claim the [Education Amount](#).

The amount is:

- \$65 times the amount in Box C of the certificate you received from your school; or
- \$20 times the amount in Box B of the certificate you received from your school.

Education Tax Credit

You will have received a tax certificate from your educational institution (see types of institutions page) indicating the number of months you were enrolled full-time (Box C) or part-time (Box B).

Full-time – Box C

Multiply \$400 times the number of months indicated in Box C.

You can also claim the full-time amount if one of following applies to you:

- you were enrolled part-time and you can claim the disability amount; or
- you were enrolled part-time and you had a mental or physical impairment certified in a letter by a medical doctor, optometrist, audiologist, occupational therapist, psychologist, physiotherapist, or speech-language pathologist but you do not qualify for the disability amount.

Part-time – Box B

Multiply \$120 times the number of months indicated in Box B.

You cannot claim the education amount if you:

- received a grant or were reimbursed for the cost of your courses by your employer or another person with whom you deal at arm's length;
- received a benefit as part of a program (such as free meals and lodging from a nursing school); or
- received an allowance for a program such as a training allowance.