



Canada Revenue
Agency

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du Canada

Community Volunteer Income Tax Program

A Guide for Community Organizations

Is this guide for you?

This guide is intended for community organizations that are considering joining the Community Volunteer Income Tax Program. It covers the history of the program, how it operates, and offers valuable tips for organizations preparing tax clinics. It outlines the commitment expected from host organizations, as well as the support that the Canada Revenue Agency offers in return.

If you have a visual impairment, you can get our publications in braille, large print, etext (CD), or MP3. For more information, go to www.cra.gc.ca/alternate or call **1-800-959-2221**.

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The Community Volunteer Income Tax Program

Welcome

Welcome to the Community Volunteer Income Tax Program (CVITP). The objective of this program is to help eligible individuals who are not able to prepare their income tax and benefit returns by themselves.

History

The CVITP was introduced in 1971 as a partnership between the Department of National Revenue (as it was known then) and various community organizations. It was intended to ensure that all taxpayers had equal access to the tax system.

In 1988, the Canada Revenue Agency (CRA) established a partnership with Revenu Québec and volunteers from the province of Quebec, to have volunteers prepare both federal and provincial returns for eligible individuals.

The CVITP is a source of pride for the CRA. Each year, together with many volunteers and community organizations, we help over half a million Canadians file their tax returns.

Through this program, we have seen that Canadians are compassionate and charitable, and that they take satisfaction in providing a valuable service to members of their community.

We hope that you will join with us in this mission and lend a hand!

How the CVITP operates

The CVITP is a partnership between the CRA and community organizations which host tax preparation clinics and arrange for volunteers to prepare income tax and benefit returns for eligible individuals.

The CRA provides training, tax software, and a network of CVITP coordinators across the country to help the community organizations and volunteers deliver the program.

Taxpayers served by the CVITP

The training and software provided to volunteers helps them to assist eligible individuals with a variety of simple tax situations. The software automatically advises the volunteers of new programs and many beneficial deductions and credits such as working income tax benefit advance payments, the disability amount, and the refundable medical expense supplement.

Individuals normally served by the CVITP include:

- **Aboriginal peoples** – Each year, the CRA training addresses the unique tax benefits and requirements that apply to Aboriginal peoples, including Indians.
- **Low-income individuals and social assistance recipients** – Low-income individuals, working families, persons with disabilities, and assistance recipients, make up a large part of those who use the CVITP.
- **Newcomers to Canada** – The CRA actively partners with multicultural organizations that specialize in welcoming newcomers to Canada and helping them succeed. The CRA training includes an example specific to the needs of newcomers.

- **Seniors** – Volunteers can ensure that seniors take advantage of all the credits and deductions to which they are entitled. They can explain the pension income splitting provisions and check to see if the senior has applied for the **Guaranteed Income Supplement** if they are eligible.
- **Students** – Students need to understand the reporting requirements for scholarships, fellowships, bursaries, and artists' project grants, many of which are not taxable. They also need to claim all their eligible tuition, education, and textbook amounts. These credits may be eligible for transfer or carry forward.

The CRA's commitment to the CVITP

The CVITP is an integral part of the CRA's commitment to contribute to the well-being of Canadians and the efficiency of government by delivering world-class tax and benefit administration that is responsive, effective, and trusted.

Local CRA coordinators

CRA coordinators are available to assist community organizations and can:

- arrange and deliver training sessions;
- provide promotional materials;
- assist volunteers in partnering with community organizations;
- provide support and guidance to organizations preparing clinics;
- work with local chapters of national organizations that have committed to partnering with the CVITP; and
- assist with any questions or concerns from prospective partners.

Training

The CRA provides free training sessions every year. All volunteers are required to attend these mandatory training sessions to become familiar with what's new for the upcoming tax year.

Training sessions may be offered in the community organization's own facility or nearby in the community, and can be accomplished in a few hours, depending on time for individual questions and discussion.

In some remote locations it may not be possible to hold organized training sessions. The CRA has developed a comprehensive training presentation, viewable online. If you do not have access to the Internet, you may request the training on a DVD.

If your organization can host a training session, please advise your local CRA coordinator.

Training package

All participants are provided with a kit that includes reference material intended to make their training and subsequent work as a volunteer easier.

Each kit includes:

- copies of the current year tax guide and forms package;
- a handbook explaining CVITP policies;

- business cards identifying the participant as a CVITP volunteer;
- the *Guaranteed Income Supplement Renewal Training Guide*, provided by Human Resources and Skills Development Canada (HRSDC);
- Form T1176, *Statistical Summary*;
- Form T1260, *Income Tax and Benefit Return Summary*;
- Form T242, *Volunteer Information and Software Agreement*; and
- Form TIS60, *Taxpayer Authorization*.

Tax software and EFILE

The CRA highly encourages the use of electronic filing for the CVITP and provides free tax software to all community organizations and volunteers.

Each year, the CRA contracts with a software provider to supply the tax software that volunteers use to prepare returns. This free software is intended to be used only for the CVITP.

Instructions for downloading the tax software, together with an activation key, will be distributed to volunteers and community organizations through email, as soon as they are available. A limited number of CDs containing the tax software will be available, but we encourage you to download the software from the Internet.

During training, volunteers will be guided through the easy, step-by-step process of how to prepare an income tax and benefit return using the software, and how to register and file as an EFILE service provider.

Promotional products

The CRA provides posters and pamphlets to help promote the CVITP in your community. Your local CRA coordinator can tell you how to order them. Promotional materials include:

- Pamphlet TIS28, *Lend a Hand! Need a Hand?* – helps recruit volunteers and promotes the CVITP;
- Poster TIS50, *Need a hand?* – lets taxpayers know about the CVITP; and
- Poster TIS46, *Lend a hand!* – informs community organizations about the CVITP.

Computer donation program

Each year the Government of Canada donates its surplus computers to schools, charities, and service organizations, including those hosting CVITP clinics.

If your organization could benefit from a computer to expand your electronic filing capabilities, contact your local CRA coordinator for application form RC320, *Application for a Community Volunteer Income Tax Program Computer*.

Note

The CRA often receives more requests than it can fulfill. All applications are reviewed for merit on a case-by-case basis.

Volunteer appreciation

It is only through the generosity of volunteers and their willingness to give their time so freely that the CVITP continues to meet the needs of taxpayers across Canada.

To recognize the efforts of volunteers, it is customary for local CRA coordinators to present everyone who has participated in the CVITP with a personalized volunteer appreciation certificate at the end of each filing season. This certificate reinforces the high esteem in which the CRA holds the program.

In addition to the certificate of appreciation, your local CRA coordinator may work with you to find other venues and methods for recognition that are meaningful to your organization.

CVITP policies

A program needs policies to ensure that it operates with integrity and consistency. The CVITP is no exception. The CVITP policies are reviewed in every training session. In this section we will cover the core policies of the program.

Fees for the CVITP

The CVITP is offered **free** of charge. Volunteers cannot charge for their services and must decline any offers of monetary reward. Volunteers found to be charging a fee for their services will be asked by the local coordinator to leave the program.

Eligibility criteria

The suggested **maximum income levels** for the CVITP have changed over the years, and these levels should serve as a guideline only.

Single person	up to \$25,000
Couple	up to \$35,000
One adult with child	up to \$30,000
Each additional dependant	\$2,000
Interest income less than	\$1,000

Local community organizations have the flexibility to adjust or set additional eligibility criteria for tax filers based on the local economic environment, the population they serve, and their own capacity.

Types of returns prepared

The CVITP assists taxpayers who have simple, non-complex tax situations. Volunteers do **not** prepare returns for complex situations such as:

- returns for deceased persons;
- individuals who file for bankruptcy;
- self-employed individuals;
- individuals who report capital gains or losses; or
- individuals who report employment expenses, or business or rental income and expenses.

The training provided by the CRA does **not** include instructions on these types of income or deductions.

Volunteers

Volunteers are the lifeblood of any community based organization. There is no single profile of a successful CVITP volunteer. They come from all walks of life and are of all ages, cultures, and social or economic backgrounds.

The CRA **requires** all volunteers to align themselves and work with at least one volunteer organization. While the CRA provides training and support, it is preferable that volunteers have at least some experience in preparing tax returns.

Volunteers will contribute to the smooth operation of your clinics. The three principal volunteer roles are tax preparer, greeter, and resource person.

Tax preparer

These are volunteers who actually prepare tax returns for taxpayers. They should:

- have a basic understanding of income tax;
- be comfortable with computers;
- be compliant with CVITP policies;
- be able to attend the mandatory training session provided by the CRA. If a volunteer cannot attend the training session, they must make a suitable arrangement to complete the training; and
- be able to keep statistical data on the number of returns prepared.

Greeter

Whether you use your normal greeter or establish a separate one for tax clinics, the greeter should:

- attend the training provided by the CRA;
- be compliant with CVITP policies;
- possess good communication skills; and
- be able to answer general questions about your organization and the CVITP.

Based on the type of tax clinics you choose to hold, the greeter may also be responsible for scheduling appointments and pre-screening taxpayers.

Resource person

Depending on the size and number of tax clinics you plan on holding, this may be another volunteer role you want to fill. The resource person should be a returning volunteer with the CVITP and be able to act as a resource and support for other volunteers.

You may want to choose a volunteer with strong leadership skills to assist not only with preparing returns but also with scheduling and recruiting new volunteers.

Recruitment

Each filing season, your local CRA coordinator will contact you to discuss your recruitment needs. During training sessions in your area, they actively encourage returning and new volunteers to align themselves with local community organizations.

Let prospective volunteers know the benefits of joining the program. Through the CVITP, the volunteers will:

- give back to their community;
- help Canadians maintain uninterrupted access to benefits and entitlements;
- increase their personal tax knowledge;
- gain new skills and improve existing ones;
- work with a great team; and
- do work that is valued and recognized.

Confidentiality of taxpayer information

Volunteers **must** respect the confidentiality of taxpayer information as taxpayers should feel confident that the information they provide (social insurance number, information slips, receipts) is confidential and secure.

Form T242, Volunteer Information and Software Agreement

All volunteers are required to complete and sign Form T242, *Volunteer Information and Software Agreement*, and return it to their local CRA coordinator.

The **Volunteer information** area gathers information about the volunteer, their experience with preparing tax returns, their experience with the CVITP, and the language(s) they speak.

In the **Volunteer agreement** area, the volunteer agrees to:

- protect the taxpayer's privacy by never using or divulging any information provided by the taxpayer for any purpose other than the preparation of his or her income tax and benefit return;
- offer their services free of charge and decline any monetary reward that may be offered to them;
- return the completed income tax and benefit return to the taxpayer or community organization;
- not keep any copies of a taxpayer's income tax and benefit return (paper or electronic); and
- have the taxpayer sign Form TIS60, *Taxpayer Authorization* and return it to the CRA coordinator.

The volunteer must also declare that they have never been convicted of a criminal offence involving evasion in the payment or remittance of tax, fraudulent transactions in which the public or any person is defrauded of property, money, or valuable security or service, or the possession of property obtained by crime or proceeds of crime.

The **Software agreement** section outlines the conditions for obtaining free tax software for use in the CVITP. The volunteer agrees to:

- only prepare returns for eligible taxpayers;
- not use the tax software for monetary gain;
- not copy or allow copies to be made of the tax software;

- save electronic copies of a taxpayer's returns on a USB flash drive or rewritable CD only; and
- delete all electronic copies of the taxpayer's return no later than 48 hours after its transmission to and acceptance by the CRA.

Other confidentiality measures

Additional confidentiality measures include the following:

- Form TIS60, *Taxpayer Authorization*, **must** be completed and signed by all taxpayers who have a return prepared. It must be sent to the local CRA coordinator no later than the end of the filing season, to be stored securely.
- All documents and personal papers provided by the taxpayer must be returned to them. Taxpayer information must be handled securely and should always be stored in a locked drawer or cabinet.
- If a paper tax return is being filed, the taxpayer is responsible for mailing the return to their tax centre.
- When using tax preparation software, the files generated must not be saved to the hard drive of a computer. They must be saved to a rewritable CD or USB flash drive. If, for any reason, the return cannot be filed within 48 hours, a paper copy of the return must be printed and given to the taxpayer, and the file must be deleted.

Tax clinics

There are several proven formats for operating tax clinics. To determine which one is right for your organization, consider the following:

- Who will you be helping?
- What is the availability of your volunteers?
- What is the size and location of the facility where you will hold the clinics?
- Do you have computer and/or Internet access?
- Do you have the supplies to provide taxpayers with a printed copy or a summary of their return once it has been filed?

With these questions answered, you can match the needs of your community to the resources of your organization and choose the type of clinic that will work best for you.

Types of clinics

The various types of tax clinics are:

- walk-in;
- by appointment;
- drop-off and pick-up; and
- services for shut-ins.

Walk-in

Walk-in clinics are exactly what the name implies. Taxpayers show up at an advertised date and time and volunteers help them prepare their tax returns on the spot, in the order they arrive.

These clinics require minimal effort, but some of the things you should consider are:

- the amount of space available at your facility;
- how many people it will hold safely and comfortably; and
- the availability of a waiting room.

You will need separate work areas, as there should be enough space to allow for privacy and confidentiality.

Another consideration is equipment, most importantly computers. Computer availability will determine how many volunteers can work at your clinic.

Finally, make sure that you have enough volunteers to operate the clinic for the times you have advertised. Determining the maximum number of taxpayers who can be reasonably served during each clinic will prevent disappointment for taxpayers and volunteers alike.

Note

Assigning a greeter or a volunteer to screen taxpayers for eligibility and proper documentation is a best practice you may want to adopt.

By appointment

There are many advantages to this type of clinic. You have complete control of the number of taxpayers that will be seen on a particular day and it allows better planning of your resources as follows:

- Volunteers know the number of taxpayers they will see in advance and can plan their time accordingly.
- Taxpayers can be screened during the initial contact, whether in-person or by phone.
- Experience has shown that a volunteer needs an average of 30 minutes to prepare a tax return, however, a new volunteer may take longer.

Drop-off and pick-up

This popular technique involves more coordination on the part of the community organization, but it may not require any space, since volunteers can prepare returns at home with their own computer. Drop-off clinics offer maximum flexibility to both the taxpayer and the volunteer as follows:

- Taxpayers come in during advertised hours of operation. With the help of a greeter or volunteer, they provide some personal information and their documents. The volunteer can now prepare the return at their convenience, without the taxpayer being present.
- The community organization will need to maintain an inventory system to track the returns coming in and out. At the very least, folders or envelopes to hold each taxpayer's information and a secure location to store them will be required.
- When picking up their documents and completed return, the taxpayer will need to prove their identity for security reasons.

Each community organization may want to set a reasonable time frame for how long volunteers will have to prepare returns, based on their level of experience and availability.

Services for shut-ins

This is a valuable service that community organizations can provide for individuals who have mobility issues. You will coordinate referrals for those taxpayers who cannot visit a clinic. A volunteer travels to the taxpayer and prepares the tax return by hand or on a laptop, or gathers the information and prepares the return later.

If you consider offering this service, you should be aware of the following:

- This is probably a service best left to an experienced volunteer;
- The volunteer should be comfortable visiting a taxpayer's home and should be someone that a taxpayer would feel comfortable having in their home;
- The volunteer should be provided with a phone contact in your organization for resourcing and security purposes during their visits; and
- There is no funding provided for costs such as travel.

Resources you may need

Here are some things to consider when determining the resources you will need:

- How many taxpayers in your community may require assistance?
- How many taxpayers can you reasonably expect to help?
- How many volunteers will you need to meet this goal?
- What size of facility will you need to accomplish this?
- What is the availability of the volunteers and your facility during March and April?
- Does your location have access to a computer and the Internet?
- Do you have a photocopier?
- Do you have enough stationery supplies, such as:
 - calculators
 - pens/pencils
 - envelopes
 - scratch paper
 - staplers and staple removers.

Dates and times of your clinic(s)

Most clinics are held in March and April. The tax software provided by the CRA and most individual information slips are often not available until then. Experience has shown that clinics are often busy in the first two weeks of March and then the demand drops off until the last two weeks of April.

The final decision on when and where to hold your clinic(s) is up to you, based on your capacity, the needs of your community, and the availability of your volunteers.

Promoting your clinic(s)

No matter what type of clinic you decide to hold, the CRA will help you to promote it. The CRA Web site allows taxpayers to search for clinics in their area. Each year your local CRA coordinator will request details about your upcoming clinics. This information will be posted at www.cra.gc.ca/volunteer.

The CRA also provides posters in a variety of styles and sizes for promoting and recruiting. Some contain a blank area where the details of your clinic can be written.

The CRA periodically promotes the CVITP in local newspapers during filing season. Readers are directed to the CRA toll-free telephone lines or the CRA Web site for more information.

It is important to:

- provide your local CRA coordinator with all the details of your clinic(s) so they can be posted on the CRA Web site;
- order any posters and pamphlets you need well in advance; and
- prominently display posters informing taxpayers that the service is provided by volunteers, **not** CRA employees.

Forms

You can get any forms and guides needed to prepare income tax and benefit returns by going to www.cra.gc.ca/forms or by calling 1-800-959-2221. You will find a list of common forms and publications on page 16.

Prepare a list of what forms and publications you will need, based on the number of taxpayers you estimate serving, as well as their situations – for instance, students may need to have a Schedule 11 prepared, and they may need Pamphlet P105, *Students and Income Tax*. Your local CRA coordinator can help you determine your needs.

You may also want to order some tax and benefit return packages for other provinces, for those taxpayers who are new to your area.

The community organization's responsibility

The CVITP can fit easily into the existing day-to-day structure of many community service organizations. There is no funding available to cover costs but tax clinics should not place an undue burden on resources.

Community organizations participating in the CVITP will be responsible for the following three areas:

1. Following the policies

Volunteers in your organization should understand and follow the rules of the CVITP as laid out in this guide. Every taxpayer who meets the eligibility criteria is entitled to be treated with respect. They should be offered assistance regardless of race, national or ethnic origin, colour, religion, sex, age, or mental or physical disability, as laid out in the *Canadian Charter of Rights and Freedoms*.

Accepting this requirement does not mean that your organization has to prepare returns when there is a concern that the information being provided is not accurate or contains omissions. In these instances, you should advise the taxpayer that you are unable to assist them. You can advise them to call the CRA at **1-800-959-8281** with any questions they may have about how to prepare their return.

All taxpayers who are assisted by the CVITP **must** complete **and** sign Form TIS60, *Taxpayer Authorization*. This is for the protection of both the taxpayer and your organization and confirms that the taxpayer's return has been prepared by a volunteer. Section II of Form TIS60 must be completed if the return is being filed electronically with EFILE. Community organizations are responsible for forwarding the completed and signed forms to the local coordinator to be stored securely. You can get Form TIS60 from your local coordinator.

2. Management of resources

All aspects of the physical and organizational management of the clinics and the volunteers who will operate them are the principal responsibility of the organizations that partner with the CVITP. The safety and comfort of volunteers and the members of your community who visit the clinics are considerations that need to be addressed.

Managing your clinics is an ongoing process throughout the filing season. Planning and communication will be the key to your success. Your local CRA coordinator can offer guidance and support at every step in this process.

3. Statistical data

During training, volunteers will be provided with Form T1176, *Statistical Summary* to track the number of returns that they prepared. These forms must be completed and returned to the local CRA coordinator.

Although volunteers can return the completed forms to the CRA coordinator themselves, it is recommended that the community organizations gather these completed forms from all volunteers, and submit them to the local coordinator.

Questions and answers

These questions came from community organizations who have participated, or are interested in participating in the CVITP.

Q1. We've decided to become part of the CVITP – now what do we do?

A1. Information about the CVITP can be found on the CRA Web site at www.cra.gc.ca/volunteer. Community organizations can register online all year round. Volunteers can register online from October through January.

Q2. Does it cost anything to be part of the program?

A2. The training materials, software, forms and publications are all provided free of charge by the CRA. The minimal costs associated with holding tax preparation clinics are assumed by the host organization.

Q3. Where do I find volunteers to help with our tax clinics?

A3. Your local CRA coordinator should be able to provide you with a list of new volunteers who are looking for an opportunity to help. They can also put you in touch with other service organizations that can help you recruit or share volunteers.

Q4. Who organizes the tax return preparation clinics?

A4. Host organizations choose the types of clinics that work best for them and choose their best dates and times.

Web site resources

This is a list of Web pages available to help you find the information you need, quickly and efficiently.

www.cra.gc.ca

The CRA Web site can answer virtually all of your tax-related questions and should be the primary resource for your volunteers.

www.cra.gc.ca/volunteer

Find out more about becoming involved with the CVITP, how to get help preparing returns, as well as a list of tax clinics operating across the country.

The provider of the CVITP tax software also offers links to a tutorial and other aids that may be useful. For technical questions relating specifically to the tax software, consult the software provider's resources.

www.cra.gc.ca/forms

Find all the CRA forms and publications that are available to the public. Most forms are available for immediate download as Adobe Acrobat PDF files. You can order forms in any quantity with our easy, online order form. We recommend that you go to this Web page when ordering forms for your tax clinics.

www.canada.gc.ca

This is the Government of Canada Web site. From this main site you can access the Web sites of all government agencies and affiliates, including provincial and territorial government Web sites.

Common forms and publications

Form or publication	Title
5000-G	<i>General Income Tax and Benefit Guide</i>
5000-R	<i>T1 General, Income Tax and Benefit Return</i>
Schedule 1	<i>Federal Tax</i>
Schedule 2	<i>Federal Amounts Transferred From Your Spouse or Common-Law Partner</i>
Schedule 5	<i>Details of Dependant</i>
Schedule 6	<i>Working Income Tax Benefit</i>
Schedule 7	<i>RRSP Unused Contributions, Transfers, and HBP or LLP Activities</i>
Schedule 9	<i>Donations and Gifts</i>
Schedule 11	<i>Tuition, Education, and Textbook Amounts</i>
5013-G	<i>General Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada</i>
5013-R	<i>T1 General, Income Tax Return for Non-Residents and Deemed Residents of Canada</i>
T778	<i>Child Care Expenses Deduction</i>
T1-M	<i>Moving Expenses Deduction</i>
T1032	<i>Joint Election to Split Pension Income</i>
RC4064	<i>Medical and Disability-Related Information</i>
T2201	<i>Disability Tax Credit Certificate</i>
P105	<i>Students and Income Tax</i>
T4055	<i>Newcomers to Canada</i>
P110	<i>Paying Your Income Tax by Instalments</i>
T4114	<i>Canada Child Benefits pamphlet</i>
RC66	<i>Canada Child Benefits Application</i>

Go to www.cra.gc.ca/formspubs/t1gnrl/menu-eng.html for a list of forms for your province or territory.

Your opinion counts

If you have any comments or suggestions that could help us improve our publications, we would like to hear from you. Please send your comments to:



Taxpayer Services Directorate
Canada Revenue Agency
750 Heron Road
Ottawa ON K1A 0L5