Canada Revenue Agency　Agence du revenu du Canada

Employers' Guide

Payroll Deductions and Remittances

T4001(E) Rev. 20

Canada

Is this guide for you?

Use this guide if you are one of the following:

- an employer
- a trustee
- a payer of other amounts related to employment
- an estate executor, a liquidator, an administrator, or a corporate director

For information on barbers and hairdressers, taxi drivers and drivers of other passenger-carrying vehicles, see page 44.

Do not use this guide if you are self-employed and need coverage under the Canada Pension Plan (CPP) or employment insurance (EI). Instead, see the Federal Income Tax Guide.

Our publications and personalized correspondence are available in braille, large print, e-text, or MP3 for those who have a visual impairment. For more information, go to **canada.ca/cra-multiple-formats** or call **1-800-959-5525**.

La version française de ce guide est intitulée Guide de l'employeur – Les retenues sur la paie et les versements.

What's new?

Canada Pension Plan Enhancement

The Canada Pension Plan enhancement is introduced through a 7 year gradual phase-in starting on January 1, 2019. The CPP contribution rate for 2020 is 5.25%. For more information, see "CPP contribution rate and maximum" on page 17.

The 10% Temporary Wage Subsidy for Employers

In response to Covid-19, certain income tax measures have been enacted to provide relief to employers. The 10% Temporary Wage Subsidy (TWS) is one of these measures that will allow eligible employers to reduce the amount of the payroll deductions required to be remitted to the Canada Revenue Agency. The subsidy is equal to 10% of the remuneration you paid from March 18 to June 19, 2020, up to $1,375 for each eligible employee. The maximum total is $25,000 for each eligible employer. For more information on the TWS, go to **canada.ca/temporary-wage-subsidy**.

Remittance due dates

In Chapter 8, you will find more information on remitting payroll deductions, including the different remitter types and due dates, how to make a remittance, and the forms to use.

When the due date falls on a Saturday, a Sunday, or a public holiday recognized by the Canada Revenue Agency (CRA), we consider your payment to be on time if we receive it on the next business day. For a list of public holidays, go to **canada.ca/cra-due-dates**.

View remitting requirements

You can view your remitting requirements through one of the following:

- My Business Account at **canada.ca/my-cra-business-account**, if you are the business owner
- Represent a Client at **canada.ca/taxes-representatives**, if you are an authorized employee or representative

Remittance thresholds for employer source deductions

Remitter types	AMWA[1]	Due dates
Regular remitter	Less than $25,000	We have to **receive** your deductions on or before the 15th day of the month after the month you paid your employees.
Quarterly remitter	Less than $1,000[2] and less than $3,000	If you are eligible for quarterly remitting, we have to **receive** your deductions on or before the 15th day of the month immediately following the end of each quarter. The quarters are: ■ January to March ■ April to June ■ July to September ■ October to December The due dates are April 15, July 15, October 15, and January 15.
Accelerated remitter threshold 1	$25,000 to $99,999.99	We have to **receive** your deductions by the following dates: ■ For remuneration paid in the first 15 days of the month, remittances are due by the 25th day of the same month. ■ For remuneration paid from the 16th to the end of the month, remittances are due by the 10th day of the following month.
Accelerated remitter threshold 2	$100,000 or more	You have to remit your deductions through a Canadian financial institution so that we **receive** them within three working days following the last day of the following pay periods: ■ the 1st through the 7th day of the month ■ the 8th through the 14th day of the month ■ the 15th through the 21st day of the month ■ the 22nd through the last day of the month

1. Average monthly withholding amount
2. This is a monthly withholding amount (MWA), not an AMWA. For more information, go to Chapter 8 starting on page 49.

Table of contents

Chapter 1 – General information

Do you need to register for a payroll program account?

You need to register for a payroll program account if you meet any of the following conditions:

- pay salaries or wages
- pay tips or gratuities
- pay bonuses or vacation pay
- provide benefits or allowances to employees
- need to report, deduct and remit amounts from other types of remuneration (such as pension or superannuation)

If you need a payroll program account and you already have a business number (BN), you only need to add a payroll program account to your existing BN. If you don't have a BN, you must ask for one and register for a payroll program account before the date your first remittance is due.

For more information on the BN and CRA accounts, or to register online, go to **canada.ca/business-number**.

Payroll deductions can be complicated. If you are having trouble with them, go to **canada.ca/payroll** or call **1-800-959-5525**.

Contacts and authorized representatives

As a business owner, partner, director, trustee, or officer of a business, you can authorize representatives, including your employees, an accountant, a bookkeeper, a lawyer, a payroll provider, or a firm, to act on your behalf.

You can authorize a representative (including an employee) by submitting an authorization request online through Represent a Client at **canada.ca/taxes-representatives**.

Representatives can access most of the services offered in My Business Account through Represent a Client at **canada.ca/taxes-representatives**.

Employment in Quebec

If the employee has to report to your place of business in Quebec or you pay the employee from your place of business in Quebec, different regulations and employer responsibilities apply.

The Quebec provincial government administers its own provincial pension plan called the Quebec Pension Plan (QPP), its own provincial income tax, and the Quebec Parental Insurance Plan (QPIP), which is also called the Provincial Parental Insurance Plan (PPIP).

Employers with employees in Quebec have to deduct contributions for the QPP instead of the Canada Pension Plan (CPP), if the employment is pensionable under the QPP. Employers have to take deductions for both the QPIP and employment insurance (EI), if the employment is insurable.

Send the QPP, QPIP, and Quebec provincial income tax deductions to Revenu Québec, and send the CPP, EI and federal tax deductions to the CRA.

If you need more information, you can get the Quebec Guide TP-1015.G-V, Guide for Employers: Source Deductions and Contributions, by visiting Revenu Québec at **revenuquebec.ca/en**, or you can write to them at:

3800 rue de Marly
Québec QC G1X 4A5

Are you an employer?

Employers have responsibilities they must fulfill. For more information about these responsibilities, see "What are your responsibilities?" on page 8. Employers who do not comply with the payroll requirements may have to pay a penalty for the deductions not withheld and face other consequences. For more information, go to **canada.ca/payroll**, and select "Penalties, interest and other consequences."

Employment status directly affects a worker's entitlement to EI benefits under the Employment Insurance Act. It can also affect how a worker is treated under other legislation such as the Canada Pension Plan and the Income Tax Act. Because of this, it is important that you know whether a worker is an **employee** or a **self-employed** individual.

The facts of the working relationship as a whole decide the employment status. However, we generally consider you to be an employer if one of the following items applies to you:

- you pay salaries, wages (including advances), bonuses, vacation pay, or tips to your employees
- you provide certain taxable benefits, such as an automobile or allowances to your employees

Although a written contract might indicate that an individual is self-employed (and therefore working under a **contract for services**), we cannot consider the individual as self-employed if there is evidence of an employer-employee relationship. This relationship is referred to in this guide as employment under a **contract of service**.

Note
You may not have to deduct EI premiums if you hire family members or non-related employees. For more information, see page 21.

If you or a person working for you is not sure of the worker's employment status, either one of you can ask the CRA for a ruling. A ruling indicates whether a worker is an employee or self-employed, and whether that worker's employment is pensionable or insurable.

To ask for a CPP/EI ruling, you can:

- Log in to My Business Account if you are **a payer** and select "Request a CPP/EI Ruling."
- Log in to My Account if you are **a payer or a worker** and select "Request a CPP/EI Ruling."
- Ask your **authorized representative** to request a ruling for you. They can log in to Represent a Client and select "Request a CPP/EI Ruling."

- Write a letter or fill out Form CPT1, Request for a CPP/EI Ruling – Employee or Self-Employed?, and mail it to the CPP/Rulings Division at the Tax Services Office in the province or territory of your residence or place of business. See the table found on Form CPT1 for the mailing addresses.

For more information on how we determine a worker's employment status, see Guide RC4110, Employee or Self-Employed?

Employment by a trustee

A trustee includes a liquidator, a receiver, a receiver-manager, a trustee in bankruptcy, an assignee, an executor, an administrator, a sequestrator, or any other person who does a function similar to the one a trustee performs. A trustee does both of the following:

- authorizes a payment or causes a payment to be made for another person
- administers, manages, distributes, winds up, controls, or otherwise deals with another person's property, business, estate, or income

The trustee is jointly and severally, or solidarily, liable for deducting and remitting the income tax, CPP, and EI for all payments the trustee makes.

Trustee in bankruptcy

Under the Canada Pension Plan and the Employment Insurance Act, the trustee in bankruptcy is the agent of a bankrupt employer in the event of an employer's liquidation, assignment, or bankruptcy.

If a bankrupt employer has deducted CPP contributions, EI premiums, or income tax from amounts employees received before the bankruptcy but has not remitted these amounts to us, the trustee must hold the amounts in trust. These amounts are not part of the estate in bankruptcy and should be kept separate.

If a trustee continues to operate the bankrupt employer's business, the trustee must get a new business number. The trustee has to continue to deduct and remit the necessary CPP contributions, EI premiums, and income tax according to the bankrupt employer's remittance schedule. The trustee should prepare and file T4 information returns (slips) in the usual way.

Note
Amounts a trustee pays to employees of a bankrupt corporation to settle claims for wages that the bankrupt employer did not pay are taxed as "other income." However, this income does not require CPP, EI, and income tax withholdings. The trustee has to report these payments on T4A information returns (slips). For details, see Guide RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary.

All other trustees

If a trustee continues to operate the employer's business, the trustee needs a new business number. The trustee has to continue to deduct and remit the necessary CPP contributions, EI premiums, and income tax according to the employer's remittance schedule. The trustee should prepare and file T4 information returns (slips) in the usual way.

Fees paid to executors, liquidators, or administrators are either income from office or employment **or** business income, depending on whether the executor or administrator acts in this capacity in the regular course of business.

For more information about fees paid to an executor, liquidator, or administrator of an estate and whether they should be included in insurable employment, go to **canada.ca/cpp-ei-explained** and select "Tenure of office."

Payer of other amounts

A payer of other amounts can be an employer, a trustee, an estate executor, a liquidator, an administrator, or a corporate director who pays other types of income related to an employment. This income can include pension or superannuation, lump-sum payments, self-employed commissions, annuities, retiring allowances, or any other type covered in this guide or in Guide RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary. These amounts have to be reported on a T4A slip, with the exception of retiring allowances that are reported on the T4 slip. For more information, see Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary.

What are your responsibilities?

You are responsible for deducting, remitting, and reporting payroll deductions. You also have responsibilities in situations such as hiring an employee, when an employee leaves or if the business ceases its operations.

The following are the responsibilities of the employer and, in some circumstances, the trustee and payer:

- Open and maintain a payroll program account. If you meet the conditions on page 7 for opening an account, you must register for one.
- Get your employee's social insurance number (SIN). Every employee must give you their SIN to work in Canada. For more information, see "Social insurance number" on page 9.
- Get a completed federal Form TD1, Personal Tax Credits Return, and, if applicable, a provincial or territorial Form TD1. New employees or recipients of other amounts such as pension income must fill out this form. For more information, see page 28.
- Deduct CPP contributions, EI premiums, and income tax from remuneration or other amounts, including taxable benefits and allowances, you pay in a pay period. You should hold these amounts in trust for the Receiver General and keep them separate from the operating funds of your business. Make sure these amounts are **not** part of an estate in liquidation, assignment, receivership, or bankruptcy.
- Remit these deductions along with your share of CPP contributions and EI premiums. The CPP and EI chapters of this guide explain how to calculate

your share of contributions and premiums. Chapter 8 explains how and when to remit these amounts.

- Report the employee's income and deductions on the appropriate T4 or T4A slip. You must file an information return on or before the last day of February of the following calendar year. For more information, see Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary, and Guide RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary.
- Prepare a Record of Employment (ROE) when an employee stops working and has an interruption of earnings. For more information, see page 27.
- Keep records of what you do because our officers can ask to see them. For more information, see "Keeping records" on this page.

Notes
If you are an employer who is resident outside of Canada **and** you do not have a place of business in Canada, you still have the same responsibilities as Canadian employers, regardless of whether the Canadian resident employee carries out the services in Canada or outside Canada. For more information about CPP coverage by an employer resident outside Canada, see page 21.

You have to deduct CPP on a non-resident employee's remuneration in the same way you would for a resident employee unless they come from a country with which Canada has signed a social security agreement. For more information, see "Non-resident employees who carry out services in Canada" on page 32.

Keeping records

You have to keep your paper and electronic records for at least six years after the year to which they relate. If you want to destroy them before the six-year period is over, fill out Form T137, Request for Destruction of Records, and send it to your tax services office. For more information, go to **canada.ca/taxes-records**.

Social insurance number

As an employer, you have to ask your employees for their social insurance number (SIN) within three days of when they start to work for you, and record their number. If an employee does not give you their SIN, you must be able to show that you made a reasonable effort to get it. An example of a reasonable effort would be if, after asking your employee for their SIN many times, you decide to contact them in writing to request their SIN. Make note of the dates you asked for the SIN verbally, and keep copies of any written requests. If you do not make a reasonable effort to get a SIN, you may have to pay a penalty of $100 for each number you don't try to get.

Employees who are in pensionable or insurable employment also have to give you their SIN within three days of starting to work for you and they can be penalized $100 for each time they don't provide it.

Under the Department of Employment and Social Development Act, an employee who does not have a SIN when they start working for you has to apply for one and give it to you within three days after they receive it. As an employer, you must inform Service Canada within six days of your employee starting to work for you that this individual did not give you their SIN. If your employee needs a SIN, refer them to their **Service Canada Centre**. To find the nearest Service Canada Centre, visit **canada.ca/en/employment-social-development/corporate/portfolio/service-canada**.

Make sure the employee gives you their correct name and SIN. You may ask for other types of identification, such as a birth certificate or a certificate of citizenship or permanent residence, before finalizing their employment documents. **An incorrect SIN can affect an employee's future Canada Pension Plan benefits if their record of earnings is not accurate**. Also, if you report an incorrect SIN on a T4 slip that has a pension adjustment amount, the employee may receive an inaccurate registered retirement savings plan (RRSP) deduction limit statement and the related information on the employee's notice of assessment will be inaccurate.

When an employee has an interruption of earnings, you have to record the correct SIN on a ROE for employment insurance purposes (for details on the ROE, see page 27). **If you don't provide a correct ROE, you could be fined up to $2,000, imprisoned for up to six months, or both**.

Notes
Even if you have not received your employee's SIN, you still have to make deductions and remit them, and file your information returns on or before the last day of February of the following calendar year. If you don't, you might get a penalty for remitting or filing late.

If you filed a T4 slip without a SIN but received it after, file an amended T4 slip and include the SIN. See Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary, for instructions on how to amend a T4 slip.

For more information, see Information Circular IC82-2, Social Insurance Number Legislation that Relates to the Preparation of Information Slips, or visit Service Canada at **canada.ca/en/employment-social-development/corporate/portfolio/service-canada**.

SIN beginning with the number 9

An eligible person who is not a Canadian citizen or a permanent resident of Canada and who applies for a SIN will get one beginning with the number 9.

If you hire a person whom you know is not a Canadian citizen or permanent resident, make sure you confirm all of the following:

- the person's SIN begins with 9
- the SIN has not expired
- the person has a valid work permit issued by Immigration, Refugees and Citizenship Canada

Notes
Social insurance numbers beginning with a 9 are valid only until the expiry date shown on the Immigration, Refugees and Citizenship Canada document authorizing the person to work in Canada. You must see the employee's existing immigration document authorizing them to work in Canada (for example, work permit, study permit) and verify that it has not expired.

If the immigration document has expired, ask the employee to contact Immigration, Refugees and Citizenship Canada to get a valid document.

If the person has a SIN that begins with the number 9 and it does not have an expiry date, the SIN is not valid. Refer the person to the nearest Service Canada Centre.

Your employees have to inform you of any new expiry date for their SIN within three days after they receive it.

If the eligible person then becomes a Canadian citizen or permanent resident of Canada, they will receive a permanent SIN.

Payroll Deductions Tables

The Payroll Deduction Tables help you calculate CPP contributions, EI premiums, and the amount of federal, provincial (except Quebec), and territorial income tax that you have to deduct from amounts you pay each pay period.

Note
A pay period means the period for which you pay earnings or other remuneration to an employee.

The CRA encourages employers to take advantage of our electronic payroll deductions services:

- **Payroll Deductions Online Calculator (PDOC)** – You can use this application to calculate payroll deductions for all provinces and territories except Quebec. It calculates payroll deductions for the most common pay periods (such as weekly or biweekly), based on exact salary figures. You will find the PDOC at **canada.ca/pdoc**.
- **Payroll Deductions Tables (T4032)** – Use these tables to calculate payroll deductions for the most common pay periods. They are available at **canada.ca/payroll**.
- **Payroll Deductions Supplementary Tables (T4008)** – Use these tables to calculate payroll deductions for irregular pay periods (for example, 10 times per year or daily). They are available at **canada.ca/payroll**.
- **Payroll Deductions Formulas (T4127)** – You may want to use these formulas instead of the tables to calculate your employees' payroll deductions. This guide contains formulas to calculate CPP contributions, EI premiums, and federal, provincial (except Quebec), and territorial income tax. They are available at **canada.ca/payroll**.

All the Payroll Deduction Tables are available for each province and territory (except Quebec) and for employees working in Canada beyond the limits of any province, or outside Canada.

Which tax tables should you use?

Employment income

When you pay employment income such as salaries, wages, or commissions, you have to determine your employee's province or territory of employment so you can withhold the proper deductions. This depends on whether your employee physically reports for work at your establishment or "place of business."

For income tax, CPP and EI withholding purposes, an "establishment of the employer" is any place or premises in Canada that is owned, leased or rented by you **and** where one or more employees report to work **or** from which one or more employees are paid.

This does not have to be a permanent physical location. For example, the place of business for a construction company can be one or more construction sites or the place of business for a carnival can include a shopping mall parking lot. In these examples, the employee's province or territory of employment would be the one in which the field office or shopping mall is located.

For more information on which tax tables to use, see Appendix 1 on page 56.

Employee reports to your establishment

If your employee reports to your establishment in person, the employee's province or territory of employment is the one in which your establishment is located. There is no minimum amount of time the employee has to report to that place.

Example 1
Your head office is in Ontario, but you need your employee to report to your place of business in Manitoba. In this case, use the Manitoba Payroll Deductions Tables.

Example 2
Your employee lives in Quebec, but you need your employee to report to your place of business in New Brunswick. In this case, use the New Brunswick Payroll Deductions Tables.

Example 3
Your employee works from a home office in Alberta, but occasionally has to report to your Alberta office. You pay your employee from your head office in Ontario. Use the Alberta Payroll Deductions Tables since the employee sometimes reports to your Alberta office.

Employee does not report to your establishment

If your employee does not have to report to your establishment in person (for example, the employment contract says the employee works from a home office), the employee's province or territory of employment is the one from where your employee's salary and wages are paid. This will normally be the location of your payroll department or payroll records.

Example 4
Your employee does not have to report to any of your places of business, but you pay the employee from your office in Quebec. In this case, use the Quebec Payroll Deductions Tables. The employee does not have to pay CPP contributions, but may have to pay Quebec Pension Plan (QPP) contributions.

No establishment in Canada

If your employees are working in Canada but you do not have a place of business or an employer's establishment in Canada, use the Payroll Deductions Tables for In Canada beyond the limits of any province/territory or outside Canada when deducting income tax at source.

Example 5
Your Canadian resident employees work as salespeople in Ontario and British Columbia. They work from their home offices and report directly to your business located outside Canada. In this case, use the Payroll Deductions Tables for In Canada beyond the limits of any province/territory or outside Canada.

Special situations

a) If an employee reports to your place of business for part of a pay period in one province or territory and part in another, use the tables for where the employee spent the most time.

b) An employee who lives in one province or territory but reports to your place of business in another province or territory might have too much tax deducted. If so, they can ask you to reduce tax deductions by getting a letter of authority from the appropriate Taxpayer Services Regional Correspondence Centre. For more information, see "Letter of authority" on page 31.

The opposite could also occur: an employee might not have enough tax deducted. In these situations, the employee should ask you to deduct more tax by filling in the "Additional tax to be deducted" section of a new Form TD1, Personal Tax Credits Return and giving it to you.

Non-employment income

If you pay amounts other than employment income, such as pension income, retiring allowance, or RRSP, use the provincial or territorial table of the recipient's province or territory of residence.

When an employee leaves

When an employee stops working for you, we suggest you calculate the employee's earnings for the year to date and give the employee a T4 slip. Include the information from that T4 slip in your T4 return when you file it on or before the last day of February of the following year.

You must also issue a Record of Employment (ROE) to each former employee. Generally, if you are issuing an ROE electronically, you have five calendar days after the end of the pay period in which an employee's interruption of earnings occurs to issue it. If you are issuing a paper ROE, you have to issue it within five calendar days of the employee's interruption of earnings or the date you become aware of the interruption of earnings. However, special rules may apply.

For more information, or to get the publication called How to Complete the Record of Employment Form, go to Service Canada at **canada.ca/record-of-employment**. You can also call their Employer Contact Centre at **1-800-367-5693** (TTY: **1-855-881-9874**).

If you do not have any employees for a period of time

Inform us by using the "Provide a nil remittance" service through My Business Account at **canada.ca/my-cra-business-account** or through Represent a Client at **canada.ca/taxes-representatives**, by calling our TeleReply service, or by sending us your completed remittance form and indicating when you expect to make deductions next. To find out how to use our TeleReply service, see page 54.

Changes to your business entity

If your business stops operating or the partner or proprietor dies

If your business stops operating or the partner or proprietor dies, you should do the following:

- Remit all CPP contributions, EI premiums, and income tax deductions withheld for the former employees to your tax centre within seven days of the day your business ends.
- Calculate the pension adjustment (PA) that applies to your former employees who accrued benefits for the year under your registered pension plan (RPP) or deferred profit sharing plan (DPSP). For information on how to calculate pension adjustments, see Guide T4084, Pension Adjustment Guide.
- Fill out and file all T4 or T4A slips and summaries using electronic filing methods or on paper, and send them to the Jonquière Tax Centre (at the address found at the end of this guide) within 30 days from the date your business ends (or 90 days from the date a partner or the sole proprietor dies). If you have to prepare more than 50 slips for a calendar year, you **must** file the return electronically over the Internet in eXtensible mark-up language (XML) or with Web Forms. For more information, go to **canada.ca/taxes-iref**.
- Give copies of the T4 or T4A slips to your former employees.
- Issue a ROE for each former employee. You generally have five calendar days after the end of the pay period in which an employee's interruption of earnings occurs to issue a ROE to former employees. Employees can view their ROE using their My Service Canada Account. For more information, see "Record of Employment (ROE)" on page 27.
- When the owner of a sole proprietorship dies, a final income tax and benefit return has to be filed. This return is due by June 15 of the year following death,

unless the date of death is between December 16 and December 31, in which case the final return is due six months after the date of death. For more information, see Guide T4011, Preparing Returns for Deceased Persons.

- Close the business number and all CRA business accounts after all the final returns and all the amounts owing have been processed.

To close your payroll program account, you can use the "Request to close payroll account" service in My Business Account at **canada.ca/my-cra-business-account**. An authorized representative can use this service through Represent a Client at **canada.ca/taxes-representatives**.

To find out how to fill out and file the T4 or T4A slips and Summary, you can do one of the following:

- go to **canada.ca/payroll**
- go to **canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/learn-about-payroll-using-multimedia**
- see Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary
- see Guide RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary

If you change your legal status, restructure, or reorganize

If you change your legal status, restructure, or reorganize, we consider you to be a **new employer**. You may need a new business number (BN) and a new payroll program account. Call **1-800-959-5525** to let us know if your business status has changed or will change in the near future.

Note
Amalgamations have different rules. For more information, see the next section "If your business amalgamates."

The following are examples of changes to a business status:

- You are the sole proprietor of a business and you decide to incorporate.
- You and a partner own a business. Your partner leaves the business and sells their half interest to you, making you a sole proprietor.
- A corporation sells its property division to another corporation.
- One corporation transfers all of its employees to another corporation.

When a change happens, a new (successor) employer is created. A successor employer who has acquired all or part of a business, and who has immediately succeeded the former (predecessor) employer as the new employer of an employee, may, under certain circumstances, take into consideration the CPP/QPP, EI, and PPIP deductions already withheld by the previous employer and continue withholding and remitting those deductions as if there were no change in employer. If employees have already paid the maximum deductions, take no further deductions for the year.

If the situation just described does not apply, you must continue to deduct CPP/QPP, EI, and PPIP. You cannot take into consideration any deductions taken by the previous employer.

As stated in the previous section called "If your business stops operating or the partner or proprietor dies," the predecessor company has to do all of the following:

- send their final remittances to the CRA
- calculate any pension adjustment
- fill out and file all slips and summaries
- give employees their copies of T4 or T4A slips
- issue a ROE to their employees
- deregister their business number
- close all program accounts

For more information about legal status, restructure, or reorganization, go to **canada.ca/cpp-ei-explained** and select "Employer restructuring/Succession of employers."

If your business amalgamates

If your business amalgamates with another, special rules apply. In this case, you, as the successor employer, can keep the business number (BN) of one of the corporations, or you can apply for a new one. If one of the corporations is non-resident, however, you **have to** apply for a new BN.

Since no new employer exists for CPP and EI purposes, continue deducting normally, taking into account the deductions and remittances that occurred before the amalgamation. These remittances will be reported under the payroll program account of the successor BN.

If you had previously been granted a reduced employer's EI premium rate, you will need to contact Employment and Social Development Canada to make sure you are still eligible for the reduced rate.

With an amalgamation, the predecessor corporations do not have to file T4 returns for the period leading up to the amalgamation. The successor corporation files the T4 returns for the entire year.

Filing information returns

You have to file a T4 or T4A information return, as applicable, and give information slips to your employees each year, on or before the **last day of February of the following calendar year that the information return applies to**. If the last day of February is a Saturday or a Sunday, your information return is due the **next business day**.

For information on how to report the employees' income and deductions on the appropriate slips and summary, go to **canada.ca/taxes-slips** or see Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary, or Guide RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary.

Penalties, interest, and other consequences

Failure to deduct

If you fail to deduct the required CPP contributions or EI premiums from the amounts you pay your employee, you are responsible for these amounts even if you cannot recover the amounts from the employee. We will assess you for both the employer's share and the employee's share of any contributions and premiums owing. We will also assess a penalty and interest as described below. For more information, see "Recovering CPP contributions" on page 20 and "Recovering EI premiums" on page 25.

If you failed to deduct the required amount of income tax from the amounts you pay your employee, you may be assessed a penalty as described below. As soon as you realize you did not deduct the proper amount of income tax, you should let your employee know. Your employee can either pay the amount when they file their income tax and benefit return or they can ask you to deduct more income tax at source. For more information, see "Request for more tax deductions from employment income" on page 29.

Penalty for failure to deduct

We can assess a penalty of **10%** of the amount of CPP, EI, and income tax you did not deduct.

If you are assessed this penalty more than once in a calendar year, we **will** apply a **20%** penalty to the second or later failures if they were made knowingly or under circumstances of gross negligence.

Failure to remit amounts deducted

When you deduct CPP contributions, EI premiums or income tax from the amounts you pay to your employee or other individual, you have to remit them to the Receiver General for Canada as discussed in Chapter 8. Also, you have to include your share of CPP contributions and EI premiums when you remit.

We will assess you for both the employer's share and the employee's share of any CPP contributions and EI premiums that you deducted but did not remit. We will also assess a penalty and interest as described below.

Penalty for failure to remit and remitting late

We can assess a penalty when either of the following applies:

- you deduct the amounts, but do not send them to us
- you deduct the amounts, but send them to us late

Payments made on the due date but not at a financial institution can be charged a penalty of **3%** of the amount due. For more information, see "Threshold 2" on page 51.

When the due date falls on a Saturday, a Sunday, or a public holiday recognized by the Canada Revenue Agency, we consider your payment to be on time if we receive it on the next business day.

The penalties are as follows:

- 3% if the amount is one to three days late
- 5% if it is four or five days late
- 7% if it is six or seven days late
- 10% if it is more than seven days late, or if no amount is remitted

Generally, we only apply this penalty to the part of the amount you failed to remit that is more than $500. However, we will apply the penalty to the total amount if the failure was made knowingly or under circumstances of gross negligence.

In addition, if you are assessed this penalty more than once in a calendar year, we will assess a 20% penalty on the second or later failures if they were made knowingly or under circumstances of gross negligence.

> **Note**
> We will charge you a fee for any payment that your financial institution refuses to process. If your payment is late, we can also charge you a penalty and interest on any amount you owe.

Interest

If you do not pay an amount that is due, the CRA may apply interest from the day your payment was due. The CRA sets the interest rate every three months, based on prescribed interest rates. Interest is compounded daily. The CRA also applies interest to unpaid penalties. For the prescribed interest rates, go to **canada.ca/taxes-interest-rates**.

For due dates, see pages 4 and 49.

Summary convictions

If you do not comply with the deducting, remitting, and reporting requirements, you may be prosecuted. You could be fined from $1,000 to $25,000, or you could be fined and imprisoned for a term of up to 12 months.

Director's liability

If a corporation (including for-profit or non-profit) does not deduct, remit, or pay amounts held in trust for the Receiver General (CPP, EI, and income tax), the directors of the corporation at the time of the failure are jointly and severally, or solidarily, liable along with the corporation, to pay the amount due. This amount includes penalties and interest.

However, if the directors take action to ensure the corporation makes the necessary deductions or remittances, we will not hold the directors personally responsible. For more information, see Information Circular IC89-2, Directors' Liability.

Cancel or waive penalties or interest

The CRA administers legislation, commonly called the taxpayer relief provisions, that allows the CRA discretion to cancel or waive penalties or interest when taxpayers cannot meet their tax obligations due to circumstances beyond their control.

The CRA's discretion to grant relief is limited to any period that ended within 10 calendar years before the year in which a request is made.

For penalties, the CRA will consider your request only if it relates to a tax year or fiscal period ending in any of the 10 calendar years before the year in which you make your request. For example, your request made in 2020 must relate to a penalty for a tax year or fiscal period ending in 2010 or later.

For interest on a balance owing for any tax year or fiscal period, the CRA will consider only the amounts that accrued during the 10 calendar years before the year in which you make your request. For example, your request made in 2020 must relate to interest that accrued in 2010 or later.

To make a request, fill out Form RC4288, Request for Taxpayer Relief – Cancel or Waive Penalties or Interest. For more information about relief from penalties or interest and how to submit your request, go to **canada.ca/taxpayer-relief**.

How to appeal a payroll assessment or a CPP/EI ruling

If you receive a payroll assessment because your payment was not applied to your account correctly, before you file an appeal, we recommend that you call Business Enquiries at **1-800-959-5525** or write to your National Verification and Collection Centre (NVCC) to discuss it. Many disputes are resolved this way and can save you the time and trouble of appealing.

If you do not agree with a payroll assessment for CPP contributions, EI premiums, or income tax, or you have received a CPP/EI ruling letter and you disagree with the decision, you have 90 days after the date of the notice of assessment or notification of the ruling to appeal.

To appeal a **CPP/EI ruling decision** or **payroll deductions assessment**, you can choose one of the following:

- Access My Business Account at **canada.ca/my-cra-business-account**, if you are a business owner, and select "Register a formal dispute (Appeal)" for your payroll program account.
- Access Represent a Client at **canada.ca/taxes-representatives**. If you represent a business, select "Register a formal dispute (Appeal)" for a payroll program account. If you represent an individual, select "Register my formal dispute," and then select "CPP/EI ruling" in the subject area.
- Access My Account at **canada.ca/my-cra-account**, if you are an individual, select "Register my formal dispute," and select "CPP/EI ruling" in the subject area.
- Use Form T400A, Objection – Income Tax Act (income tax only).
- Use Form CPT100, Appeal of a Ruling Under the Canada Pension Plan and/or Employment Insurance Act, to appeal a CPP/EI ruling.
- Use Form CPT101, Appeal of an Assessment Under the Canada Pension Plan and/or Employment Insurance Act, to appeal a payroll deductions assessment.
- Write to the chief of appeals at:

CPP/EI Appeals Division
Canada Revenue Agency
451 Talbot Street
London ON N6A 5E5

Explain why you do not agree with the ruling or payroll deductions assessment and provide all relevant facts. Include a copy of the CPP/EI ruling letter or payroll notice of assessment.

For more information on how to appeal a payroll deductions assessment of income tax, see Publication P148, Resolving Your Dispute: Objection and Appeal Rights Under the Income Tax Act.

For more information on how to appeal a CPP/EI ruling decision or a payroll deductions assessment of CPP or EI, see Guide P133, Your Appeal Rights – Canada Pension Plan and Employment Insurance Coverage.

Chapter 2 – Canada Pension Plan contributions

For Canada Pension Plan (CPP), contributions are not calculated from the first dollar of pensionable earnings. Instead, they are calculated using the amount of pensionable earnings minus an exempt amount that is based on the period of employment.

As of 2019, the Canada Pension Plan is being enhanced over a 7-year phase-in. For more information, go to **canada.ca/en/services/benefits/publicpensions/cpp/cpp-enhancement**.

Impact of contribution errors

If used improperly, some payroll software programs, in-house payroll programs, and bookkeeping methods can calculate unwarranted or incorrect refunds of CPP contributions for both employees and employers. The improper calculations treat all employment as if it were full-year employment, which incorrectly reduces both the employee's and employer's contributions.

For example, when a part-year employee does not qualify for the full annual exemption, a program may indicate that the employer should report a CPP overdeduction in box 22, "Income tax deducted," of the T4 slip. This may result in an unwarranted refund of tax to the employee when the employee files their income tax and benefit return.

When employees receive refunds for CPP overdeductions, their pensionable service is adversely affected. This could affect their CPP income when they retire. In addition, employers who report such overdeductions receive a credit they are not entitled to because the employee worked for them for less than 12 months.

When to deduct CPP contributions

You have to deduct CPP contributions from an employee's pensionable earnings if that employee meets **all** of the following conditions:

- The employee is in pensionable employment during the year.
- The employee is **not** considered to be disabled under the CPP or the Quebec Pension Plan (QPP).
- The employee is 18 to 69 years old even if the employee is receiving a CPP or QPP retirement pension. Exception: do not deduct CPP if the employee is at least 65 years of age, but under 70, and gives you Form CPT30, Election to Stop Contributing to the Canada Pension Plan, or Revocation of a prior Election, with parts A, B and C completed.

Notes
For more information, see "Starting and stopping CPP deductions" on page 17.

For more information about pensionable earnings, go to **canada.ca/cpp-ei-explained** and select "Pensionable and insurable earnings."

Employment in Quebec

Quebec employers deduct the Quebec Pension Plan (QPP) contributions instead of CPP contributions.

Note
As a result of Quebec Pension Plan (QPP) enhancements the QPP contribution rates for employers and employees will be 5.70% starting on January 1, 2020. For information about QPP enhancement go to **rrq.gouv.qc.ca/en/programmes/regime_rentes/bonification/Pages/modifications_rrq.aspx**.

The contribution rates for QPP are higher than those for CPP. Although the year's maximum pensionable earnings ($58,700 for 2020) and annual basic exemption ($3,500) for both plans are the same, an employee paying into the QPP will pay contributions at a higher rate (5.70% for 2020) compared to the rate for an employee who pays into the CPP (5.25% for 2020).

For more information on deducting and remitting the QPP, see Guide TP-1015.G-V, Guide for Employers: Source Deductions and Contributions, which you can get from Revenu Québec at **revenuquebec.ca/en**.

You may have a place of business in Quebec and in another province or territory. If you transfer an employee from Quebec to another part of Canada before the end of the year, you must use a formula to reconcile the amounts contributed to the CPP and the QPP to make sure that enough contributions to the CPP are withheld and future benefits are not affected.

For more information on the new formula, see Guide T4127, Payroll Deductions Formulas.

If you transfer an employee from Quebec to another province or territory, you can take into account the QPP contributions you deducted from that employee throughout the year when calculating the maximum CPP contributions to deduct. In addition to deducting CPP/QPP contributions and EI/QPIP premiums you will also have to prepare **two** T4 slips. It is important that you calculate and report the proper deductions and insurable/pensionable earnings on both T4 slips. For more information, see Guide RC4120, Employers' Guide – Filing the T4 Slip and Summary, or Guide RL-1.G-V, Guide to Filing the RL-1 Slip: Employment and Other Income.

Amounts and benefits from which you have to deduct CPP contributions

You generally deduct CPP contributions from the following amounts and benefits:

- Salary, wages, bonuses, commissions, or other remuneration (including payroll advances or earnings advances), and wages in lieu of termination notice.
- Cash and non-cash taxable benefits and allowances, except certain housing and utility benefits paid to the clergy. The personal use of an employer's automobile and employer-provided parking are examples of taxable benefits. For more information, see Guide T4130, Employers' Guide – Taxable Benefits and Allowances.
- Honoraria from employment or office, a share of profit that an employer paid, incentive payments, director's fees, management fees, fees paid to board or committee members, and executor's, liquidator's, or administrator's fees earned to administer an estate (as long as the executor, liquidator, or administrator **does not act in this capacity** in the regular course of business). For more information on whether employment of an individual who is in tenure of office is pensionable, go to **canada.ca/cpp-ei-explained** and select "Tenure of office."
- Certain tips and gratuities employees receive for their services. For more information on when you have to deduct CPP contributions on tips and gratuities, go to **canada.ca/cpp-ei-explained** and select "Tips and gratuities."
- Payments received from a supplementary unemployment benefit plan (SUBP) that **does not** qualify as a SUBP under the Income Tax Act, even if the plan is registered with Service Canada.
- Benefits received from certain wage-loss replacement plans; for more information, see page 41.
- Benefits derived from security option plans.
- The salary you continue to pay to an employee before or after a workers' compensation board claim is decided, as well as any of the following:
  - any advance or loan you make that is more than the amount awarded under the claim
  - any advance or loan not repaid to you
  - a top-up amount you pay your employee, **after** a claim is decided, that is in addition to the benefits paid by a workers' compensation board

Employment, benefits, and payments from which you do not deduct CPP contributions

Employment

Do **not** deduct CPP contributions from payments for the following types of employment:

- Employment in agriculture, or an agricultural enterprise, horticulture, fishing, hunting, trapping, forestry, logging, or lumbering, when you meet **one** of the following conditions:
  - pay your employee less than $250 in cash remuneration in a calendar year
  - employ your employee for a period of less than 25 working days in the same year on terms providing for cash remuneration—the working days do not have to be consecutive.

  Notes
  In a calendar year, if your employee reaches both minimums—$250 or more in cash remuneration and works 25 days or more—the employment is pensionable starting from the first day of work. Deduct CPP contributions if your employee's pensionable earnings are more than the CPP basic exemption for the same period.

  For more information on when these types of employment are pensionable, go to **canada.ca/cpp-ei-explained** and select "Agriculture and horticulture."

- Casual employment if it is for a purpose other than your usual trade or business.
- Employment as a teacher on exchange from a foreign country.
- Employment of a spouse or common-law partner if you cannot deduct the remuneration paid as an expense under the Income Tax Act.
- Employment of your child or a person whom you maintain if no cash remuneration is paid.
- Employment of a person in a rescue or disaster operation, as long as you do not regularly employ that person for that purpose. For more information, see "Emergency services volunteers" on page 45.
- Employment of a person at a circus, fair, parade, carnival, exposition, exhibition, or other similar activity, **except for entertainers**, if that person meets **both** of the following conditions:
  - is not your regular employee
  - works for less than seven days in the year

  Notes
  If your employee works seven days or more, the employment is pensionable from the first day of work. Deduct CPP contributions if your employee's pensionable earnings are more than the CPP basic exemption for the same period.

  For more information on when these types of employment are pensionable, go to **canada.ca/cpp-ei-explained** and select "Circus and fair."

- Employment by a government body as an election worker if the worker meets **both** of the following conditions:
  - is not a regular employee of the government body
  - works for less than 35 hours in a calendar year

  Note
  If your employee works 35 hours or more, the employment is pensionable from the first hour of work. Deduct CPP contributions if your employee's pensionable earnings are more than the CPP basic exemption for the same period.

- Employment of a member of a religious order who has taken a vow of perpetual poverty. This applies whether the remuneration is paid directly to the order, or the member pays it to the order.
- Employment in Canada by a foreign government or an international organization, **except** when the foreign government or international organization enters into an agreement with the government of Canada.

Benefits and payments

Do **not** deduct CPP contributions from **any** of the following:

- Pension payments, lump-sum payments from a pension plan, death benefits, amounts that a trustee allocated under a profit sharing plan or that a trustee paid under a deferred profit sharing plan, and benefits received under a registered supplementary unemployment benefit plan (SUBP) that qualifies as a SUBP under the Income Tax Act.
- Payments you make after an employee dies, except for amounts the employee earned and was owed before the date of death.
- An advance or loan you pay to an employee, before or after a workers' compensation board claim is decided that is **equal** to the benefits awarded under the claim. For information on situations when CPP contributions are required, see "Amounts and benefits from which you have to deduct CPP contributions" on page 15; for information on workers' compensation claims, see page 42.
- Benefits received from certain wage-loss replacement plans; for more information, see page 41.
- Amounts for the residence of a clergy member if they receive a tax deduction for the residence.
- Amounts received on account of an earnings loss benefit, supplementary retirement benefit or permanent impairment allowance payable to the taxpayer under Part 2 of the Veterans' Well-being Act.

CPP contribution rate and maximum

Note
As a result of Canada Pension Plan (CPP) enhancements the CPP contribution rates for employers and employees is 5.25% starting on January 1, 2020. For more information about the Canada Pension Plan enhancement go to **canada.ca/en/services/benefits/publicpensions/cpp/cpp-enhancement**.

You have to deduct CPP contributions from your employees' pensionable earnings. As an employer, you must contribute an **amount equal** to the CPP contributions that you deduct from your employees' remuneration.

Each year, we determine **all** of the following:

- the **maximum pensionable earnings** from which you deduct CPP ($58,700 for 2020)
- the **year's basic exemption**, which is a base amount from which you do not deduct CPP contributions ($3,500 for 2020 – see Appendix 2)
- the **rate** you use to calculate the amount of CPP contributions to deduct from your employees' remuneration (5.25% for 2020)

Note
Different rates apply for employees working in Quebec. See "Employment in Quebec" on page 15.

Example

CPP contributions you deducted from your employee's salary in the month	$240.40
Your share of CPP contributions	$240.40
Total amount you remit for CPP contributions	$480.80

You stop deducting CPP contributions when the employee's annual earnings reach the maximum pensionable earnings or the maximum employee contribution for the year ($2,898 for 2020).

The annual maximum pensionable earning ($58,700 for 2020) applies to **each job** the employee holds with **different employers** (different business numbers). If an employee leaves one employer during the year to start work with another employer, the new employer also has to deduct CPP contributions without taking into account what the previous employer paid. This is the case even if the employee has contributed the maximum amount during the previous employment. If your business went through a restructure or reorganization, see page 12.

The employee's contribution rate for the next year can be found in the Payroll Deductions Tables, which are usually available in mid-December or at **canada.ca/payroll** and select "Calculate deductions and contributions."

Notes
If you pay an amount to a former employee and you have to deduct CPP contributions, use the current rate in effect when you make the payment.

Any overpayments will be refunded to employees when they file their income tax and benefit returns. However, there is no provision in the Canada Pension Plan that would allow us to refund or credit the employer for their contributions in those circumstances.

Calculating the CPP deductions

To determine the amount of CPP contributions to deduct, use one of the following tools:

- the Payroll Deductions Online Calculator (PDOC)
- the Payroll Deductions Tables (T4032)
- the Payroll Deductions Supplementary Tables (T4008)
- the Payroll Deductions Formulas (T4127)

Note
The Payroll Deduction Tables break the CPP basic yearly exemption down by pay periods.

To find out which method is best for you, see "Payroll Deductions Tables" on page 10.

You can also use a manual method to calculate your employee's CPP deductions. For a single pay period, use the calculation in Appendix 2 on page 57. For multiple pay periods, or to verify the CPP contributions deducted at the end of the year before filling out the T4 slip, use the calculation in Appendix 3 on page 58.

Notes
A pay period means the period for which you pay earnings or other remuneration to an employee.

Once you have established your type of pay period, the pay-period exemption (see Appendix 2) must remain the same, even when an unpaid leave of absence occurs, or when earnings are paid for part of a pay period.

Starting and stopping CPP deductions

There might be special situations where you may have to start or stop deducting CPP in the year for a particular employee. In these situations, you also have to prorate the maximum CPP contribution for the year to make sure you have deducted the correct amount.

Note
In some cases, the requirements are different for the Quebec Pension Plan. For information, see Guide TP-1015.G-V, Guide for Employers: Source Deductions and Contributions, which you can get from Revenu Québec (see page 7).

Special situations

Your employee turns 18 in the year

Start deducting CPP contributions in the first pay dated in the month after the employee turns 18. When you prorate, use the number of months after the month the employee turns 18 (see example 1).

Your employee turns 70 in the year

Deduct CPP contributions up to and including the last pay dated in the month in which the employee turns 70. When you prorate, use the number of months up to and including the month the employee turns 70 (see example 2).

Your employee gives you a completed Form CPT30

By filling out Form CPT30, Election to Stop Contributing to the Canada Pension Plan, or Revocation of a Prior Election, and giving it to an employer, the employee can either stop or restart their CPP contributions. The employee is responsible for sending an original completed copy of Form CPT30 to the CRA. So an employer will only receive a copy. If an employee agrees to have an employer send the original to the CRA, the CRA will accept it.

Stopping CPP contributions

In certain situations, an employee can elect to stop contributing to the CPP. In order to be eligible for this election, the employee must meet **all** the following conditions:

- the employee is at least 65 years of age, but under 70
- the employee receives a CPP or QPP retirement pension
- the employee is receiving, or will receive, pensionable employment earnings that require CPP contributions

If the conditions are met, the employee can give you a copy of Form CPT30 with parts A, B and C completed. By filling out the form in this way, the employee is making an "election."

This "election" is effective the first day of the month following when you receive the completed form. You will deduct CPP contributions, up to and including the last pay dated in the month the employee gives you the form. When you prorate, use the number of months up to and including the month before the election becomes effective (see example 3).

Note
The election to stop contributing to the CPP does not affect the salary or wages of an employee working in Quebec or an employee who is considered to be disabled under the CPP or QPP, nor do they affect the salary and wages of a person who has reached 70 years of age. Do not deduct CPP contributions from the salary and wages that you pay these employees.

Restarting CPP contributions

An employee can choose to restart contributing to CPP if **all** of the following conditions are met:

- the employee filed a Form CPT30 "election" with an employer in a prior year
- the employee is receiving, or will receive pensionable employment earnings that require CPP contributions

If the conditions are met, the employee can give you a copy of Form CPT30 with parts A, B and D completed. By filling out the form in this manner, the employee is "revoking their election."

This "revocation" is effective the first day of the month following when you receive the completed form. You will restart CPP contributions in the first pay dated in the month after the employee gives you the form. When you prorate, use the number of months that includes the month the revocation becomes effective.

Go to **canada.ca/cpp-changes-employers**, to find detailed information such as:

- what to do if you receive a form that is dated in the past or is post-dated
- what to do if you have deducted CPP contributions after the "election" became effective
- what to do when filling in boxes 16 and 26 of the employee's T4 slip

Note
For more information on benefit entitlement, contact Service Canada or go to **canada.ca/canada-pension-plan**.

Your employee is considered to be disabled under the CPP

An employee who is considered to be disabled under the CPP does not have to contribute to the CPP. Deduct CPP contributions up to and including the last pay dated in the month in which the employee becomes or is considered to be disabled according to the letter that Service Canada sent to the employee. When prorating, use the number of months up to and including the month the employee was considered to be disabled.

Note
If the employee is no longer considered disabled under the CPP, start deducting CPP contributions on the first pay dated in the month after the employee is no longer considered disabled. When prorating, use the number of months after the month the employee ceased to be disabled.

Your employee dies in the year

Deduct CPP contributions up to and including the last pay dated in the month in which the employee dies. Also deduct CPP contributions from any amounts and benefits that are earned or owed to the employee on the date of death. When prorating, use the number of months up to and including the month of death.

Checking the amount of CPP you deducted

1) Prorate the maximum CPP contribution for the year by following these steps:

Step 1: Deduct the year's basic exemption ($3,500 for 2020) from the year's maximum pensionable earnings ($58,700 for 2020).

Step 2: Multiply the result of Step 1 by the number of pensionable months.

Step 3: Divide the result of Step 2 by 12 (months).

Step 4: Multiply the result of Step 3 by the CPP rate that applies for the year (5.25% for 2020).

To find out about the previous and current exemptions, maximums, and rates, go to **canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/cpp-contribution-rates-maximums-exemptions**.