



**Sunil and Nita LLP**  
Tax and Business Advisors Chartered Professional Accountants



## July 2022

### **Ontario Staycation Tax Credit.**

With the travel season upon us, it is welcoming to know about the announcement that the Ontario Govt. made during their budget session in April for the next Fiscal year. 'Ontario Staycation Tax Credit'. To be eligible for this tax credit you have to be an eligible Ontario resident in 2022. Residents can claim 20% of qualified expenses for vacation taken between January 1 and December 31, 2022 in the province of Ontario, A maximum of \$1,000 for an individual and \$2,000 for a family. This translates to a saving of \$200 or \$400 respectively.

Eligible expenses are for any one of the following accommodations, which is as a short-term leisure stay of less than month:

A hotel, motel, resort, lodge, bed and breakfast, cottage, campground and vacation rental property. It cannot be for parking tickets or for places of interest and attractions. It has to be for accommodation only.

This credit can be claimed when you file your 2022 personal tax and benefit return.



### **Tuition Credits**

If you attend or are enrolled in a post-secondary institution in Canada and are of a minimum age of 16, you are likely eligible for a tax credit based on the amount of tuition fee you pay. Tuition credit is discounted from the amount of tax you owe. Federal tuition tax credit is applied to the Federal portion of taxes owed and provincial is applied to the provincial taxes owed. Any unused tuition tax credit is carried forward to future years.



### **Canada is Expected to see three more interest rate hikes before the end of 2022.**

What does this mean for you and your business?  
Your borrowing power will be more expensive. It also means that your investments will yield higher interest

rates. Therefore, if you have liquid cash, this is a good time to make investments in safe and secured CDIC insured investments. Such as in Guaranteed Investment Certificates (GIC's).

Interest rate hike is necessary to slow down or stabilize the rate of inflation, which has been the highest since 1991. Consumer inflation has risen to at 7.7 % in June of 2022 since January 1983. Therefore, by increasing interest rate, the Bank of Canada is attempting to lower the inflation to bring about some stability in the Canadian Economy.



### **Minimum wage**

Ontario declared on April 5, 2022 that in an effort to help workers with rising costs and inflation, it would raise the general minimum wage to \$15.50 per hour. A general minimum wage rise of 3.3% from \$15. This will come into effect on October 1, 2022.



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