

## **What you'll need to know after you've done your taxes, including understanding your notice of assessment, paying off a balance owing, and interacting with the Canada Revenue Agency (CRA).**

### **The notice of assessment explained**

A notice of assessment is a tax document the Canada Revenue Agency (CRA) sends you after processing and assessing your income tax and benefit return. You'll receive a notice for every tax return you file.

Your notice is your summary for a tax year, based on the income, deductions, and credits you report on your tax return. Also, your notice may contain information you will need when you do your taxes for the next tax year.

#### **Tax Year**

The dates from January 1 to December 31. Each personal income tax and benefit return includes the information from one tax year.

If you or the CRA changes your tax return after the first assessment, you will receive a notice of reassessment. A notice of reassessment looks like a notice of assessment. But a notice of reassessment will have information about changes to your return.

### **What's on your notice of assessment**

Toggle between each page of the notice of assessment to get an overview of what is on each page. You will find more details about each section later in this lesson.



Canada Revenue Agency  
Agence du revenu du Canada

SUBJECT: ON PPA 521

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①

JONAH SMITH  
1 HOME AVENUE  
CITY NL X0X 0X0

②

Notice details

Social insurance number	XXX XXX 789
Tax year	20XX
Date issued	May 5, 20XX
AA-1000C	

Notice of assessment

We assessed your 20XX income tax and benefit return and calculated your balance. You have a refund of \$2,138.80.  
We will deposit your refund into your bank account.

Thank you,  
Bob Hamilton  
Commissioner of Revenue

③

### Account summary

You have a refund in the amount shown below.

Refund:	\$2,138.80
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④

### Go paperless!

Get your mail online through My Account.

- 1. Log in at [canada.ca/my-cca-account](#).
- 2. Select "Manage online mail".

T401-E (20XX)



## Notice details

202000 000000  
 1 00000 000000  
 0000 00 0000 000

Social Insurance number	0000 0000 0000
Tax year	2020

## Tax assessment

We calculated your taxes using the amounts below. The following summary is based on the information we have or you gave us.

We may review your return later to verify income you reported or deductions or credits you claimed. For more information, go to [canada.ca/taxes-reviews](#). Keep all your slips, receipts, and other supporting documents in case we ask to see them.

### ⑤ Summary

Line	Description	\$ Final amount	Cdn\$
10000	Total income	15,000	
20000	Net income	17,000	
30000	Taxable income	17,000	
40000	Total federal non-refundable tax credits	1,000	
51000	Total provincial non-refundable tax credits	1,000	
60000	Net federal tax	55.00	
62000	Net provincial tax	15.00	
63000	Total payable	70.00	
63700	Total income tax deducted	2,000.00	
80000	Total credits	2,000.00	
	Total payable minus Total credits	2,100.00	Cdn\$
	Balance from this assessment	2,100.00	Cdn\$
Direct deposit		2,100.00	Cdn\$

### ⑥ Explanation of changes and other important information

If you have any questions about your assessment, please call our Individual Tax and Enquiries line at 800-959-8288. We accept collect calls.

<b>Notice details</b>	
Social Insurance Number	0000 0000 0000
Tax year	2023

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**RRSP deduction limit statement**

References to RRSP contributions also include contributions to your spousal registered pension plan (SRPP) and to your and your spouse's or common-law partner's specified pension plan (SPP). For more information, go to [deductible savings](#) or see Guide T4002, RRSPs and Other Registered Plans for Retirement.

Description	\$ Amount
RRSP deduction limit for 2023	15,000
Minus: Employee's RRSP contributions for 2023	0
Minus: Available RRSP contributions deducted for 2023	0
Plus: 15% of 2023 earned income, up to a maximum of \$15,000	2,250
Minus: 2023 pension adjustment	1,500
Minus: 2023 net past service pension adjustment	0
Plus: 2023 pension adjustment reversal	0
<b>RRSP deduction limit for 2023</b>	<b>5,750</b>
Minus: Unused RRSP contributions previously reported and available to deduct for 2023	0
<b>Available contribution room for 2023</b>	<b>5,750</b>

**Note:** If your available contribution room is a negative amount (shown in brackets), you have no contribution room available for 2023, and any future contributions to your RRSP, SRPP, or SPP will be subject to the 1% monthly penalty on any excess contributions.

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The first page of your notice of assessment provides you with the following information:

1. Your name and address
2. Your notice details
3. A message from the commissioner
4. An account summary showing the final result of your tax return


The second page of your notice of assessment provides you with the following information:

5. A summary of your tax return
6. An explanation of changes and other important information

The third page of your notice of assessment provides you with the following information:

7. Your registered retirement savings plan (RRSP) deduction limit statement

### Notice details

 Canada Revenue Agency Agence du revenu du Canada		Page 1						
<div style="display: flex; justify-content: space-between;"> <div> <p>① JONAH SMITH 1 HOME AVENUE CITY NL X0X 0X0</p> </div> <div> <p><b>Notice details</b></p> <table border="1"> <tr> <td>② Social insurance number</td> <td>XXX XX6 789</td> </tr> <tr> <td>③ Tax year</td> <td>20XX</td> </tr> <tr> <td>④ Date issued</td> <td>May 5, 20XX</td> </tr> </table> </div> <div> <p>⑤ AA11BB2C</p> </div> </div>			② Social insurance number	XXX XX6 789	③ Tax year	20XX	④ Date issued	May 5, 20XX
② Social insurance number	XXX XX6 789							
③ Tax year	20XX							
④ Date issued	May 5, 20XX							

Your notice of assessment shows the following information:

### 1. Your name and address

From example:      Jonah Smith  
                             1 Home Avenue  
                             City NL X0X 0X0

### 2. Your social insurance number

From example:      XXX XX6 789

### 3. The tax year of the tax return you filed

From example:      20XX

### 4. The date the CRA assessed your tax return

From example:      May 5, 20XX

### 5. Your NETFILE access code (for 2020 and later years)

From example:      AA11BB2C

## Account summary

**Account summary**

You have a refund in the amount shown below.

**Refund:** \$2,126.80

**Go paperless!**  
Set your mail online through My Account.  
1. Select "Complete my information"  
2. Select "Manage my e-file"

T401-E (2018)

This section of the notice of assessment shows you the result of your tax return.

Depending on your income and credits, the result may be any of the following:

- a refund, when the CRA owes you an amount (shown as CR, for credit)
- a balance owing, when you owe an amount to the CRA (shown as DR, for debit)
- a zero balance, when neither you nor the CRA owes an amount

You may be late doing your taxes for several years and file more than one tax return at once (for example, you file your 2018, 2019 and 2020 returns together). In this case, the CRA will assess all your returns at the same time. You will receive one notice of assessment for each year. Check the notice for the most recent year for the final result.

## Tax assessment and summary

## Tax assessment

We calculated your taxes using the amounts below. The following summary is based on the information we have or you gave us.

We may review your return later to verify income you reported or deductions or credits you claimed. For more information, go to [canada.ca/taxes-reviews](#). Keep all your slips, receipts, and other supporting documents in case we ask to see them.

### Summary

Line	Description	\$ Final amount	CR/DR
15000	Total income	18,000	
23600	Net income	17,050	
26000	Taxable income	17,050	
35000	Total federal non-refundable tax credits	1,650	
61500	Total provincial non-refundable tax credits	1,200	
42000	Net federal tax	55.00	
42800	Net provincial tax	16.00	
43500	Total payable	71.00	
43700	Total income tax deducted	2,209.80	
48200	Total credits	2,209.80	
	Total payable minus Total credits	2,138.80	CR
	Balance from this assessment	2,138.80	CR
<b>Direct deposit</b>		<b>2,138.80</b>	<b>CR</b>

This section of the notice of assessment shows the main lines of your tax return. The CRA used the amounts you see to calculate your final result, which could be a refund, a balance owing, or a zero balance.

**Line - A place on the tax return where you report a specific type of income or tax credit.**

The amounts you'll see in this section include:

- Total income
- Net income
- Taxable income
- Total non-refundable tax credits
- Net federal and provincial or territorial tax
- Total payable
- Total credits
- Balance from this assessment (refund, balance owing, or zero balance)

The amounts might not match what you reported on your return if the CRA has made changes.

You will also see any penalty and interest the CRA may have charged. If you have a balance owing on your account from another tax return, which you have not paid yet, that balance will show here.

## Explanation of changes

### Explanation of changes and other important information

*If you have any questions about your assessment, please call our Individual Tax and Enquiries line at 800-959-8288. We accept collect calls.*

This section of the notice of assessment explains in detail any changes or corrections the CRA made to your tax return.

Sometimes the CRA will make a change based on the information you sent with your return. Other times, the change is based on information the CRA has on file. For example, the CRA will automatically include any unused tuition amounts you have on file if you forgot to include them when you did your taxes.

Read this section carefully to understand the final result of your assessment and to learn if you need to do anything to correct your return.

If you have any carryforward amounts available, like unused tuition amounts, your notice will show those amounts here. This information will be helpful when you do your taxes for the next tax year, since those amounts can reduce the tax you may have to pay in a future year.

### Carryforward amounts

Unused tax credits from a prior year that you may be able to claim in a future year, such as tuition amounts.

### Additional information

Your notice of assessment includes other information on the last few pages that generally depends on your situation.

### RRSP deduction limit statement



RRSP deduction limit statement	
<p>References to RRSP contributions also include contributions to your pooled registered pension plan (PRPP), and to your and your spouse's or common-law partner's specified pension plan (SPP). For more information, go to <a href="#">variable savings</a> or see Guide T4002, RRSPs and Other Registered Plans for Retirement.</p>	
Description	\$ Amount
RRSP deduction limit for 2023	120
Minus: Employer's PRPP contributions for 2023	0
Minus: Allowable RRSP contributions deducted for 2023	0
Plus: 10% of 2023 earned income, up to a maximum of \$55,000	5,240
Minus: 2023 pension adjustment	1,500
Minus: 2023 net past service pension adjustment	0
Plus: 2023 pension adjustment reversal	0
<b>① RRSP deduction limit for 2023</b>	<b>3,460</b>
Minus: Unused RRSP contributions <b>②</b> already reported and available to deduct for 2023	0
<b>③ Available contribution room for 2023</b>	<b>3,460</b>
<p><b>Note:</b> If your available contribution room is a negative amount (shown in brackets), you have no contribution room available for 2023 and may have over contributed to your RRSP. If this is the case, you may have to pay a 1% monthly tax on any excess contributions.</p>	

This section shows how much you can contribute or deduct in the following year.

Some of the key amounts you'll see in this section include:

**1. your RRSP deduction limit**

This is the amount of RRSP contributions you can deduct for the next tax year. Your notice will show how the CRA calculated this amount.

**2. your unused RRSP contributions**

If you reported RRSP contributions in previous years but did not claim a deduction for them, they will show here. You can still deduct them in future years, as long as the amounts are within your deduction limit.

**3. your available contribution room**

This is the maximum amount you can contribute for the next tax year and takes your unused contributions into consideration. If your RRSP contributions are more than this amount, you have an excess of contributions, and you may have to pay tax on the excess amount.