

Background

1. Rom Segal and Ella Segal have lived in the United States since childhood. They are married with a kid, Jonathan Segal.
2. Rom works for a large manufacturing company in the US. His employer, Big Company, sent Rom to Canada on Aug 01, 2015. Rom was in Canada during the Aug 2015 – Dec 2015 period.
3. Rom has US source as well as Canadian source employment income and the employer has issued W-2 as well T4 slips.
4. Rom has made contributions to registered retirement plans in US (W-2 box 12D) and he is wondering if any deduction can be claimed on the Canadian return.
5. Rom was in Canada for less than 6 months therefore he is considered a non-resident of Canada.
6. They have contacted you to help them file their 2015 Canadian and US returns.
7. Rom knows that as US citizens, they have to report their worldwide income on the US tax return, however, he is concerned that they might be double taxed on the Canadian source income.
8. All amounts are in US dollar unless indicated otherwise.

Other Information

- Rom's address is 123 XYZ St. Mississauga, ON L3L 5L5
- Rom's SIN is 123 234 345 and Ella's is 456 567 678. Jonathan's SIN is 567 777 868
- Rom's SSN is 123 45 6789 and Ella's is 234 56 7890. Jonathan's SSN is 345 56 7890
- ROM's DOB is Feb 22, 1955 and Ella's is January 14, 1959. Jonathan's is Jan 01, 2011

- They have filed MFJ return in the past and have itemized deductions for all of the prior years
 - 2015 term capital loss carry forward from the prior year of \$4,000
 - Paid \$8,000 in state taxes (WI)
 - Real estate taxes paid in the amount of \$12,000.
 - Charitable donations in the amount of \$8,000. Of this, \$1000 was paid to a Canadian charity
 - Canadian monthly rent of \$5,000
 - Mortgage interest in the amount of \$12,000
 - State tax refund of \$2,500
 - Canadian interest of \$100. This is based on the cash sitting in Rom's bank account

- Rom has provided you with the W-2, T4, K-1 slips. You will need to report them as appropriate on the Canadian and US returns
- Rom received interest income from Bank of America in the amount of \$400.
- Rom received tax-free interest from municipal bonds for \$500.
- Rom also got paid dividend income from Canada in the amount of \$50 as he has minor amount held in his Canadian investment account.

Required

- Prepare the Canadian and US tax returns

Protected B when completed / Protégé B une fois rempli

Employer's name – Nom de l'employeur

BIG COMPANY
 123 ABC Street
 Mississauga, ON
 L1L 2L2



Canada Revenue Agency

Agence du revenu du Canada

Year
Année

2015

T4

Statement of Remuneration Paid
État de la rémunération payée

54 Employer's account number / Numéro de compte de l'employeur

Social insurance number
Numéro d'assurance sociale

12

Exempt – Exemption

CPP/QPP	EI	PPIP
28 <input type="text"/>	<input type="text"/>	<input type="text"/>
RPC/RRQ	AE	RPAP

Province of employment
Province d'emploi

10 ON

Employment code
Code d'emploi

29

Employment income – line 101
Revenus d'emploi – ligne 101

14

Income tax deducted – line 437
Impôt sur le revenu retenu – ligne 437

22

Employee's CPP contributions – line 308
Cotisations de l'employé au RPC – ligne 308

16

EI insurable earnings
Gains assurables d'AE

24

Employee's QPP contributions – line 308
Cotisations de l'employé au RRQ – ligne 308

17

CPP/QPP pensionable earnings
Gains ouvrant droit à pension – RPC/RRQ

26

Employee's EI premiums – line 312
Cotisations de l'employé à l'AE – ligne 312

18

Union dues – line 212
Cotisations syndicales – ligne 212

44

RPP contributions – line 207
Cotisations à un RPA – ligne 207

20

Charitable donations – line 349
Dons de bienfaisance – ligne 349

46

Pension adjustment – line 206
Facteur d'équivalence – ligne 206

52

RPP or DPSP registration number
N° d'agrément d'un RPA ou d'un RPDS

50

Employee's PPIP premiums – see over
Cotisations de l'employé au RPAP – voir au verso

55

PPIP insurable earnings
Gains assurables du RPAP

56

Employee's name and address – Nom et adresse de l'employé

Last name (in capital letters) – Nom de famille (en lettres moulées) First name – Prénom Initial – Initiale

→ **Segal, Rom**
 123 XYZ St.
 Mississauga,
 ON L3L 5L5

Other information
(see over)

Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>

Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>


Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>

Autres renseignements
(voir au verso)

Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>

Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>

Box – Case	Amount – Montant
<input type="text"/>	<input type="text"/>

		a Employee's social security number 123-45-6789		OMB No. 1545-0008		Safe, accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile		
b Employer identification number (EIN)				1 Wages, tips, other compensation 150,000		2 Federal income tax withheld 35,000						
c Employer's name, address, and ZIP code BIG COMPANY 123 ABC Street Mississauga, ON L1L 2L2				3 Social security wages 118,500		4 Social security tax withheld 7,347						
				5 Medicare wages and tips 118,500		6 Medicare tax withheld 2,000						
				7 Social security tips		8 Allocated tips						
d Control number				9		10 Dependent care benefits						
e Employee's first name and initial		Last name		Suff.		11 Nonqualified plans		12a See instructions for box 12				
ROM SEGAL 123 XYZ St. Mississauga, ON L3L 5L5						13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b C C C C C D 11,000				
						14 Other		12c				
								12d				
f Employee's address and ZIP code												
15 State		Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name

Form **W-2** Wage and Tax Statement

2015

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

Schedule K-1 (Form 1065)

2015

Department of the Treasury Internal Revenue Service

For calendar year 2015, or tax year beginning _____, 2015 ending _____, 20_____

Partner's Share of Income, Deductions, Credits, etc.

See back of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
Partnership LP
111 Main St, WI USA 30001
C IRS Center where partnership filed return
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
Rom Segal
123 XYZ St. Mississauga, ON L3L 5L5
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I1 What type of entity is this partner?
I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here
J Partner's share of profit, loss, and capital (see instructions):
Beginning Ending
Profit % %
Loss % %
Capital % %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$
Recourse \$
L Partner's capital account analysis:
Beginning capital account \$
Capital contributed during the year \$
Current year increase (decrease) \$
Withdrawals & distributions \$ ()
Ending capital account \$
M Did the partner contribute property with a built-in gain or loss?
Yes No
If "Yes," attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 4 columns: Line number, Description, Amount, and Other information. Rows include Ordinary business income (loss), Net rental real estate income (loss), Other net rental income (loss), Guaranteed payments, Interest income (500.50), Ordinary dividends (450.00), Qualified dividends, Royalties, Net short-term capital gain (loss) (750.00), Net long-term capital gain (loss), Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss), Other income (loss), Section 179 deduction, Other deductions, Self-employment earnings (loss).

*See attached statement for additional information.

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