

2020 – T4 Reporting Requirements

January 11, 2021

For the 2020 tax year, the Canada Revenue Agency (“CRA”) has introduced additional reporting for the T4 slip, Statement of Remuneration paid.

These additional reporting requirements will apply to all employers. The purpose of the additional reporting requirements is for the CRA to validate payments made under the Canada Emergency Wage Subsidy (CEWS), the Canada Emergency Response Benefit (CERB), and the Canada Emergency Student Benefit (CESB).

What are the new reporting requirements?

In addition to the normal reporting requirements of the T4 slip, the following codes are added to report the employment income and retroactive payments to employees:

- Code 57: Employment income – March 15 to May 9
- Code 58: Employment income – May 10 to July 4
- Code 59: Employment income – July 5 to August 29
- Code 60: Employment income – August 30 to September 26

The above codes are in respect of the date of payment and not the period of work. The above codes are to be included in the “Other information” section of the T4 slip. Employment income and retroactive payments to employees outside of the above noted periods do not require disclosure on a separate code. The total employment income for the year is reported on Box 14 of the T4 slip.

Example:

If you are reporting employment income earned for the period from April 25 to May 8, which was paid to the employee on May 14, then use code 58.

An employer is required to provide the employee with a T4 slip and file the T4 information return with the CRA on or before the last day of February. If the last day of February falls on a Saturday, or a Sunday, the information return is due the next business day. Accordingly, the 2020 T4 information return is due on March 1, 2021. Penalties for late filing and failure to file the T4 information return may apply if not filed by the due date.