

Match the words and their definitions.

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| 1. _____ earnings | a. money that the government pays back to you when you paid too much income tax |
| 2. _____ income tax | b. a place where you can get help with your taxes |
| 3. _____ taxable income | c. not paying income tax that you owe the government |
| 4. _____ to deduct | d. a type of tax you pay on your earnings/income |
| 5. _____ T4 form | e. earnings and other income that the government can tax |
| 6. _____ to file a tax return | f. money you get from a job (e.g., a salary, tips, commission) |
| 7. _____ tax clinic | g. to subtract or take away |
| 8. _____ tax refund | h. to complete and send an income tax form to the CRA |
| 9. _____ tax evasion | i. cash payments made by the government to refund the tax paid (e.g., GST/HST credit) |
| 10. _____ tax credit | j. a form from your employer showing your total earnings and tax payments |

Read the statements below and decide whether they are true or false. Correct the statements that are false.

1. The Canadian government collects a small amount of money from personal income tax. _____
2. The government can only tax your job earnings. _____
3. Lottery winnings and gifts of money are not taxable income. _____
4. All residents of Canada pay the same amount of tax. _____
5. Employers send T4 slips to the CRA. _____
6. People with no or low income should file a tax return to get tax credits. _____
7. It is not common to get a tax refund from the government. _____
8. Tax evasion is against the law. _____
9. You can use NETFILE the first time you file an income tax return. _____
10. You should keep your T4 and other slips together in a safe place. _____
11. People who buy bus passes or have children in daycare can pay less tax. _____
12. Tax clinics charge a fee to help you with your tax return. _____