



# Tax Tips For Physicians

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As a physician, one of the most significant expenses you will incur during your career is tax—specifically, federal and provincial income taxes. That’s why it makes sense to minimize your taxes payable and maximize your financial position.

## Here are 10 tips to help minimize your taxes when you file your personal income tax return:

1. Use a tax-free savings account (TFSA) to accumulate non-taxable savings that you can withdraw at any time with no penalty
2. Reduce your taxable income by contributing to a registered retirement savings plan (RRSP) and maximizing your contributions
3. Use a registered education savings plan (RESP) to save for a child's education and allow for your investments to grow and compound on a tax-deferred basis
4. Consider timing when it comes to relocation: if you're relocating from a higher-tax province to a lower-tax province, do so before Dec 31st. If you're relocating from a lower tax province to a higher-tax province, do so after Dec 31st. (Your entire year's income will be taxed at the provincial rate in the province where you reside on December 31 in any given year)
5. Claim child-care expenses if you employ a full-time caregiver (the lower income spouse can claim the cost as child care expenses)



6. Keep accurate records and supporting documentation in the event of any future assessments, re-assessments or audits
7. Claim union and professional dues - amounts paid for membership to provincial or territorial medical associations or colleges of physicians and surgeons are generally tax deductible as are union dues such as those paid to provincial residency associations
8. Claim eligible employment expenses such as travel costs, home office expenses, supplies and sundry costs
9. Reinvest your tax refunds - whether it's to pay down debt or make additional tax sheltered contributions to a TFSA or RRSP
10. Charitable giving - donations in excess of \$200 qualify for a non-refundable tax credit equal to 40% to 50% of the donation made

**Our dedicated team of experts are here to help you manage your taxes as efficiently as possible.**

**If you have any questions about these tax tips, talk to your CIBC advisor for more details.**

