



Tax Tips for the 2025 Tax Year – for Retired Educators

Each year BCRTA prepares a basic guide to help our members make the most of your annual tax return. BCRTA does not offer income tax advice, but here are some common issues and deductions to keep in mind. Working through this list will help you complete your return to your maximum advantage. We will start with some new items of note for the 2025 tax year that may apply to you, then proceed to a handy checklist that is fine-tuned to apply to retirees.

Let's get started!

CRA Scams

We always remind members that there are unfortunately a lot of fraudsters who try to take advantage of seniors by pretending to be a collection agency or government official. Often these are strange recorded calls, or sometimes it will be a person phoning you, or an email.

By being alert to fraud, you won't fall for fake phone calls, e-mails or letters pretending to be from the CRA. Canada Revenue Agency will *never* contact you demanding your credit card number. If you receive one of these contacts, it is important to provide NO information.

To ensure that you are dealing with an authorized CRA representative, always follow up on any questions you have by calling 1-800-959-8281 or check your CRA My Account on-line.

New for the 2025 Tax Year

What's changing with the 2025 income tax package?

This year, the CRA will no longer proactively mail the income tax package to individuals. This means that paper filers will not automatically receive a 2025 income tax package in the mail. This decision has been made to support the CRA's continued shift to digital services. Electronic returns are generally processed much quicker than paper. Online self-serve options are also available for individuals to easily obtain what they need, if they choose to file on paper.

Important Dates Regarding The 2025 Tax Year

If you are still eligible to contribute to an RRSP, the deadline to do so for the 2025 tax year is March 2, 2026.

The first day on which you may file your 2025 tax return is February 23, 2026, and the deadline to file your return is April 30, 2026.

Filing on time and settling any amounts due is worth it. Late payments incur a 5% late-filing fee of the amount you owe plus an additional 1% of what you owe every month (up to a maximum of 12 months).

Basic Personal Amount

The federal Basic Personal Amount for the 2025 tax year is \$16,129 for net incomes of \$177,882 or less.

The Basic Personal Amount for B. C. is \$12,932.

You don't have to pay any income tax on that amount of income.

Source: [Line 30000 – Basic personal amount - Canada.ca](https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/basic-personal-amount.html)

Tax Free Savings Account Limit

The Tax Free Savings Account contribution limit is **\$7,000** for the 2025 tax year. Learn more about lifetime limits and future annual limits at the link below.

Source: <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account.html>

New OAS Limit Amounts and OAS Increase for Those Reaching 75

Old Age Security payments give retirees a source of income to support their retirement. For those with income over certain limits, the OAS amount is reduced, and if your income is high enough, eliminated.

For the 2025 tax year individuals whose net worldwide taxable income exceeds \$93,454 will need to repay some of the OAS they received in 2025.

If net world taxable income is over \$152,062 individuals under 75 are not eligible to receive any OAS payments. For those 75 and over, the net world income where all OAS payments are clawed back is \$157,923 for 2025.

Repayments begin the following July.

Under the Canada Affordability Plan, seniors receive an automatic 10% increase to their Old Age Security pension when they turn 75 years old.

More Tax Preparation Tips

Teachers' Pension Plan (TPP) Tax Information

Your tax information for your Teachers' Pension Plan payments is available on their website in "My Account." A link is included on the TPP website at <https://tpp.pensionsbc.ca> - click on "Tax Slips."

You can sign into your My Account, then choose "Statements" and "Tax Information." From there you can download and print your T4A.

If you don't have "My Account" or have selected "No" to electronic documents, your T4A will be mailed to you by the TPP.

If you haven't received your T4A by the end of February, you can call the TPP at **1-866-876-8877**.

Eligible Medical Deductions

Any eligible medical costs that you pay that exceed 3% of your net income can be deducted when you complete your income tax return this year. A couple usually should combine all medical expenses on one tax return – usually the one with the lowest income – to gain the highest value deduction.

- Eligible medical expenses are those payments made by you or your spouse that were not fully reimbursed by an insurance plan. Some examples that you should explore:
- Prescribed medications
- Payments to a medical doctor, dentist, and most paramedical service providers such as physiotherapists, chiropractors, massage therapy, etc. You can review CRA's complete list of medical expenses that may be eligible for tax deductions at [this page on the Revenue Canada website](#).
- Premiums that you paid for any health service plan other than MSP.
 - If you participate in BCRTA's **BCRTA Dogwood EHC Plan** you should receive a letter by mail in February that itemizes your claimable premiums as well as your claims history that shows your eligible deduction.
 - If you participate in BCRTA's **Dogwood Gold or Silver** travel insurance plan this year's tax receipts will be emailed if you have an email on file with them. You are eligible to claim the amount for the emergency medical premiums, but not the Trip Cancellation and Interruption and they will show this breakdown.
Please confirm your email with them if needed.
 - If you are signed up for Extended Health Coverage with **Green Shield** and premiums are deducted from your Teacher's Pension Plan payments, **GSC premiums will be shown in Box 135 of the T4A** you received from TPP. See more about tracking your GSC claims to see what medical expenses you might claim at <https://www.bcrta.ca/gscclaims>

Medical Expenses Refund Supplement

If your adjusted family net income is less than \$63,374 and you are working, and your employment income is \$4,390 or more, you may qualify for this supplement to claim medical expenses for adaptations that allow you to work.

Source: <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45200-refundable-medical-expense-supplement.html>

Tax Credit for Multigenerational Families Adding Suites for Seniors

The [multigenerational home renovation tax credit](#) (MHRTC) is a refundable tax credit that allows an eligible individual to claim certain renovation costs to create a secondary unit within an eligible dwelling so that a qualifying individual (a senior or an adult who is eligible for the disability tax credit) can reside with their qualifying relation. If eligible, you can claim up to \$50,000 in qualifying expenditures for each qualifying renovation completed, up to a maximum credit of \$7,250 for each claim you are eligible to make. To be eligible to claim this credit, a family member who is 65 years of age or older, or an adult eligible for the disability tax credit, must live in the suite.

The Canada Caregiver Credit

The Canada Caregiver Credit (CCC) is a non-refundable tax credit that may be available to you if you support a spouse, common-law partner, or a dependent with a physical or mental impairment. The CRA may ask for a signed statement from a medical practitioner showing when the impairment began and what the duration of the impairment is expected to be. For the 2025 tax year, if you care for your physically or mentally impaired spouse or common-law partner, you may be entitled to claim an amount of \$2,687 in the calculation of line [30300](#). You could also claim an amount up to \$8,601 on line [30425](#). For detailed information visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/canada-caregiver-amount.html>.

Disability Tax Credit

The disability tax credit (DTC) is a non-refundable tax credit that helps persons with disabilities or their supporting persons reduce the amount of income tax they pay. For detailed information visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/information-medical-practitioners/eligibility-criteria-disability-tax-credit.html>.

Age Amount Credit

If you were 65 or older on December 31, 2025, you may claim an age amount. The credit is geared to income and is available to those whose net income is less than \$105,709 (line 23600 in your tax return). You will get the full credit if your net income is \$45,522 or less. The credit is gradually reduced as your income increases.

There is a corresponding provincial tax credit as well. For B. C. the age amount is available if your net income is less than \$81,829, with the maximum amount available if your net income is \$43,169 or less.

This deduction can also be transferred to a spouse.

For detailed information visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-301-amount.html>.

Seniors Renovation Tax Credit (BC)

We know that people who continue to live independently enjoy many benefits, but changes may be required to your residence to enable you to stay in your home. If you are a senior who has made modifications to your home for accessibility reasons you may qualify for the *British Columbia Home Renovation Tax Credit for Seniors and Persons with Disabilities*. Only specific renovation expenses qualify – see the link below for a detailed list. Use form [5010-S12 Schedule BC\(S12\)](#) to apply for this credit.

Source: <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/seniors-renovation>

Charitable Donations

Tax credits are available for donations made to registered charities. In a spousal relationship, the claim can be split or attributed to either person to provide the greatest tax advantage. For detailed information see <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-34900-donations-gifts.html>.

Political contributions

Tax credits are available for any contributions you and your spouse made to registered federal political parties or British Columbia political parties. For more information about the federal credit visit:

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/federal-political-contributions-line-40900-total-contributions-line-41000-tax-credit.html>

To learn more about the B. C. credit go to:

<https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/political-contribution>.

Home Accessibility Tax Credit

The annual expense limit of the home accessibility tax credit is \$20,000. This can be claimed by anyone with an eligible dwelling over 65 who remodeled their home for safer access, or in some cases by a spouse or relative who is funding the project.

Source and more info: <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-31285-home-accessibility-expenses.html>.

Pension Income Splitting

You and your spouse or common-law partner may be able to take advantage of pension income splitting to reduce the income tax paid by the higher-earning partner or to avoid a high-income OAS clawback. For details, see:

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/pension-income-splitting.html>

B. C. Renter's Refundable Tax Credit

You may qualify for the B. C. Renter's tax credit of up to \$400 if your adjusted family net income is less than \$84,764. The maximum amount of \$400 is available for renters at net family income of less than \$64,764.

Source: <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/renters-tax-credit>

Payment and Refund Options

If you are among the 16% of Canadians who owe tax after filing, you now can pay using a credit card, a debit card, PayPal, Interac e-Transfer, online banking, at your bank or ATM, or by mailing a cheque. Read the fine print - some methods come with fees! To learn more about payment methods to Revenue Canada go to the following link and choose *Personal income tax (T1)* to see the options:

<https://www.canada.ca/en/revenue-agency/services/payments/payments-cra/individual-payments/make-payment/payment-options-type-payment-you-are-making.html>

Electronic Filing Options

You can file a tax return electronically using one of the tax programmes listed on CRA's website. You will have to register for My Account on the CRA website to file online. Once you have registered, you can take advantage of CRA's "Auto-fill My Return" feature, which will speed up the entry of information into a tax programme. Your CRA My Account will also let you access all your tax information throughout the year.

There are several free or low-cost tax filing programmes available on-line. If you have a fairly straightforward tax return, you should be able to use the free versions of these programmes.

CRA provides a list of useful tax-filing programmes at:

<https://www.canada.ca/en/services/taxes/income-tax/personal-income-tax/how-file/tax-software/find-software.html>

Need Help Filing Your Return?

Using electronic tax filing software can make the process of doing your taxes less stressful. With helpful calculations, guides, and prompts regarding eligible deductions and required forms, using tax filing software will be, for most people, quicker and more accurate than traditional methods using a

pen, paper and two pots of coffee. Many software offerings allow several filings on one license, meaning you can cover the people in your household with one purchase. A computer-literate relative might help. Filing as a household with your spouse is made easier, as most personal tax software automatically calculates the best tax-splitting options for couples. Another benefit is that programs will keep track of your filings for each tax year and provide continuity for future filing.

There are also many volunteer-run tax preparation clinics at Seniors' and Community Centers around the province. See the following link:

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program.html>.

File by Phone

CRA's [SimpleFile by Phone](#) (formerly File My Return) is a free, easy-to-use and secure telephone service to help people with a simple tax situation file their taxes by phone.

With SimpleFile by Phone, you can complete your tax return from the comfort of your own home 21 hours a day, from 6:00 a.m. to 3:00 a.m. ET, 7 days a week.

Direct Deposit

But no matter how you file your taxes, signing up for [direct deposit](#) is the fastest way to receive your benefits, credits, and tax refund.

Your Receipts

Make sure you have all your receipts before you file. That includes both income (T4, T4A, and T5) and medical and charitable expense receipts. It feels good to file, but don't jump the gun and send in an incomplete tax filing. If you collect a pension from the Teachers' Pension Plan but haven't received your T4A tax slip from the TPP by the end of February, you can contact them at **1-866-876-8877**.

Still Working? What You Need to Know About CPP Choices for 65-70 Year Olds

If you are still working from age 65 to 70, you can elect to stop making further contributions to the CPP, by completing form CPT30 from CRA. Once the form is completed, a copy must be given to the employer, and the original sent to CRA. The election would take effect on the first day of the month following the month that the form is filed with the employer, so cannot be backdated. The first day that the form can be completed is the day that you turn 65, so CPP contributions are still made for the birthday month.

Source:

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-post-retirement/eligibility.html>

Cryptocurrency Reporting

Many individuals are dabbling in Bitcoin and other "crypto." There is a popular culture around cryptocurrencies such as Bitcoin that they live in a universe free of taxation and reporting. Not so. There can be serious penalties for those who do not report holdings. For example, see this article regarding the filing requirements for cryptocurrencies that are considered foreign property: <https://www.taxtips.ca/filing/foreign-asset-reporting.htm#cryptocurrency-may-be-foreign-property>

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