



ELCIC Treasurers Update

December 2023

ELCIC National and Synodical Treasurers continue to meet regularly to address issues of common concern, provide support to one another, and work together to help congregations.

Recently, they agreed that the following information affecting 2023 year-end and 2024 payroll should be shared with all ELCIC congregations:

Health/Dental Insurance

Although premiums for the GSI Health and Dental Plan are the responsibility of the employer, some employees may have opted for a module with a higher level of coverage than that provided by their congregation and are paying the incremental premium associated with this additional coverage. Please note that any employee-paid premiums are considered to be medical expenses and eligible for a tax deduction. As such, be sure to include the amount of any employee-paid premiums in Box 85 of the employee's T4 so the employee is able to easily claim this deduction when they file their 2023 income tax return.

As reported in Group Services Inc's (GSI's) [November Treasurers' Newsletter](#), with the introduction of the new federal Canadian Dental Care Plan, additional information will be included in new boxes on employee T4/T4A forms. Specifically, CRA requires that beginning with calendar year 2023, it is mandatory to indicate whether the employee or any of their family members were eligible, on December 31 of that year, to access any dental care insurance, or coverage of dental services of any kind, offered by their employer. For each of your employees, depending on their situation, one of the following codes must be specified in Box 45 of their T4:

- 1 – for employees who are not enrolled in the GSI benefit plan
- 2 – for employees with single coverage in the GSI benefit plan
- 3 – for employees with family coverage in the GSI benefit plan

We encourage you to review [GSI's November Treasurer Newsletter](#) for other important reminders pertaining to the GSI pension and benefits plan, including 2024 premium rates.

Lifestyle Benefit

Several years ago, GSI began sending a year-end report to congregational treasurers confirming taxable benefit amounts for each employee that needed to be reported in Box 40 of their T4. Recently, these taxable benefit amounts included the Lifestyle Spending Account, as well as amounts for the premium associated with employer-paid life insurance. Although GSI will send a final report for 2023 at the end of the year (or in early 2024), as indicated in GSI's June 2023 communication, the Lifestyle Spending

Account is now closed and the deadline for making claims is past. Therefore, 2023 will be the final time that the Lifestyle Spending Account amount must be reported. Amounts required to be included on the 2023 T4 have already been reported from GSI to congregational treasurers. Reporting of the taxable benefit associated with life insurance and related benefits will continue to be required in 2023 and subsequent years.

2023 Charity Information Return (T3010)

The Canada Revenue Agency (CRA) recently announced changes to the Charity Information Return (T3010) to reflect new reporting requirements. As a reminder, congregations are required to file this return no later than six months following their fiscal yearend.

Congregations with fiscal periods ending on or after December 31, 2023, will need to use version 24 of the T3010 form. If you are using CRA's "My Business Account" to prepare and submit this form, the correct version of the form should be provided to you automatically. However, if you are preparing this form manually, be sure to select the correct version of the form from [CRA's website](#).

Canada Pension Plan Enhancement

Upcoming changes to CPP in 2024

The maximum pensionable earnings under the Canada Pension Plan (CPP) will be \$68,500 in 2024. This is up from \$66,600 in 2023. The basic exemption amount for 2024 remains at \$3,500.

Starting in 2024 there will be a second earnings bracket between \$68,500 and \$73,200 which will be used to determine "additional CPP2" contributions.

The new ceiling was calculated in accordance with the CPP legislation and take into account the growth in average weekly wages and salaries in Canada.

CPP contribution rates and amounts

Employee and employer CPP contribution rates for 2024 remain at 5.95%, and the maximum contribution will be \$3,867.50 each.

Employee and employer "CPP2 contribution" rates for 2024 will be 4.00%, and the maximum contribution will be \$188.00 each.

***If you have questions about any of these items,
please contact your synodical treasurer or synod office.***