

FIS/HRIS - Processing T4A/T4A-NR Payment Guideline

T4A or T4A-NR(Amount Paid to Non-Residents for Services Rendered in Canada) payment must be updated in HRIS with an exception of the payment to be made in foreign currency. The general rules will still apply that all transactions must be examined on their own merits by the department to determine the correct processing method and legal reporting requirements. Documentation to assist in the classification decision of Consulting Services as either "Employment" vs "Non-Employment" income can be found at, [Income Tax Guide: Employee or Independent Contractor](#) . Additional help and clarification is available from your HR generalist or Central Payroll Services by e-mail: payroll.hr@utoronto.ca .

To Be Processed in FIS

Canadian Resident - if the total payment amount is under \$500 in the calendar year, then it is ok not to report on the T4A slip and therefore may be processed in FIS. Please consult with Finance department for audit documentation requirement, i.e.Invoice.

Requirements	To be processed in FIS
Non University of Toronto Employee	Process as a regular Non-PO related invoice
Payments relate to the following: <ul style="list-style-type: none"> • Consultant Fees (800710) • Guest Lecturers (800230) • Honoraria (800230) • Short Course/Seminars (800230) 	Vendor number should be permanent vendor number or if one does not exist then, 990001.

Non-Residents – Work performed outside Canada, the payment is not required to report on T4A-NR.

Requirements	To be processed in FIS
Non Canadian Resident performing work outside Canada	Process as a regular Non-PO related invoice
Payments relate to the following: <ul style="list-style-type: none"> • Consultant Fees (800710) • Guest Lecturers (800230) • Honoraria (800230) • Short Course/Seminars (800230) • Non Resident working outside Canada (800260) 	Vendor number should be permanent if one exists or 990002 (USD) or 990003 (Bank Draft)

Non-Residents – T4A-NR (Withholding tax) required for work performed in Canada

(This process only to be used if the cheque is to be issued in a foreign currency.)

Requirements	To be processed in FIS
<p>Individual is not a resident of Canada and the payment relates to those identified below. Withholding tax is required to be withheld (unless a Regulation 105 tax waiver is obtained from Revenue Canada) and a T4A-NR will be issued at the end of the calendar year.</p>	<p>Header Information</p> <ul style="list-style-type: none"> Reference doc. Date of Birth and ITN/TTN number. <p>First Line Item</p> <ul style="list-style-type: none"> Vendor number "990268". <p>Vendor Invoice: Address and Bank Data -complete name and address for both the mailing of the cheque/draft and the mailing of the T4A-NR. For payments addressed to a department, it will be the department's responsibility to forward the T4A-NR at the end of the year.</p>
<p>Payments relate to the following:</p> <ul style="list-style-type: none"> Consultant Fees (800710) Guest Lecturers (800260) Honoraria (800260) Short Course/Seminars (800260) Fellowships (800200) 	
<p>Withholding tax of 15% to be withheld (no Regulation 105 Waiver applied for).</p>	<p>Process and post as normal. Ensure the correct payment method is completed (B or D)</p>
<p>Regulation 105 Waiver filed and approved by CRA in order to allow no 15% withholding tax for the individual payee, it is the payee's decision to file the Waiver Application with CRA directly. The form can be located in HRIS website: http://forms.hrandequity.utoronto.ca/#payroll</p>	<p>Option 1: the Regulation 105 Waiver Application is filed and pending for CRA's approval -Department should not process the payment until the waiver approval is obtained; When the waiver is received, the department parks the document and sends Central Payroll Service the Document # along with a copy of the Waiver Approval (email to : payroll.hr@utoronto.ca) Option 2: no Regulation 105 filed with CRA - Department may process and post the payment with 15% withholding tax .</p>
<p>Note: In both cases, the amount of withholding tax is only posted at the time of the processing of the payment.</p>	

To Be Processed in HRIS

Canadian Resident – if total amount of the payment is greater or equal to \$500 in a calendar year, then the payment must be reported on a T4A slip.

Requirements	To be processed in HRIS
<p>Non University of Toronto Employee (if the payee is a U of T employee please consult with Central Payroll Services before processing the T4A payment in HRIS)</p>	<p>See documentation entitled: Hire a Casual Admin. Monthly .</p>
<p>Payments relate to the following:</p> <ul style="list-style-type: none"> • Consultant Fee (GL801140) • Guest Lecturer (GL801140) • Honoraria (GL801140) • Short Course/Seminar (GL801140) • Canadian Residents working outside Canada (GL801140) 	<p>Wage types to be used:</p> <ul style="list-style-type: none"> • 0310 – T4A Income GST Exempt • 0311 – T4A Income GST Included
<p>For other types of T4A payment please contact Central Payroll Services.</p>	

Non-Residents – T4A-NR (Withholding tax) required for work performed in Canada (to be paid in Canadian currency only)

Requirements	To be processed in HRIS
<p>Individual is not a resident of Canada and the payment relates to those identified below. Withholding tax of 15% is required to be deducted, (unless a Regulation 105 Waiver is obtained from Revenue Canada). A T4A-NR will be issued at the end of the calendar year.</p>	<p>See documentation entitled: Hire a Casual Admin. Monthly .</p>
<p>Payments relate to the following:</p> <ul style="list-style-type: none"> • Consultant Fees (GL801140) • Guest Lecturers (GL801140) • Honoraria (801140) • Short Courses/Seminars (GL801140) 	<p>Wage types to be used:</p> <ul style="list-style-type: none"> • 0381 – T4A-NR (15% Withholding Tax will be deducted)

<p>Withholding tax of 15% to be withheld (no Regulation 105 waiver applied for)</p>	<p>Process payment on HRIS by accepting default of 15% Non-Resident Tax.</p>
<p>Regulation 105 Waiver filed and approved by CRA, the 15% withholding tax is not required to be deducted, send a copy of the waiver approval to Central Payroll Services for audit purposes.</p>	<p>If a tax waiver approval has not been received at the time of the payment, the 15% tax must be deducted upon payment; do not override the default 15% tax deduction in HRIS.</p>