

Working multiple jobs with McMaster? It is important that you understand the tax implications.

In October 2014, McMaster launched a new HR and Payroll system, Mosaic. In doing so, McMaster changed from issuing a single pay statement per employee per pay, to issuing multiple pay statements for a **limited** number of employees who hold multiple jobs with McMaster. The vast majority of employees still have a single pay statement each pay.

Those few employees who are now receiving **multiple** statements each pay are strongly encouraged to review their current Tax Exemption Declaration elections, and to submit revised TD1 and TD1-ON forms if they determine that their tax exemption declarations require a change.

Are all employees who work multiple jobs at McMaster affected by this?

Multiple pay statements have only been implemented for **certain** employees who hold multiple jobs at McMaster, due to the way PeopleSoft (the program upon which Mosaic was built) stores Year-to-Date values when corporate EI rates differ. The majority of employees with multiple jobs will continue to receive a single pay statement each pay.

How can I tell who might be affected?

An employee who holds a Teaching Assistant position in addition to a Casual appointment would still see a single pay statement, as would an employee who holds two positions which are both covered by the collective agreement with Unifor. In these cases, both jobs would have the same corporate EI rate, and would be reported on a single tax slip at year end.

Some examples of employees who would now see two pay statements include: an employee who holds both a position covered by the collective agreement with Unifor and a casual appointment; or an employee in the TMG group who is also a Part-Time Instructor. In these examples, each job has a different corporate EI rate, and would be reported on separate tax slips at year end.

The requirement for separate tax reporting is not new, but the way in which Mosaic achieves this does differ from our former MacVIP payroll system.

What are the income tax implications to me?

PeopleSoft treats each paycheque separately when calculating income tax, so employees who are receiving multiple statements for the same pay period may have seen a reduction in the total income tax being deducted across the two statements, to a greater or lesser degree.

Individual CPP and EI deductions have not been impacted by this multiple pay statement scenario.

What options are available to me if I feel my income tax exemption needs have changed?

Several options are presented on the Tax Exemption Declaration forms:

- Change the dollar amount, or the number of, tax exemptions being declared
- Disclose you have already declared the Basic Exemption amount with another employer
- Declare total income across all your employers will be less than the total tax exemptions claimed
- Begin, end, or change the amount of Additional Income Tax you wish to be withheld on each paycheque

Your personal Income Tax Declaration changes could include any or all of the above options.

*If you have any questions regarding your personal Tax Exemption Declaration, the best resource to contact for assistance or advice would be an **Income Tax Specialist**.*

Is there anything I need to know if I am considering having Additional Taxes deducted from each pay?

Please note that there is only one Tax Exemption record in the system per employee. Those employees who wish to opt for additional taxes to be deducted per pay period should indicate the amount which should be deducted **per paycheque** (or per individual pay statement) on their TD1 form.

For example, an employee who is receiving two pay statements each pay, and who requires a Total of \$50 in Additional Taxes to be deducted per pay period, should indicate \$25 on the TD1 form, as this amount will be deducted from each of their two paycheques by the system ($2 \times \$25 = \50 , which is the desired outcome).

Where can I access the TD1 and TD1-ON forms?

Links to the Canada Revenue Agency's Federal and Province tax declaration forms can be found at the following link:

<https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later.html>

What should I do with my completed forms?

Completed, dated, and signed TD1 and TD1-ON forms are submitted to the HR Office supporting your area:

- HR Service Centre, CSB 202
- Faculty of Health Sciences HR Office, HSC-2J1A
- School of Graduate Studies Payroll Office, GH-212