

2025 EMPLOYEE YEAR-END AND NEW YEAR COMMUNICATION

Canada Revenue Agency has made a number of changes for 2025. This document outlines these changes. This document does not constitute advice. Employees who have questions about these changes should contact the Canada Revenue Agency.

Your Net pay may be lower in January

Canada Pension Plan (CPP) and Employment Insurance (EI) deductions have yearly maximum contribution amounts. Once these limits are reached during the calendar year, the deductions stop for the rest of the calendar year.

Contributions to CPP and EI will commence again in January of each year which will reduce net pay.

Canada Pension Plan (CPP) Maximum Contributions

	2024	2025
Yearly maximum pensionable earnings	\$68,500.00	\$71,300.00
Annual exemption	\$3,500.00	\$3,500.00
Contributory earnings	\$65,000.00	\$68,700.00
CPP contribution rate	5.95%	5.95%
CPP contributions	\$3,867.50	\$4,034.10

Second Canada/Quebec Pension Plan (C) Enhancement Contribution

Effective January 1, 2025, a higher second earnings ceiling of \$81,200, known as the Year's Additional Maximum Pensionable Earnings (YAMPE), will be used to determine second additional CPP contributions (CPP2). This CPP2 is part of the CPP enhancement.

	2025
Year's additional maximum pensionable earnings	\$81,200.00
Year's maximum pensionable earnings	\$71,300.00
Second contributory earnings	\$9,900.00
CPP contribution rate	4.00%
CPP contributions	\$396.00

For this purpose, the Canada Revenue Agency has created an additional box on the current T4 as follows:

- Box 16A – for reporting of employees’ second CPP contribution

CPT30 Election to Stop Canada Pension Plan

Employees who are over age 65 **and** in receipt of a Canada Pension Plan benefit payment from the Government of Canada may make an election to stop Canada Pension Plan contributions as a payroll deduction.

A copy of the CPT30 form can be found here: <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/cpt30.html>

Employment Insurance Maximum Premiums

	2024	2025
Maximum insurable earnings	\$63,200.00	\$65,700.00
Employee EI premium rate	1.66%	1.64%
Maximum employee premium	\$1,049.12	\$1,077.48
Employer EI premium rate (unreduced)	2.324%	2.268%
Maximum employer premium	\$1,468.77	\$1,490.08

Pension Adjustment Limits

	2024	2025
Defined Contribution (DC) or Money Purchase RPP	\$32,490.00	\$33,810.00
Defined Benefit (DB) RPP <ul style="list-style-type: none"> • Maximum Benefit Accrual • Pension Adjustment 	\$3,610.00 \$31,890.00	\$3,756.67 \$33,210.00
Deferred Profit-Sharing Plan (DPSP)	\$16,245.00	\$16,905.00
Registered Retirement Savings Plan (RRSP) and Pooled Registered Pension Plans (PRPP)	\$31,560.00	\$32,490.00

Tax Free Savings Account Limits

Years	Annual Limit
2009 – 2012	\$5,000.00
2013 – 2014	\$5,500.00
2015	\$10,000.00
2016 – 2018	\$5,500.00
2019 – 2022	\$6,000.00
2023	\$6,500.00
2024 - 2025	\$7,000.00

New Canada Dental Care Plan T4/T4A Boxes

To support the administration of the new [Canadian Dental Care Plan](#), the following new boxes have been added to the tax slips beginning with the 2023 tax year.

- Box 45 on the T4: Statement of Remuneration Paid
- Box 15 on the T4A: Statement of Pension, Retirement, Annuity and Other Income

A corresponding reporting code (*not deduction*) will represent the dental coverage you **had access to** under our dental plan as of December 31 of the tax year. "Access" refers to the plan coverage available to you and not to your individual family status or the coverage you may have elected. (For example, your T4 may be coded with a "3" even if you have no spouse or dependents.)

Code	Access
1	Not eligible to access any dental care insurance or coverage of dental services of any kind
2	Payee only
3	Payee, spouse, and dependent children
4	Payee and their spouse
5	Payee and their dependent children

Distribution of 2024 tax slips

2024 T4 and T4A tax slips will be available on or before February 28, 2025. Payroll Operations will advise you when they are available for you to download from Workday Employee Self Service via a Workday Announcement.

Note: In certain circumstances, employees may receive multiple year-end slips. Please ensure that all tax slips are included when filing personal income tax returns.

2025 Personal Tax Credits Return

It is an employee's responsibility to provide UBC with a new TD1 Basic Personal Tax Credit Return electronic form no later than seven days after a change in the employee's eligible tax credit amounts.

Note that tuition claims should be for the calendar year not the academic year.

If you claimed the basic tax credit amount in 2024 and there are no changes to your tax credit amounts, no action is required on your part.

To update your tax elections, follow the instructions located here:

https://ubc.service-now.com/selfservice?id=kb_article&sys_id=974c50121b2135900dbaec21b24bcbd0&table=kb_knowledge

Change of Address

If you moved, please update your new address prior to December 31 through Workday Employee Self Service. To update your address, follow the instructions located here: https://ubc.service-now.com/selfservice?id=kb_article&sys_id=8e07cf5087ddf910f2f90d47cebb3523&table=kb_knowledge

T2200s Declaration of Conditions of Employment

The "Temporary Flat Rate Method" of claiming home office expenses on the T2200s form ended December 31, 2022. The CRA introduced this method to allow employees to claim up to \$2 per work day to a maximum of \$400 for taxation year 2020, and to a maximum of \$500 for taxation years 2021 and 2022, without the need to track detailed home expenses. It is a simple flat-rate process that is included as part of completing the T1 general return.

Payroll Operations

The T2200s (short form) is no longer available for the 2023 taxation year. If an employee requires a T2200 Detailed form, the department or faculty should be completing the form.