

Income Tax Documents for Pay Equity Payments

Individuals who received a pay equity payment in 2019 will receive the following tax documents (if applicable):

- T4 / Relevé 1: All individuals will receive T4 and Relevé 1 tax slips. The T4 slip is required to file a federal income tax return with the Canada Revenue Agency. The Relevé 1 slip is required to file a provincial income tax return with Revenu Quebec.
 - For active employees, these tax slips will be available on MINERVA by the end of February.
 - For former employees, these tax slips will be sent by mail.
- T5 / Relevé 3: All individuals who received an interest payment will receive T5 and Relevé 3 tax slips. The T5 slip is required to file a federal income tax return with the Canada Revenue Agency. The Relevé 3 slip is required to file a provincial income tax return with Revenu Quebec.
 - For active employees, these tax slips will be available on MINERVA by the end of February.
 - For former employees, these tax slips will be sent by mail.
- T1198: All individuals who received a pay equity payment of \$3,000 or more (excluding interest) will receive a T1198 tax form in order to file their federal income tax return with the Canada Revenue Agency. There is **no** equivalent form for Quebec provincial income tax returns. See below for more information on the T1198.
 - For all employees, these tax forms will be sent by mail; unfortunately, it is not possible to post electronic copies of this form on MINERVA.

Please note that McGill **cannot** provide any tax advice; for questions related to your personal situation, please contact the Canada Revenue Agency and/or Revenu Quebec.

T1198

All individuals who received a pay equity payment of \$3,000 or more (excluding interest) will receive a T1198 tax form in order to file their federal income tax return with the Canada Revenue Agency. These tax slips will be sent by mail; unfortunately, it is not possible to post electronic copies of this form on MINERVA.

Generally, a lump-sum payment is included in income in the year the recipient receives it. This may result in a greater tax liability than if the payment had been received in the year or years to which it related. However, a special tax calculation is available to

individuals who receive a retroactive lump sum payment. The T1198 tax form shows how the pay equity payment is divided over past years, and will allow the Canada Revenue Agency to determine if this special tax calculation is beneficial to the individual. In order to request this calculation, you cannot file your income tax return electronically and must file a paper return.

Please note that McGill does not have any information on the calculation performed by the Canada Revenue Agency. Please contact the Canada Revenue Agency for more information.

In addition, there is no equivalent form for Quebec provincial income tax returns.