

Taxable Benefits

Canada Revenue Agency guide T4130(e)

<http://www.cra-arc.gc.ca/E/pub/tg/t4130/>

Benefits Chart

This chart indicates whether the **taxable** allowances and benefits discussed in this guide are subject to CPP and EI withholdings, and shows which codes you should use to report them on the employee's T4 slip. The chart also indicates whether GST/HST has to be included in the value of the **taxable** benefit for income tax purposes. Cash reimbursements and non-cash benefits are subject to GST/HST, unless they are for exempt or zero-rated supplies. Cash allowances are not subject to GST/HST.

Taxable allowance or benefit	CPP	EI	Code	GST/HST
Automobile and motor vehicle allowances	yes	yes	40	no
Automobile standby charge and operating expense benefits	yes	no	34	yes
Board and lodging, if cash earnings also paid in the pay period	yes	yes	30	[Note 1]
Board and lodging, if no cash earnings paid in the pay period	yes	no	30	[Note 1]
Cellular phone service – in cash	yes	yes	40	yes
Cellular phone service – non-cash	yes	no	40	yes
Child care expenses – in cash	yes	yes	40	yes
Child care expenses – non-cash	yes	no	40	yes
Counseling services – in cash	yes	yes	40	[Note 2]
Counseling services – non-cash	yes	no	40	[Note 2]
Disability-related employment benefits – in cash	yes	yes	40	yes
Disability-related employment benefits – non-cash	yes	no	40	yes
Discounts on merchandise and commissions on sales	yes	no	40	yes
Educational allowances for children	yes	yes	40	no
Gifts and awards – in cash	yes	yes	40	no
Gifts and awards – non-cash/near-cash	yes	no	40	yes
Group term life insurance policies: Employer-paid premiums	yes	no	40	no
Housing, rent-free or low-rent – in cash	yes	yes	30	[Note 3]
Housing, rent-free or low-rent – non-cash	yes	[Note 4]	30	[Note 3]
Interest-free and low-interest loans [Note 5]	yes	no	36	no
Internet service (at home) – in cash	yes	yes	40	yes
Internet service (at home) – non-cash	yes	no	40	yes
Meals – Overtime allowances	yes	yes	40	no
Meals – Overtime – in cash	yes	yes	40	yes
Meals – Overtime – non-cash	yes	no	40	yes

Meals – Subsidized	yes	no	30	yes
Medical expenses – in cash	yes	yes	40	[Note 6]
Medical expenses – non-cash	yes	no	40	[Note 6]
Moving expenses and relocation benefits – in cash	yes	yes	40	yes
Moving expenses and relocation benefits – non-cash	yes	no	40	yes
Moving expenses – non accountable allowance over \$650	yes	yes	40	no
Municipal officer's expense allowance [Note 7]	yes	no	40	no
Parking – in cash	yes	yes	40	yes
Parking – non-cash	yes	no	40	yes
Power saws and tree trimmers – rental paid by employer for employee-owned tools	yes	yes	40	yes
Premiums under provincial hospitalization, medical care insurance, and certain federal government plans – in cash	yes	yes	40	no
Premiums under provincial hospitalization, medical care insurance, and certain federal government plans – non-cash	yes	no	40	no
Professional membership dues – in cash	yes	yes	40	[Note 8]
Professional membership dues – non-cash	yes	no	40	[Note 8]
Recreational facilities – in cash	yes	yes	40	yes
Recreational facilities – non-cash	yes	no	40	yes
Recreational facilities – club membership dues	yes	no	40	yes
Registered retirement savings plan (RRSP) contributions	yes	yes	40	no
Registered retirement savings plan (RRSP) administration fees	yes	no	40	[Note 8]
Scholarships and bursaries	yes	yes	40	no
Security options [Note 9]	yes	no	38	no
Social events – in cash	yes	yes	40	no
Social events – non-cash	yes	no	40	yes
Spouse or common-law partner's travelling expenses – cash allowance	yes	yes	40	no
Spouse or common-law partner's travelling expenses – non-cash	yes	no	40	yes
Tax-Free Savings Account – contributions	yes	yes	40	no
Tax-Free Savings Account – administration fees	yes	no	40	[Note 10]
Tool allowance	yes	yes	40	no
Tool reimbursement	yes	yes	40	yes
Transit passes – in cash	yes	yes	40	yes
Transit passes – non-cash	yes	no	40	yes
Transportation to and from the job – in cash	yes	yes	40	yes
Transportation to and from the job – non-cash	yes	no	40	yes
Travel assistance in a prescribed zone [Note 11]	yes	yes	32	yes

Travelling allowances to a part-time employee and other employees	yes	yes	40	no
Tuition fees – in cash	yes	yes	40	[Note 10]
Tuition fees – non-cash	yes	no	40	[Note 10]
Uniforms and special clothing – in cash	yes	yes	40	yes
Uniforms and special clothing – non-cash	yes	no	40	yes
Wage-loss replacement or income maintenance non-group plan premiums	yes	no	40	no

Notes

- ¹ The rent portion of the lodging benefit is subject to GST/HST if the dwelling is occupied for **less than** one month; the utility portion is subject to GST/HST unless municipality supplied.
- ² Certain counselling services are subject to GST/HST. If the services you pay are subject to GST/HST, include the GST/HST in the value of the benefit.
- ³ The rent portion of the housing benefit is subject to GST/HST if the dwelling is occupied for **less than** one month; the utility portion is subject to GST/HST unless municipality supplied.
- ⁴ If it is a non cash benefit, it is insurable if it is received by the employee in addition to cash earnings in a pay period. If no cash earnings are paid in the pay period, it is not insurable.
- ⁵ Enter the home relocation loan deduction under code **37**.
- ⁶ Some medical expenses are subject to GST/HST. For more information, see [Medical expenses](#).
- ⁷ Enter the exempt amount under code **70**.
- ⁸ Certain fees are subject to GST/HST. If the fees you pay are subject to GST/HST, include it in the value of the benefit.
- ⁹ Enter the amount of the security options deduction under code **39** or **41**, as applicable.
- ¹⁰ Certain fees are subject to GST/HST. If the fees you pay are subject to GST/HST, include it in the value of the benefit.
- ¹¹ Enter the amount of medical travel assistance under code **33**.