

In 2019, Westman Communications Group declared a patronage dividend of \$3.02 million to our members. In order to comply with Canada Revenue Agency (CRA) regulations and because you earned patronage dividends in excess of \$100.00, we must issue you a T4A slip showing the patronage dividend and the income tax deducted for 2019. Unless you deduct our TV, Internet and Phone services as a business expense, you will not be required to report the patronage dividend as taxable income on your income tax return. However, in all cases, you can report the income tax deducted, reducing the amount owing or increasing your refund. For your protection, we have policies and procedures in place to prevent unauthorized use or disclosure of your personal information.

## Frequently Asked Questions – T4A Slips

### 1. What are patronage allocations?

Patronage allocations are a unique feature of cooperative organizations. Cooperatives can allocate a portion of what they have earned back to members of the organization annually in the form of patronage allocations. These amounts increase the value of the member's share account in the cooperative.

### 2. Why am I getting a T4A slip?

Canada Revenue Agency (CRA) regulations require income tax to be deducted when a patronage allocation is \$100.00 or more. Westman Media Cooperative Ltd., operating as Westman Communications Group, has remitted the tax shown on the T4A slip for you.

### 3. Is this something new?

No. Westman Media Cooperative Ltd. has declared patronage allocations for many years now. You may not have received a T4A slip in the past because your allocation was less than \$100.00.

### 4. Is the T4A information shown on my equity statement?

Yes. The patronage allocation is shown on your equity statement as an increase in your equity balance and the tax withholding is recorded as a deduction to your equity balance.

### 5. Do I have to claim the patronage allocations as income on my tax return?

That depends. The allocation is calculated on Cable TV, Internet and/or Phone services. For most people these are personal expenses and you do not have to report the patronage allocation as taxable income. However, if the costs of our services are being deducted as a business expense, the patronage allocation may be considered taxable income.

### 6. Can I claim the income tax deducted? How?

Yes. You can claim the income tax deducted on your annual income tax return, regardless of whether it is a personal or business expense.

For more information on income tax matters, please contact:

Your income tax preparer

or

Canada Revenue Agency (CRA)

Toll free at: 1-800-959-8281 (Individuals)

1-800-959-5525 (Businesses)