

USER GROUP SESSION SUMMARY

*Understanding Canadian Taxable
Benefits in UKG Pro*

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OVERVIEW:

This User Group session provided a comprehensive overview of how Canadian taxable benefits must be assessed, administered, and reported within UKG Pro.

SUMMARY:

Many legislative frameworks, including the Income Tax Act, Quebec Taxation Act, C/QPP, EI, and QPIP, govern the requirements and obligations for taxable benefits. A benefit is defined as a value provided by the employer to an employee and may be taxable or non-taxable. Employers are required to determine taxability at the time the benefits are received or enjoyed by evaluating the economic advantage, primary beneficiary, and fair market value. These rules apply to a wide range of benefits, allowances, and reimbursements, many of which are taxable unless a specific exception applies. There are many areas where taxability can be complex and require careful interpretation such as gifts, employer-provided vehicles, professional membership fees, parking, and more. With this, taxability can be complex and emphasizes the importance of auditing UKG Pro configurations to ensure accurate taxation, proper year-end reporting, and reduce compliance risk.

KEY DEFINITIONS:

- **Benefit:** Employer pays a third party for goods or services provided to and enjoyed by an employee.
- **Allowance:** A non-accountable cash allowance for employee's use of a personal item.
- **Reimbursement:** A cash reimbursement based on receipts; may be taxable or non-taxable.



PRESENTERS

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SESSION RECORDING!**

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USER GROUP:

If you're interested in participating in our next User Group session, join our LinkedIn Group "[Sability UKG User Group](#)" or reach us at customersuccess@sability.com