

Welcome!

We'll be starting shortly

AvantiCon

Please note, there will be slight changes in the Care Team's availability on

Tuesday, October 24 - Wednesday, October 25

Our regular availability will be limited from **9 am to 3 pm MT** on those days.

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Skill-Up with Avanti

Mastering eCPP Calculations & Upcoming Changes in Avanti

Agenda

Adoption Changes

- New Avanti Experience
- Avanti Cloud Client

eCPP

- CPP Enhancement Benefits
- Comprehensive recap of CPP from 2019 to 2023
- Demystifying Second CPP contributions with examples
- Exploring CPP benefits and tax deductions

Upcoming Changes in Avanti

- How to set up a Receiver General Report within Vendor Remittances
- Deprecation of T4 Self Mailers

The Client Care Team

› Everyone who makes support possible

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Marlo



Mia



Matt



Court



Dorothy



Emma Scott

Special Guest Speaker



Nicole



Marianne



Ken



Amanda



Lindsay

Upcoming Changes in Avanti

> New Experience & Avanti Cloud Client

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Upcoming Changes in Avanti – New Avanti Experience

> What, How & When

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What

What is the New Avanti Experience?

What has changed?

The image displays two screenshots of the Avanti system interface. The top screenshot shows the 'Who's Off' page with a sidebar menu containing options like Employee Directory, Messages, Phone List, Personal, Available Leave, Job Postings, Employee Training, and Schedules. The main content area displays 'Who's Off' with a message 'No one is off today.' A green banner at the top right says 'Check out the New Avanti Experience!'. Below this, a section titled '**New Avanti Experience**' encourages users to check out new features like Employee Directory and Compensation, and provides a link to 'Want to know more?'. The bottom screenshot shows the 'Compensation' page with a 'Past Pay' section displaying 'Your Take Home Pay is \$1,356.58'. A large, diagonal, teal watermark reading 'DECEMBER 31, 2023' is overlaid across the bottom right of the image. A red arrow points from the watermark to a 'Give it a try' button in a small pop-up window at the bottom right. Another red arrow points from the watermark to a 'Try the new experience!' checkbox in a 'Manager Self Service' sidebar menu.

Upcoming Changes in Avanti – Avanti Cloud Client

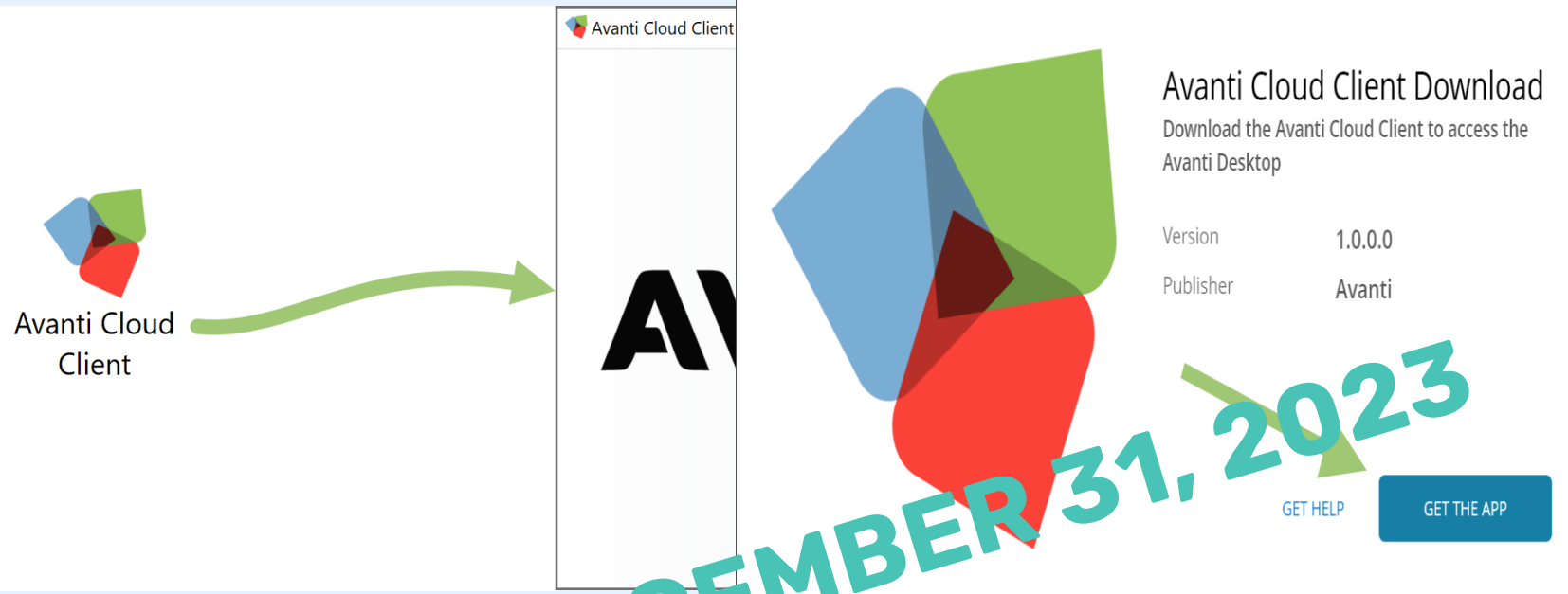
> What, How & When

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What & Why

What is the Avanti Cloud Client?

Why do you need it?





eCPP

A full breakdown and explanation of eCPP, and what you can expect in 2024.

CPP Enhancement Benefits

> Overview

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The eCPP will increase the maximum CPP retirement benefits by approximately **50%**.

Maximum benefit will go from \$13,110 to **\$23,832**.

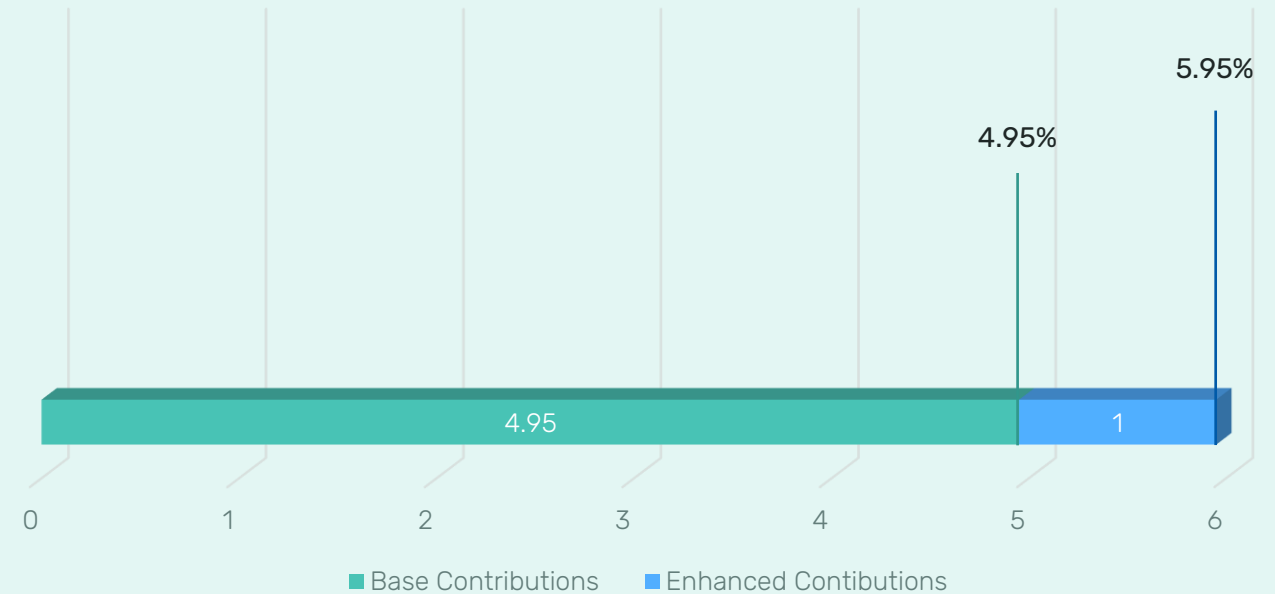
CPP benefit payments will replace **one third** of a worker's salary.

Recap of eCPP 2019 to 2023

> Key Changes

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- ✓ CPP saw rates increase incrementally, starting in 2019 to 2023 from 4.95% to 5.95%. This included the introduction of tax deductions for enhanced contributions.
- ✓ Contributions based on the 4.95% contribution rate are considered **base contributions** and result in a tax credit.
- ✓ Contributions more than 4.95% in contributions are considered **enhanced contributions** and are tax deductible.



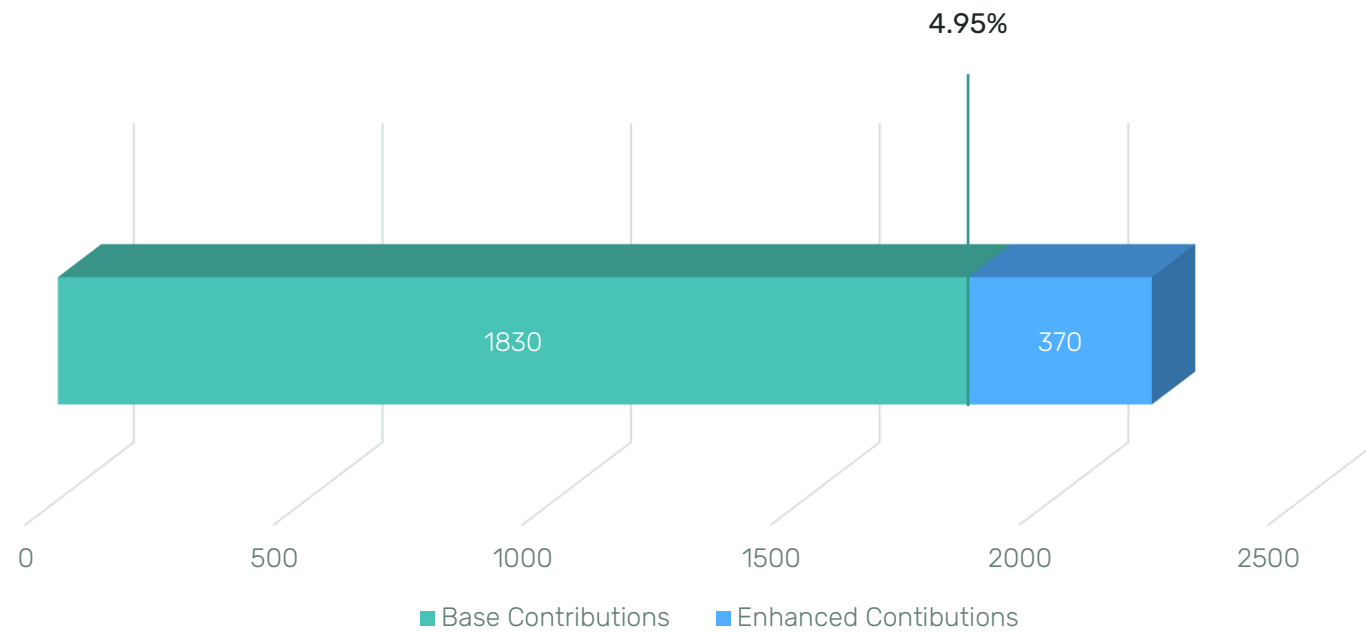
eCPP 2019 to 2023

> Scenario

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Jane contributes \$2,200 a year to CPP



eCPP 2023 and Beyond

> Year's Maximum Pensionable Earnings and Second CPP Contributions

The Year's Maximum Pensionable Earnings (YMPE) determines the maximum amount on which CPP contributions are calculated.

Starting in 2024

- ✓ YMPE will be referred to as first earning ceiling.
- ✓ Year's Additional Maximum Pensionable Earnings (YAMPE) will be referred to as the second earning ceiling.
- ✓ YAMPE will be the new limit up to which earnings are considered pensionable.
- ✓ The second earnings ceiling will be 7% higher than the first earnings ceiling in 2024, then 14% higher in 2025.

The second CPP contributions will have a different contribution rate.

4% for employees and employers

8% for self-employed individuals

Second CPP Contributions

> Beginning in 2024

Base CPP Contributions

Also known as the original CPP with a rate of 4.95%.

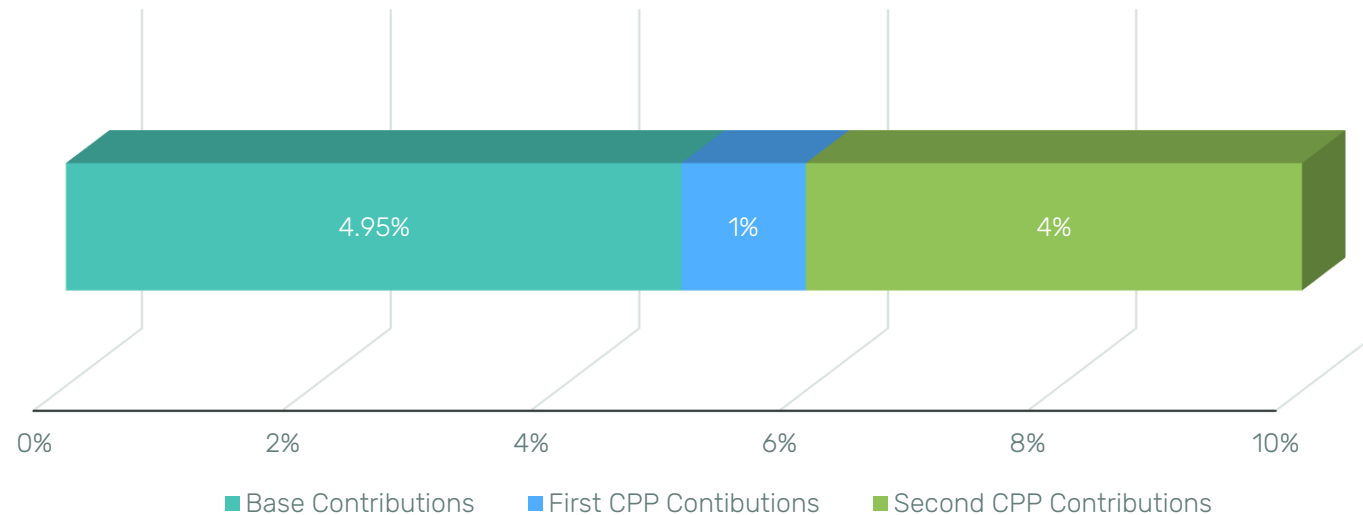
First CPP Contributions

Contributions above the 4.95%, phased in between 2019 and 2023.

Base + First Contributions = 5.95%

Second CPP Contributions

Contributions above the YMPE at the rate of 4%.



Note: An additional box will be required on T4s starting 2024.

Second CPP Contributions

> Scenario 1



Maya earned \$100,000 in 2024 as an employee.

*Yearly CPP Exemption

**The first earnings ceiling is \$67,700.

***The second earnings ceiling is \$72,439.

Maya's contributions equal \$4,009.46 for 2024

Step 1

$$\begin{array}{r} \$67,700 \\ -\$3,500^* \\ \hline \$64,200 \end{array}$$

$$\begin{array}{r} \$64,200 \\ * 0.0595 \\ \hline \$3,819.90 \end{array}$$

First CPP Contribution

\$3,819.90

Step 2

$$\begin{array}{r} \$72,439^{**} \\ -\$67,700^{***} \\ \hline \$4,739 \end{array}$$

$$\begin{array}{r} \$4,739 \\ * 0.04 \\ \hline \$189.56 \end{array}$$

Second CPP Contribution


\$189.56

\$4,009.46

Second CPP Examples

> T4 Example

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		Canada Revenue Agency Agence du revenu du Canada	T4	
Year Année		2024	Statement of Remuneration Paid État de la rémunération payée	
		Employment income Revenus d'emploi	Income tax deducted Impôt sur le revenu retenu	
		14 \$100,000	22	
Province of employment Province d'emploi		Employee's CPP contributions – see over Cotisations de l'employé au RPC – voir au verso	Employee's QPP contributions – see over Cotisations de l'employé au RRQ – voir au verso	
10		16 \$3,819.90	17	
Employment code Code d'emploi		Employee's second CPP contributions – see over Deuxièmes cotisations de l'employé au RPC – voir au verso	Employee's second QPP contributions – see over Deuxièmes cotisations de l'employé au RRQ – voir au verso	
29		16A \$189.56	17A	
EI insurable earnings Gains assurables d'AE		24	CPP/QPP pensionable earnings Gains ouvrant droit à pension – RPC/RRQ	
26		26		
Employee's EI premiums Cotisations de l'employé à l'AE		Union dues Cotisations syndicales		
18		44		
Prénom Initial – Initiale				

Second CPP Contributions

> Scenario 2

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Diego earned \$45,000 in 2024 as an employee.

The first earnings ceiling is \$67,700.

The second earnings ceiling is \$72,439.

Diego's contributions equal \$2,469.25 for 2024

Step 1

\$45,000
-\$3,500
\$41,500

\$41,500
* 0.0595
\$2,469.25

First CPP Contribution

\$2,469.25




Diego's earnings are below the first earnings ceiling. No more calculations are required.

Second CPP Examples

> T4 Example

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	Canada Revenue Agency	Agence du revenu du Canada	T4
Year Année	2024	Statement of Remuneration Paid État de la rémunération payée	
Employment income Revenus d'emploi		Income tax deducted Impôt sur le revenu retenu	
14	\$45,000	22	
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Employment code Code d'emploi	Employee's second CPP contributions – see over Deuxièmes cotisations de l'employé au RPC – voir au verso	Employee's second QPP contributions – see over Deuxièmes cotisations de l'employé au RRQ – voir au verso	
29	16A \$0.00	17A	
on IP AP	24	26	
EI insurable earnings Gains assurables d'AE		CPP/QPP pensionable earnings Gains ouvrant droit à pension – RPC/RRQ	
Employee's EI premiums Cotisations de l'employé à l'AE		Union dues Cotisations syndicales	
18		44	
Prénom Initial – Initiale			

A contributor can start receiving CPP benefits at 60 but can only opt-out of CPP at 65.

A contributor can postpone receiving CPP benefits until they turn 70 years old when it's then mandatory to stop contributing and start receiving CPP benefits.

Benefits increase the later you opt-in to receive CPP benefits.

Benefits

> Does the enhancement really pay off?

CPP CONTRIBUTOR	AVERAGE CAREER EARNINGS	WORK YEARS (2025-2065)	ESTIMATED ANNUAL BENEFITS WITH BASE CPP ONLY	ESTIMATED ANNUAL BENEFITS WITH CPP ENHANCEMENT
Diego	\$45,000	40	\$10,593	\$13,984
Maya	\$100,000	40	\$15,679	\$23,593

Tax Treatment of CPP Contributions

› Employee & Employers

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CONTRIBUTION TYPE	EMPLOYEE	EMPLOYER
Base 4.95%	Non-Refundable Tax Credit	Tax Deduction
First 1%	Tax Deduction	Tax Deduction
Second 4%	Tax Deduction	Tax Deduction

Upcoming Changes in Avanti

> Vendor Remittance Program & T4 Self Mailers

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Upcoming Changes in Avanti – Vendor Remittance

> What, Why & Benefits

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What

We will be phasing out Receiver General Report and Quebec Remittance Report as of December 31, 2023.

Why

To provide you with a single source for all your Remittance Reporting and ensuring the most reliable, up-to-date support.

Benefits

It's a more effective tool for reconciliation that enables you to dive into the details and quickly identify errors. It also automatically updates whenever you process a pay.



Demonstration

Learn how to create a Receiver General Report with the Vendor Remittance Program.

Upcoming Changes in Avanti – Self Mailer

> What, Why & Benefits

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What

The option to print on self-sealing paper is no longer available.

Why

We're refining our features based on usage and feedback to ensure a better experience for our clients.

Benefits

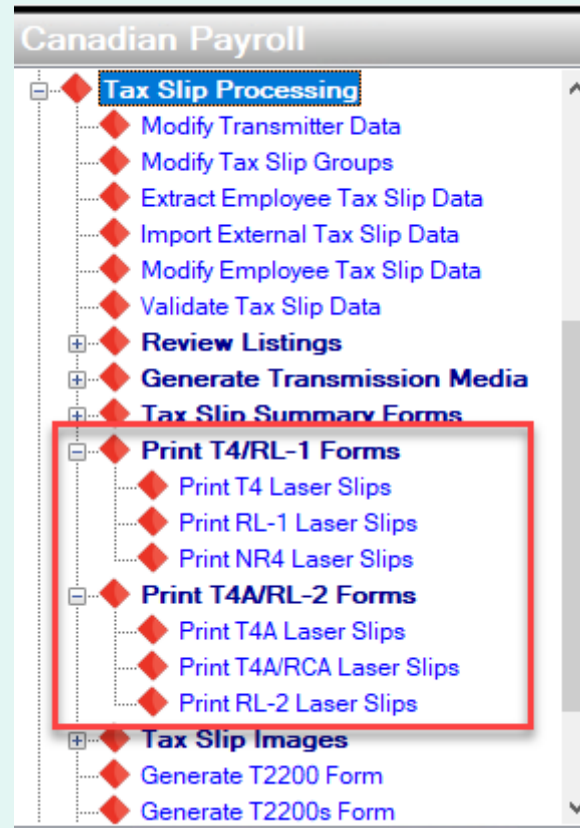
Our aim is to reduce our ecological footprint and contribute to a more sustainable future. SAVE THE TREES!



Upcoming Changes in Avanti

> T4 Self Mailers

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Quick Recap

› Key Takeaways from Today's Session

eCPP

Base Contributions vs. Enhanced Contributions

Base contributions are 4.95% and are considered tax deductible.

Enhanced contributions are any contributions above 4.95% and are considered a tax credit

Double Earning Ceiling

Starting 2024 there will now be two max contribution ceilings, each with their own rate.

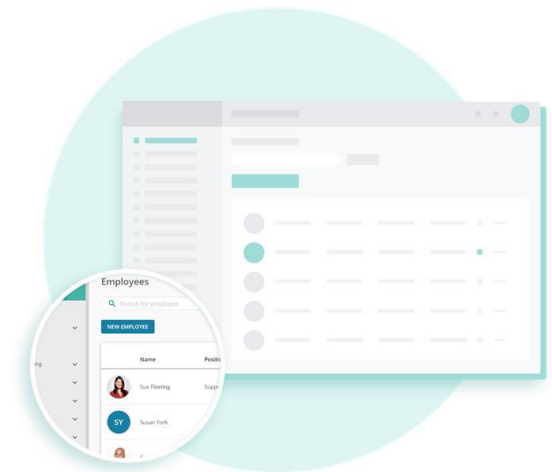
Three Contributions

Base, First and Second contributions. The Second Contribution amount will have its own T4 box as well (Box 16A)

Tax Benefits

Base Contributions provide a non-refundable tax credit to employees and a tax deduction to employers.

First and Second Contributions provide a tax deduction to both employees and employers



Quick Recap Continued

> Key Takeaways from Today’s Session

Changes in Avanti

ADOPTION CHANGE	DATE
New Avanti Experience	December 31, 2023
Avanti Cloud Client	December 31, 2023
Deprecation of Old Remittance Reports	December 31, 2023
Deprecation of T4 Self Mailers	Complete

Limited availability during AvantiCon, October 24 and 25th



We would love your feedback!

You will receive a short survey after the webinar, and we would really appreciate you providing your feedback.

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avanti.ca/skillup

Thank you

Join us for our next webinar:

> **Year End Webinar**

November 14, at 11:00 AM MDT