RESIDENCY OF INDIVIDUALS

Residency	Criteria	Income Taxed in Canada	Credits Eligibility
Full Time	Continuing state of relationship with Canada: • Spouse and minor kids live in Canada • Maintains dwelling place in Canada	World-wide income	All Credits
Deemed Full time	$\geq$ 183 *days spent in Canada*	World-wide income	All Credits
Part Time	Clean Break, Fresh Start	Worldwide income during time of Canadian residency - and Canadian source income (see non-resident below) during non-residency period.	Prorated amount of credits - based on # of days.
Non-Resident		1. Employment income in Canada (note 1) 2. Business income in Canada (note 2) 3. Disposed taxable Canadian Property (note 3) - Passive Canadian property income (i.e. rent, royalties, interest and dividends) are withheld at source @ 25% flat – Part XIII tax.	No credits - if Canadian source income (employment, business, real estate) is less than 90% of worldwide income.

An individual can also be considered to be a resident of Canada through secondary residential ties; examples include:

- Owning personal property in Canada (i.e. car, furniture, clothes)
- Economic ties to Canada (i.e. Canadian bank accounts, credit cards)
- Social ties to Canada (memberships in Canadian clubs and organizations)
- Driver's licence from a Canadian Province
- Canadian Passport
- Membership in Canadian Unions
- Membership in Canadian Professional Organizations/Bodies
- Owning a seasonal dwelling place in Canada or leased dwelling place
- Landed immigrant status

Note 1 – Example would be a person who is a resident of Buffalo, New York but crosses the border every day to work in Niagara Falls, Ontario

Note 2 –

- If a non-resident offers goods for sale through his/her own employees, it is considered carrying on business in Canada and would result in Canadian tax
- If a non-resident offers foods for sale through an independent contractor, the non-resident is not considered to be carrying on business in Canada and would not be subject to Canadian Taxes

Note 3 – Taxable Canadian Property

Taxable Canadian Property Includes the Following

1. Real property located in Canada
2. Property used to carry on a business in Canada (including eligible capital properties and inventory)
3. Shares of Canadian resident private corporations
4. Shares of Non-resident private corporations, if at any time in the last 60 months, the FMV of the company's real and resource properties made up > than 50% of the FMV of all its properties
5. Shares of any public corporations, if at any time in the last 60 months, the taxpayer owned ≥ 25% of the shares of any class
6. Partnership interest, if at any time in the last 60 months, > than 50% of the partnership's value was derived from Taxable Canadian Property