

Adjustment for Income Replacement Indemnities Received From a Public Compensation Plan Outside Québec

Use this form to calculate the adjustment for income replacement indemnities or compensation for the loss of financial support received for **2022** from a public compensation plan outside Québec. Before completing the form, please read the information on page 2.

Last name	First name	Social insurance number
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Gross annual income from suitable employment or employment held (including any other amount replacing employment income used to reduce your income replacement indemnities) ¹	1			
	÷		365	
Divide line 1 by 365.	=	2		
Reduction rate attributable to income ²	×	4	%	
Multiply line 2 by line 4.	=	5		
Rate from line 4	×	6	44	23
Multiply line 6 by line 7.	=	8	%	
Annual amount used to reduce your income replacement indemnities ³	9			
	÷		365	
Divide line 9 by 365.	=	10		
Gross annual income used to determine your income replacement indemnities ⁴	12			
	÷		365	
Divide line 12 by 365.	=	13		
Income replacement rate ⁵	×	14	%	
Multiply line 13 by line 14.	=	15		
Amount from line 5	-	17		
Subtract line 17 from line 15.	=	18		
Subtract the determined reduction rate for the income replacement indemnities from the 100% rate ⁶	×	19	%	
Multiply line 18 by line 19.	=	20		
Amount from line 10	-	21		
Subtract line 21 from line 20.	=	22		
Number of days in 2022 that are included in the period for which you received indemnities (include Saturdays and Sundays)	×	23		
Multiply line 22 by line 23.	=	24		
Income replacement rate (line 14)	×	25	44	23
Multiply line 25 by line 26.	=	27	%	
Enter the amount from line 5 or 8, whichever is less .	-	28		
Subtract line 28 from line 27.	=	29		
Subtract the determined reduction rate for the income replacement indemnities from the 100% rate ⁶	×	30	%	
Multiply line 29 by line 30.	=	31		
Amount from line 10	-	32		
Subtract line 32 from line 31. If the result is negative , enter 0.	=	33		
Number of days in 2022 that are included in the period for which you received indemnities (include Saturdays and Sundays)	×	34		
Multiply line 33 by line 34.	=	35		
Enter the amount from line 24 or 35, whichever is less (maximum: \$16,143) . If the amount is negative , enter 0. Enter this amount on line 358 of your income tax return. Enclose this form with your income tax return.	36			



Information

Before completing this form, contact the organization outside Québec that paid you income replacement

indemnities to obtain rates, amounts and any other required information.

For the purposes of this form, we use the term "income replacement indemnities" to designate income replacement indemnities or compensation for the loss of financial support.

You are not required to complete this form if you received income replacement indemnities that were not based on your net employment income, such as indemnities paid by the Workplace Safety and Insurance Board (WSIB) of Ontario further to an accident that occurred before April 1, 1985.

Income replacement indemnities are reduced when, for example, you earn income from new employment (line 1) or when the organization paying your income replacement indemnities decides to reduce them in accordance with applicable laws (line 9).

If your income replacement indemnities have not been reduced, enter "0" on lines 5 and 10, and go to line 12.

Notes

1. Gross annual income from suitable employment or employment held includes your gross annual income and any amount replacing employment income (for example, a Canada Pension Plan disability benefit) that is taken into account to determine income replacement indemnities. If your income replacement indemnities have been adjusted, the gross annual income from suitable employment or employment held must be adjusted according to the same rules.
2. The reduction rate of income replacement indemnities is 100%. Where only a portion of the income entered on line 1 is taken into account in determining the income replacement indemnities, the applicable reduction rate is the rate established under the public compensation plan.
3. The annual amount used to reduce your income replacement indemnities is determined by the public compensation plan.
4. The gross annual income in question is the one used as the basis for calculating your income replacement indemnities. If your income replacement indemnities are adjusted annually, the gross annual income used to determine these indemnities must be adjusted according to the same rules.
5. The income replacement rate is the percentage applied to the income insured by the public compensation plan in determining your income replacement indemnities.
6. The determined reduction rate for your income replacement indemnities is the percentage applied to reduce the amount of your income replacement indemnities. For example, if, under the public compensation plan, the surviving spouse can receive 60% of the income replacement indemnities to which the deceased was entitled, a 40% reduction rate will be considered to have been applied to the income replacement indemnities.

