

Visit ontario.ca/ehf for more information about EHT and how to complete your return

Line 1: Total Ontario Remuneration

Enter the Total Ontario Remuneration paid to all employees and former employees during the period January 1 to December 31. Include amounts paid to employees who reported for work at a permanent establishment in Ontario, and amounts paid to employees who did not report for work at any of your permanent establishments but were paid from a permanent establishment in Ontario.

Line 2: Exemption for Eligible Employers

Exemption Amounts

| Taxation Year | Maximum Exemption |
|----------------|-------------------|
| 2020-2028* | \$1,000,000 |
| 2019 | \$490,000 |
| 2014-2018 | \$450,000 |
| 2013 and prior | \$400,000 |

*to be indexed for inflation January 1, 2029

Enter your maximum exemption amount if you were an eligible single account employer for the full calendar year and you were not a member of an associated group of employers. For 2014 and later years, do not claim any tax exemption if your total Ontario remuneration or the combined total Ontario remuneration for your associated group is over \$5 million.

Registered charities, including those with payrolls over \$5 million, continue to be eligible for the exemption. Those with two or more qualifying charity campuses can claim up to \$1 million exemption for each qualifying charity campus starting with the 2020 tax year.

A part-year eligible employer must prorate their exemption and the \$5 million exemption threshold by the number of days in the year that the employer was eligible and had a permanent establishment in Ontario.

Eligible employers who are associated with another employer at any time during the year are required to share the exemption and to enter into an agreement to allocate the exemption to one or more members of the group. Only one member is required to complete the Associated Employers Exemption Allocation form and submit it to the ministry by the return due date. The exemption for all members of the group may be denied if a completed form is not received. If you require an Associated Employers Exemption Allocation form, please contact us or visit the Ministry's website at ontario.ca/ehf

An eligible employer with **multiple accounts** may allocate the exemption to its accounts to the extent that the employer does not exceed its allowable exemption amount for the year. A Multiple Accounts Schedule is no longer required.

Line 3: Taxable Ontario Remuneration

Subtract line 2 from line 1 to determine your Taxable Ontario Remuneration. If the result is negative, enter 0 on this line as you do not owe any EHT for this year. If you do not owe any EHT, you should still complete, certify and file the NIL return so that the Ministry may update your account. If you, and all members of your associated group submit NIL returns we will stop sending you annual returns automatically. **It is your responsibility to contact the Ministry of Finance if your, or your associated group total Ontario remuneration exceeds the allowable exemption amount.**

Line 4: Tax Rate

Use the following table to determine the applicable tax rate.

| Total Ontario Remuneration (from line 1) | Tax Rate |
|--|----------|
| Up to \$200,000 | 0.98% |
| \$200,000.01 to \$230,000.00 | 1.101% |
| \$230,000.01 to \$260,000.00 | 1.223% |
| \$260,000.01 to \$290,000.00 | 1.344% |
| \$290,000.01 to \$320,000.00 | 1.465% |
| \$320,000.01 to \$350,000.00 | 1.586% |
| \$350,000.01 to \$380,000.00 | 1.708% |
| \$380,000.01 to \$400,000.00 | 1.829% |
| over \$400,000.00 | 1.95% |

If you are an associated employer or a single account employer, the tax rate is based on Line 1 of your return. If you are a multiple accounts employer, use the tax rate applicable to the sum of the Total Ontario Remuneration for all of your EHT accounts. For example, if your total Ontario remuneration is \$400,000, the tax rate applied to this total amount is 1.829% regardless of whether you are an eligible employer that may claim the exemption.

Line 5: Total Tax Payable

Multiply line 3 by line 4 and enter the result on line 5.

Line 6: Instalments Paid

Monthly instalments are required if the Total Ontario Remuneration exceeds the instalment threshold for the calendar year (\$600,000 up to and including the 2020 tax year and \$1,200,000 starting in 2021) Enter the total of all payments made during the year (excluding any interest or penalty payments). Include any credit amount that has been used to reduce a payment during the year. This information is provided on page 2 of the annual return mailed to you.

Line 7: Balance Due/Refund

Subtract line 6 from line 5 and enter the result on line 7. A positive amount indicates a balance owing; a negative amount indicates an overpayment.

Line 8: Payment Amount

Enter the amount of your payment and enclose a cheque or money order in Canadian funds, payable to the Minister of Finance, or pay online using ONT-TAXS online. Do not send cash.

Line A: Associated Employer

Please check "Yes" or "No" to indicate whether you are associated with one or more other employer(s).

Line B: Credit to Next Year

Please check "Yes" if you would like your overpayment applied to the following year's liability.

Filing your Return

Using Voucher 1

Certify your EHT Annual Return – Voucher 1 and file it with the Ministry of Finance on or before the due date: using ONT-TAXS online; by mail; or in person at certain ServiceOntario centres. To find ServiceOntario centres that assist Ministry of Finance clients, visit the ServiceOntario Search Services and put 'Tax' in the section 'Find a Service.'

To avoid penalties and interest, your return must be received by the Ministry by March 15th.

Employers who pay all remuneration in one month of a calendar year are required to file a Special Return within 15 days following the month in which the remuneration was paid.

An employer who ceases to have employees or a permanent establishment in Ontario, or who has amalgamated, must advise the Ministry of Finance and file a Final Return, within 40 days of the business closure or amalgamation date.

Using Voucher 2

Use the EHT Payment Only - Voucher 2 only if your return is filed by a third party, or if you file your return online and you elect not to pay online.

If your return is filed by a third party, it is your responsibility to ensure that the information in the return is, to the best of your knowledge, true, correct and complete.

Further Information

For more information or to make changes to your account, visit the ministry's website at ontario.ca/eht or contact the Ministry of Finance at: 1-866-ONT-TAXS (1-866-668-8297) or 1-800-263-7776 teletypewriter (TTY).