

CERIDIAN

Canadian Dental Care Plan – 2023 T4/T4A Coverage Reporting

A Webinar presented by Ceridian

October 30 , 2023

Introduction

This presentation is designed to assist Powerpay customers with understanding the T4/T4A implications of the new Canadian Dental Care Plan (CDCP) and how to complete the new T4/T4A Dental Benefits page in Powerpay starting for the 2023 Tax Year.

Topics

1. What is the Canadian Dental Care Plan (CDCP)?
2. What does it mean for employers?
3. How to assign Dental code values to your employees
4. FAQ



Canadian Dental Care Plan

Canadian Dental Care Plan (CDCP)

- On March 28, 2023, the federal budget for 2023¹ introduced an expansion of the Canadian Dental Care Plan (CDCP), which will provide dental coverage for uninsured Canadians with annual family income of less than \$90,000.
- The program was first introduced in September 2022, and started with coverage for children under 12-years-old
- The program expansion will offer coverage for any uninsured Canadian who qualifies, regardless of age, with the program administered by Health Canada
- Further details on the Canada Dental Benefit are available on the [Government of Canada website](#)

Canadian Dental Care Plan (CDCP)

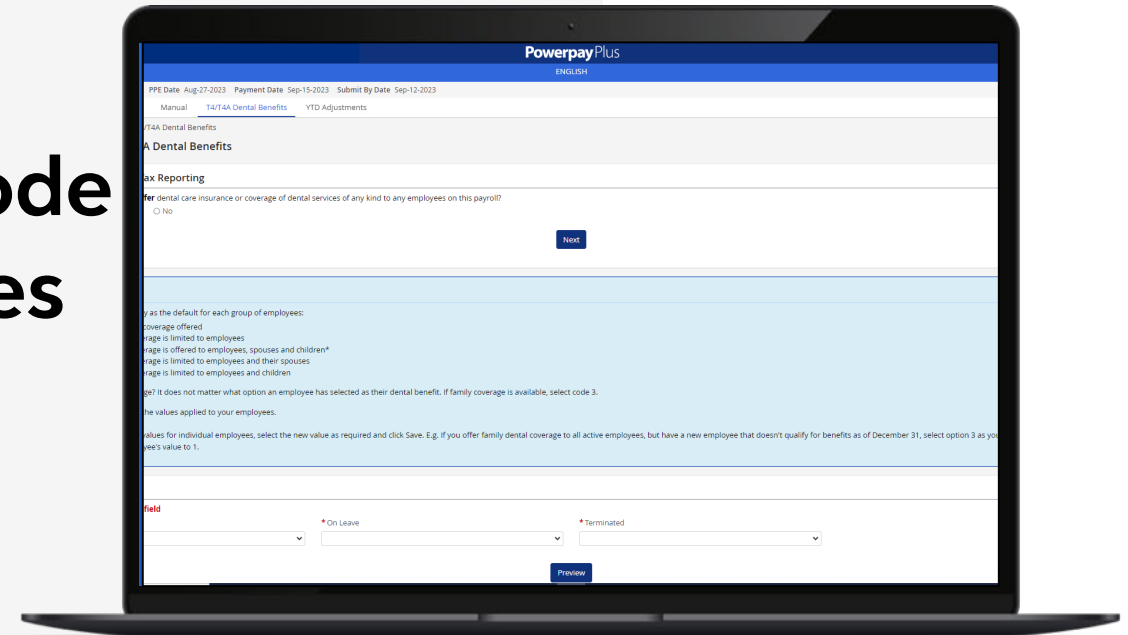
New T4/T4A Dental Codes

- To administer the program, the government introduced a new T4 reporting requirement for employers to help in the collection of data that will be needed to determine eligibility for applicants.
- Starting the 2023 tax year, **employers and payors must report on the dental coverage they offer** their employees and retirees as of **December 31** on their T4 or T4A tax form.
- Codes from 1 to 5 are to be reported in T4 Box 45 or T4A Code 015:

Recipient code	Type of recipient
1	No dental insurance or coverage of any kind
2	Payee
3	Payee, spouse and dependent children
4	Payee and their spouse
5	Payee and their dependent children

Code 1 and 3 are expected to be the most common selections on the T4 as employers either do not offer benefits (code 1) or offer benefits that allow coverage of the employee, their spouse and dependent children (code 3)

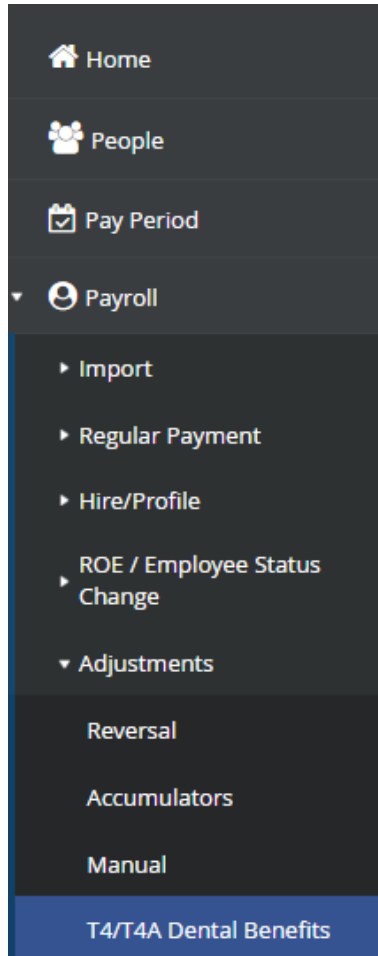
How to assign Dental code values to your employees



No Benefits Offered

Step 1: Confirm if dental care insurance or coverage is offered

Payroll > Adjustments > T4/T4A Dental Benefits



Adjustments - T4/T4A Dental Benefits

Dental Care T4/T4A Tax Reporting

Does your company **offer** dental care insurance or coverage of dental services of any kind to any employees on this payroll?

Yes

No

Next

If your organization does not offer dental care insurance or coverage of dental services to employees or groups of employees, select **No** and click **Next**

No Benefits Offered

Step 2: Review & confirm employee code assignments

INFORMATION

All employees are being set to 1 for the tax year 2023. The values will display in the applicable boxes on the T4/T4A based on which forms are produced for the employee.

Box 45 - T4 Employer-Offered Dental Benefits / Prestations dentaires offertes par l'employeur

Box 015 - T4A Payer-Offered Dental Benefits / Prestations dentaires offertes par le payeur

Employee List

Employee Number	Employee Name	Status	Employment Type	First Day Worked	Department	Current Value	New Value
2	LAST-21852159, FIRST-2	Active	Full-time	10/11/2013	500 - MB		1 - No dental insurance or coverage of any kind
3	LAST-21852160, FIRST-3	Active	Full-time	10/11/1999	500 - MB		1 - No dental insurance or coverage of any kind
4	LAST-21852161, FIRST-4	On Leave	Part-time	21/02/2013	300 - AB		1 - No dental insurance or coverage of any kind
9	LAST-21852162, FIRST-9	Active	Full-time	02/01/2008	400 - SK		1 - No dental insurance or coverage of any kind
13	LAST-21852163, FIRST-13	Active	Full-time	01/09/2008	400 - SK		1 - No dental insurance or coverage of any kind
22	LAST-21852164, FIRST-22	Active	Full-time	03/03/2015	100 - Default		1 - No dental insurance or coverage of any kind
30	LAST-21852165, FIRST-30	Active		27/06/2013	500 - MB		1 - No dental insurance or coverage of any kind
106	LAST-21852167, FIRST-106	On Leave		15/11/2021	300 - AB		1 - No dental insurance or coverage of any kind
110	LAST-21852168, FIRST-110	Active		01/09/2008	400 - SK		1 - No dental insurance or coverage of any kind
119	LAST-21852169, FIRST-119	Active		13/04/2009	600 - ON		1 - No dental insurance or coverage of any kind
127	LAST-21852170, FIRST-127	Active		16/03/2009	500 - MB		1 - No dental insurance or coverage of any kind

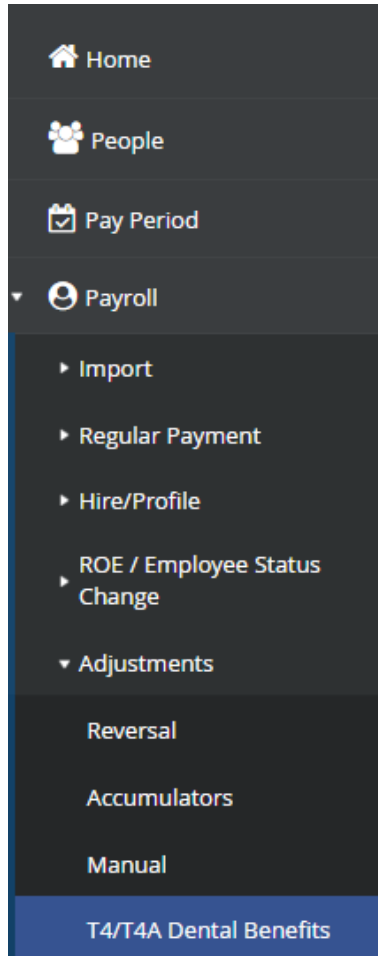
Save

When selecting No, all employees will be set to code 1 – No dental insurance or coverage of any kind. Click Save to apply the values as shown in the Employee List.

Benefits Offered

Step 1: Confirm if dental care insurance or coverage is offered

Payroll > Adjustments > T4/T4A Dental Benefits



Adjustments - T4/T4A Dental Benefits

Dental Care T4/T4A Tax Reporting

Does your company **offer** dental care insurance or coverage of dental services of any kind to any employees on this payroll?

Yes No

Next

If your organization offers dental care insurance or coverage of dental services to employees or groups of employees, select **Yes** and click **Next**

Benefits Offered

Step 2: Select the code to apply as the default for each employee group

INFORMATION

Select the code to apply as the default for each group of employees:

- 1 - NO Dental coverage offered
- 2 - Dental coverage is limited to employees
- 3 - Dental coverage is offered to employees, spouses and children*
- 4 - Dental coverage is limited to employees and their spouses
- 5 - Dental coverage is limited to employees and children

*Single coverage? It does not matter what option an employee has selected as their dental benefit. If family coverage is available, select code 3.

Click Preview to verify the values applied to your employees.

If you need to change values for individual employees, select the new value as required and click Save. E.g. If you offer family dental coverage to all active employees, but have a new employee that doesn't qualify for benefits as of December 31, select option 3 as your default value and update the new employee's value to 1.

Set Defaults

***Specifies a required field**

* Active	* On Leave	* Terminated
3 - Payee (Employee), spouse and children	2 - Payee (Employee)	1 - No dental insurance or coverage of any kind

Preview

Select the code* that applies to all or most employees within each employee group. Once a selection has been made for each employee group, click **Preview**.

** It does not matter what option an employee has selected for their dental benefit, only the type of coverage that is available.*

Benefits Offered

Step 3: Review & confirm employee code assignments

INFORMATION

For tax year 2023, these are the values set for your employees for the following tax form boxes (as applicable)

Box 45 - T4 Employer-Offered Dental Benefits / Prestations dentaires offertes par l'employeur

Box 015 - T4A Payer-Offered Dental Benefits / Prestations dentaires offertes par le payeur

The values must reflect **offered** coverage as of **December 31st** of the tax year.

If the values in the Current Value column are correct, click **Save**. For any employees that should be different than the default, select a new value and click **Save**.

Employee List

Employee Number	Employee Name	Status	Employment Type	First Day Worked	Department	Current Value	New Value
2	LAST-21852159, FIRST-2	Active	Full-time	18/10/2023	500 - MB	3 - Payee (Employee), spouse and children	1 - No dental insurance or coverage of any kind
3	LAST-21852160, FIRST-3	Active	Full-time	10/11/1999	500 - MB	3 - Payee (Employee), spouse and children	1 - No dental insurance or coverage of any kind
4	LAST-21852161, FIRST-4	On Leave	Part-time	21/02/2013	300 - AB	2 - Payee (Employee)	2 - Payee (Employee)
9	LAST-21852162, FIRST-9	Active	Full-time	02/01/2008	400 - SK	3 - Payee (Employee), spouse and children	3 - Payee (Employee), spouse and children
13	LAST-21852163, FIRST-13	Active	Full-time	01/09/2008	400 - SK	3 - Payee (Employee), spouse and children	4 - Payee (Employee) and their spouse
22	LAST-21852164, FIRST-22	Active	Full-time	03/03/2015	100 - Default	3 - Payee (Employee), spouse and children	5 - Payee (Employee) and their dependent children

Save

The default values selected for each employee group will be applied as the Current Value. If all values in the Current Value column are correct, click **Save**. For any employees that should have a different value than the default (i.e., new hires who will not be eligible for benefits until after December 31), select a new value and click **Save**.

T4/T4A Dental Benefits

Important Notes

1. The last payroll of the year cannot be submitted without assigning dental code values to your individual employees, as the new T4/T4A boxes are mandatory, and we need your input to ensure their accuracy.
When attempting to submit the final pay of the year, if dental code values have not yet been assigned to employees, an error message will appear on-screen with a link to the T4/T4A Dental Benefits page, allowing easy navigation to complete the page.
2. The T4/T4A Dental Benefits page has been added in Powerpay as of November 1st and can be updated at any time before the last payroll of the year is submitted. If dental code values are assigned to employees before the last payroll of the year, note that you may need to return to this page to update assignments for any employee changes that happen before the end of year. For example, if an employee terminates, you will need to return to the page to change their code if they will not continue benefits after termination.
3. The T4/T4A Dental Benefits page will be available for Year-End Adjustment Runs in the new year.

T4/T4A Dental Benefits

Things to consider for employee code assignments

1. Do any employees **terminated** in the year still have access to dental coverage on Dec 31? If no, assign

1 - No dental insurance or coverage of any kind

2. Are any **retirees** that you issue T4As for offered dental coverage? (T4A Code 015 if an amount is reported in Box 016) In most cases, retiree dental coverage is only available for the payee or payee and spouse (Code 2 or 4). Consult your benefits plan to confirm the level of coverage available.

2 - Payee (Employee)

4 - Payee (Employee) and their spouse

3. Is there a policy that involves employees being **ineligible for benefits for a period?** i.e., 3-month probationary period with no coverage → new hires after Oct 1 won't have access to coverage on Dec 31, assign Code 1.

1 - No dental insurance or coverage of any kind

4. Are there employees with other statuses who may need to be assigned a **different code for T4 Box 45?** i.e., only Full-Time employees offered benefits, for Part-Time employees assign Code 1)

1 - No dental insurance or coverage of any kind

Resources

- Powerpay Home (Info Centre)
- Powerpay Help (articles)
- [National Payroll Institute \(NPI\)](#)
- [Canada Revenue Agency](#)

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