

April 30 of the year following your departure. Those with assets valued at more than \$25,000 must file a special form with their return.

Receiving Canadian Public Pensions Abroad

Canada Pension Plan (CPP), Quebec Pension Plan (QPP) and Old Age Security (OAS) benefits can be paid to you when you are living outside the country, subject to certain conditions. OAS is paid outside Canada if the pensioner lived in Canada for at least 20 years after age 18. Guaranteed Income Supplement (GIS) and Spouse's Allowance (SPA) benefits are paid for six months plus the month of departure. CPP/QPP benefits are paid outside Canada as long as all conditions of eligibility continue to be met. Canada's OAS system is intended to guarantee a minimum income to retirees, and benefits are subject to an income test. You can receive OAS benefits outside Canada, but generally you must file an annual return reporting your worldwide income.

Canadian Non-Resident Withholding Taxes

Canada imposes a withholding tax on "passive" income paid to non-residents from Canadian sources. Canadian-source income subject to non-resident withholding tax includes interest, dividends, rental income, registered retirement savings plan income, registered retirement income fund income, and pension income. As of January 1, 1996, this tax also applies to CPP/QPP and OAS benefits. The rate of non-resident withholding tax is 25 percent. This tax may be reduced according to the terms of tax treaties between Canada and other countries. For example, the withholding rate on periodic pension payments is 15 percent for residents of the United States and Mexico. Non-resident withholding tax is generally considered your final tax liability to Canada.

Non-Resident Income Tax Returns

Once you have become a non-resident of Canada as defined by the Canada Customs and Revenue Agency, you have to file a return only if you receive certain types of Canadian-source income, such