



## April Tax Tips: Your Roadmap to Financial Success

April marks an important chapter in personal finance, where taxes take center stage. With the right strategies, you can navigate tax season with ease. For this month's InfoPays, we share practical tips that will empower you during the 2024 tax season.

### 1. Start Early, Stay Ahead:

They say the early bird catches the worm. Do not wait until April 30th to tackle your taxes—start gathering your documents and organizing your financial records now. When you begin the process early, you reduce stress, avoid last-minute mistakes, and potentially receive your refund sooner.

### 2. Maximize Your Deductions:

Deductions are your best friend when it comes to minimizing your tax bill. Take the time to explore all available deductions, from charitable donations to medical expenses to tuition fees. Keep meticulous records of your deductible expenses throughout the year to ensure you are not leaving any money on the table come tax time.

### 3. Explore Tax Credits:

Tax credits can be a game-changer, providing dollar-for-dollar reductions in your tax liability. Take advantage of credits for childcare expenses, education costs, and home renovations. Familiarize yourself with the eligibility criteria for each credit to ensure you are claiming all that you are entitled to.

### 4. Contribute to Your RRSP:

April is not just about filing your taxes—it is also your last chance to contribute to your Registered Retirement Savings Plan (RRSP) for the previous tax year. The deadline for RRSP contributions is April 30th, so consider contributing then to lower

your taxable income and boost your savings.

### 5. Seek Professional Guidance:

Do not hesitate to seek professional help. Tax rules and regulations can be complex, and a qualified tax advisor can provide valuable guidance. Whether you are a first-time filer or a seasoned taxpayer, investing in expert advice can pay off in minimized taxes and optimized financial outcomes.

### Important Dates:

**April 30th:** Deadline for most Canadians to file their income tax returns for the previous tax year. It is also the deadline for contributing to your RRSP for the previous tax year and paying any taxes owed to avoid interest charges.

**June 15th:** Deadline for self-employed individuals and their spouses or common-law partners to file their income tax returns for the previous tax year. However, any balance owing is still due April 30th.



## How to get Customers who Pay on Time

*“Money is only a tool. It will take you wherever you wish, but it will not replace you as the driver.”-- Ayn Rand*

Before banks extend credit, they undergo a due diligence process to ensure the applicant can repay the debt. When you sell on credit and extend 30/60/90-day terms, you practically lend money as part of the trade finance industry. Assessing creditworthiness should also be applied in this sector, but that is unfortunately not the norm. As a result, it is too familiar for companies to find themselves with bad debts and losses on their invoice receivables.

In this month's InfoPays, we are listing a few suggestions that you can implement in your business to ensure that you minimize any losses when selling on credit:

### 1. Check trade references.

When extending credit to customers, it is important to check the customer's trade references. This helps assess the customer's ability and willingness to pay and can help you make an informed decision. Checking references is a simple process that takes only a few minutes, but it can save you time and money in the long run.

When checking references, contact both current and past trade references to get a better understanding of their payment history. Ask questions about how long they have been doing business with the customer and their payment record. In addition, you should ask if there are any past due payments. This can give you an indication of how reliable the customer is when it comes to timely payment.

### 2. Research the company.

When offering credit to customers, a business must take the time to research each customer's credit history. This will help them determine whether the customer is a reliable borrower and if they can repay the loan. By taking this step, businesses can decide how much credit to extend and the repayment terms.

### 3. Access credit agencies' data.

Finally, you should also consider running a credit report through companies like DnB, Equifax and TransUnion. This allows you to verify the customer's credit history and get an overall picture of their financial standing. A credit report can provide you with more robust information, such as payment history and any public records that may be associated with the customer.

*Our current clients can access the IPS Payment Index (PI) free of charge. Through dealing with thousands of companies across North America, the IPS PI provides the average Days Sales Outstanding (DSO), or the average number of days a company takes to pay its receivables. We encourage anyone seeking to extend credit to a new customer to check with us for information from our growing database as this can offer some information about a company's credit standing. A PI of 120 days will at the very least give you an alert, whereas a PI of 36 days will provide you with the much-needed reassurance to go ahead with the opportunity.*

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