Practice 1 Quiz

1. Which T1 step reports Total Income?

- A. Step 1
- B. Step 2
- C. Step 3
- D. Step 4

2. Which amount is included in Total Income?

- A. RRSP deduction
- B. Employment income from T4
- C. Income tax deducted
- D. RRSP limit

3. Which tax slip reports employment income?

- A. T5
- B. T4
- C. T4RSP
- D. T5008

4. Which tax slip reports interest income?

- A. T5
- B. T4
- C. T5008
- D. RRSP

5. Which tax slip reports an RRSP withdrawal?

- A. T4
- B. T4RSP
- C. T5
- D. T5008

6. Which item is a tax deduction?

- A. Employment income
- B. Interest income
- C. RRSP deduction
- D. Tax deducted

7. Which formula is correct?

- A. Taxable Income = Total Income − Deductions
- B. Taxable Income = Total Income + Deductions
- C. Taxable Income = Total Income −Credits
- D. Taxable Income = Total Income −Tax

8. Why was only $10,000 of RRSP deducted?

- A. Deduction limit
- B. Half deductible
- C. Withdrawal
- D. Interest

9. What happens to the unused $2,000 RRSP contribution?

- A. Lost
- B. Refunded
- C. Carried forward
- D. Taxable

10. Why does an RRSP withdrawal increase taxable income?

- A. Taxable when withdrawn
- B. Interest
- C. Tax-free
- D. Credit

11. Why is only half of the capital gain taxable?

- A. 50% taxable
- B. T5008 reports half
- C. RRSP
- D. Exempt

12. Which item reduces taxable income?

- A. RRSP deduction
- B. Tax deducted
- C. Interest
- D. Employment

13. Which item does NOT reduce taxable income?

- A. RRSP deduction
- B. Union dues
- C. Income tax deducted
- D. All reduce

14. Income tax deducted affects:

- A. Total income
- B. Refund/Balance
- C. Net income
- D. Capital gain

15. Which slip reports the capital gain?

- A. T5
- B. T5008
- C. T4
- D. T4RSP

16. Where is the RRSP deduction shown?

- A. Step 2
- B. Step 3
- C. Step 5
- D. Step 6

17. Which amount is used to calculate income tax?

- A. Total income
- B. Net income
- C. Taxable income
- D. Refund

18. Which is taxable income?

- A. Employment income
- B. Tax deducted
- C. RRSP deduction
- D. CPP contributions

19. Which is NOT income?

- A. Employment
- B. Interest
- C. RRSP withdrawal
- D. Income tax deducted

20. Which statement is correct?

- A. Tax deducted reduces taxable income
- B. RRSP deduction reduces taxable income

- C. Interest reduces taxable income
- D. Capital gains never taxable

Find on the T1

- Employment Income
- Interest Income
- Taxable Capital Gain
- RRSP Withdrawal
- Total Income
- RRSP Deduction
- Net Income
- Taxable Income
- Income Tax Deducted
- Refund or Balance Owing

Practice 1 Quiz - Answer Sheet

Question	Answer
1	B
2	B
3	B
4	A
5	B
6	C
7	A
8	A
9	C
10	A
11	A
12	A
13	C
14	B
15	B
16	B
17	C
18	A
19	D
20	B