

**NOVA SCOTIA  
MORE OPPORTUNITY FOR SKILLED TRADES AND OCCUPATIONS  
TAX REFUND  
GUIDELINES**

**Nova Scotia Department of Finance and Treasury Board  
Provincial Tax Policy and Administration Division**

**VERSION: FEBRUARY 2024**



## Table of Contents

<b>General Information .....</b>	<b>3</b>
<b>Eligible Individual.....</b>	<b>3</b>
<b>Eligible Positions.....</b>	<b>3</b>
<b>Eligible Income .....</b>	<b>4</b>
<b>Eligible Employer .....</b>	<b>4</b>
<b>Statement of Employment &amp; Declaration of Self-Employment.....</b>	<b>5</b>
Statement of Employment .....	5
Declaration of Self-Employment .....	6
<b>Application Process.....</b>	<b>6</b>
Lapsed Application.....	7
<b>Tax Refund Calculation .....</b>	<b>8</b>
Calculation for the 2022 Taxation year .....	8
Calculation for the 2023 Taxation Year and Onward .....	8
<b>Tax Refunds .....</b>	<b>8</b>
Repayment of a Tax Refund .....	9
<b>Audit and Retention of Records .....</b>	<b>9</b>
<b>Appendix A – ELIGIBLE TRADES FOR REGISTERED APPRENTICES &amp; CERTIFIED JOURNEYPERSONS... 10</b>	<b>10</b>
2022 Taxation Year .....	10
2023 Taxation Year .....	11
<b>Appendix B – ELIGIBLE FILM OCCUPATIONS..... 12</b>	<b>12</b>
2022 and 2023 Taxation Years .....	12
<b>Appendix C – 2022 TAXATION YEAR TAX REFUND CALCULATION AND EXAMPLE..... 13</b>	<b>13</b>
2022 Taxation Year Calculation .....	13
2022 Taxation Year Example .....	14
<b>Appendix D – 2023 TAXATION YEAR TAX REFUND CALCULATION AND EXAMPLE..... 15</b>	<b>15</b>
2023 Taxation Year Calculation .....	15
2023 Taxation Year Example .....	16

# Nova Scotia More Opportunity for Skilled Trades Tax Refund Guidelines

## General Information

The More Opportunity for Skilled Trades and Occupations program (MOST) provides a tax refund of the provincial income tax paid on the first \$50,000 of income earned working in Nova Scotia in eligible positions.

The MOST program is administered by the Provincial Tax Policy and Administration Division of the Nova Scotia Department of Finance and Treasury Board (the Department). The legislative authority for the program is contained in:

- [Section 80\(1\)\(aa\) and 80\(1\)\(ab\) of the Income Tax Act \(Nova Scotia\)](#), and
- [Tax Refund for Skilled Trades and Occupations Regulations](#).

*Where there is a conflict between information contained in these Guidelines and the Legislation and Regulations, the Legislation and Regulations governing the Tax Refund for Skilled Trades and Occupations will take precedence over the Guidelines, website, communications documents, forms, advance rulings or any other published information.*

## Eligible Individual

An **eligible individual**:

- is a resident of Nova Scotia for the taxation year;
- is younger than 30 years of age on January 1 of the taxation year;
- earned eligible income during the taxation year working in Nova Scotia;
- filed a Nova Scotia income tax return and reported all eligible income earned during the taxation year;
- if the individual earned eligible income in an eligible trade, the individual is:
  - registered as an apprentice or certified as a journeyperson with the Nova Scotia Apprenticeship Agency (NSAA) and has a valid NSAA identity card, or
  - a journeyperson who is certified in a province other than Nova Scotia, or
  - a journeyperson who holds an interprovincial red seal endorsement; and
- if the individual earned eligible income in an eligible nursing position, the individual has a valid licence with the Nova Scotia College of Nursing (NSCN).

An **apprentice** is a person who is registered with the NSAA to learn an eligible trade under the supervision and mentorship of a certified journeyperson.

A **journeyperson** is a person who has acquired knowledge and skills in an eligible trade, and either:

- holds a Certificate of Qualification issued by the NSAA or by another province within Canada, or
- holds an interprovincial red seal endorsement.

*Endorsements are issued under the authority of the Canadian Council of Directors of Apprenticeship Interprovincial (Red Seal) Program with respect to a trade.*

## Eligible Positions

Eligible positions consist of eligible trades, eligible film occupations and eligible nursing positions.

An **eligible trade** is a trade or branch of trade under the [Apprenticeship and Trades Qualifications Act](#). The list of eligible trades can differ from year to year.

[Appendix A](#) contains a complete list of eligible trades, for the 2022 and 2023 taxation years, for registered apprentices and certified journeypersons.

An **eligible film occupation** is an occupation, **other than an eligible trade**, involved in producing an eligible live-action film or video that is included under the following Telefilm Canada codes:

- 15.00 Set Dressing Labour,
- 16.00 Props Labour,
- 19.00 Wardrobe Labour,
- 21.00 Video Technical Crew,
- 22.00 Camera Labour,
- 24.00 Grip Labour,
- 25.00 Production Sound Labour.

[Appendix B](#) contains a complete list of eligible film occupations.

An **eligible nursing position** is a position that requires the individual to, according to the [Nursing Act](#),

- be a nurse (i.e. a Registered Nurse, Licensed Practical Nurse or Nurse Practitioner), **and**
- hold a valid nursing licence with the [Nova Scotia College of Nursing](#).

## Eligible Income

For income to be considered **eligible income** it must:

- be earned in Nova Scotia in the taxation year **while performing work in Nova Scotia** directly attributable to an eligible position;
- for eligible trades and eligible film occupations: be paid to an eligible individual by an eligible employer **or** earned by an eligible individual through self-employment in the taxation year, after December 31, 2021 and before January 1, 2027;
- for eligible nursing positions: be paid to an eligible individual by an eligible employer, after December 31, 2022 and before January 1, 2027;
- be reported by an eligible individual on their income tax return for the taxation year as
  - employment income (according to their T4 Statement of Remuneration Paid issued by an eligible employer for the taxation year), or
  - self-employed net income;
- be reasonable in the circumstances; and
- not form part of the eligible income claimed for a prior taxation year.

When aggregated, total eligible income for a taxation year cannot exceed \$50,000.

Note: Self-employment income is not considered eligible income for individuals in eligible nursing positions.

## Eligible Employer

An **eligible employer** is one that:

- employs individuals in Nova Scotia in an eligible trade,
- employs individuals in Nova Scotia in an eligible film occupation and whose business consists *primarily* of producing eligible live-action films or videos, or
- employs individuals in Nova Scotia in an eligible nursing position (excluding travel agencies, staffing agencies, or other similar agencies supplying nurses to other organizations on a contract basis).

For a film or video to be considered an **eligible live-action film or video** it must:

- be intended to be broadcast, distributed or available for viewing no later than 24 months after the date it is completed; and have a production services agreement or a written agreement between the production's corporation and 1 of the following for consideration at fair market value:

- a corporation that is a distributor of film or video productions,
- a broadcaster that is not associated, within the meaning of Section 256 of the [Income Tax Act](#) (Canada), with the corporation.
- be intended for a television, cinema, videotape or non-theatrical production and the subject matter is drama, variety, performing arts, an informational series, a documentary, or music programming.
- not be any of the following:
  - a film or video production prohibited for use or exhibition under the [Theatres and Amusements Act](#),
  - a film or video production that solicits funds,
  - a film or video, other than a documentary, all or substantially all of which consists of stock footage,
  - a film or video production primarily for industrial, corporate or institutional purposes,
  - a film or video production for which public financial support would be contrary to public policy, in the opinion of the Minister of Finance and Treasury Board,
  - a console or online video game,
  - software or programming application.
- not consist of any of the following types of programming:
  - news, current events or public affairs programming, or a program that includes weather or market reports,
  - talk show,
  - programming of a game, questionnaire or contest,
  - sports event or activity,
  - gala presentation or awards show,
  - reality television,
  - pornography,
  - advertising.

## Statement of Employment & Declaration of Self-Employment

### Statement of Employment

The [Statement of Employment](#) (template found on the MOST webpage) must be issued by an eligible employer at the end of the taxation year to eligible individuals employed by the employer during the taxation year.

The statement must be signed by an authorized officer of the eligible employer and requires the following:

- Eligible employer's name and contact information along with confirmation that the employer is an eligible employer
- Information about the eligible individual's employment:
  - Name, social insurance number
  - Employment period
  - Eligible position(s) worked in during the taxation year
  - Eligible income earned **while performing work in Nova Scotia** in the eligible position.
- Any other information required by the Minister of Finance and Treasury Board

In lieu of providing a Statement of Employment for each eligible employee, an eligible employer may submit a report directly to the Department containing the following information:

- Eligible employer's name and contact information along with confirmation that the employer is an eligible employer
- Information about each eligible employee's employment during the taxation year:
  - Name, social insurance number
  - Employment period during the taxation year

- Eligible position(s) worked in during the taxation year
- Eligible income paid to the eligible individuals **while performing work in Nova Scotia** in each eligible position.
- Any other information required by the Minister of Finance and Treasury Board

Instructions on how to submit the report are provided on request. Send an email to [MOST@novascotia.ca](mailto:MOST@novascotia.ca) for more information.

## Declaration of Self-Employment

The [Declaration of Self-employment](#) (template found on the MOST webpage) must be completed and signed by an applicant who was self-employed during the taxation year and requires the following information:

- Name, social insurance number
- Taxation year the applicant was self-employed in Nova Scotia
- Eligible position(s) worked in during the taxation year
- Self-employment net income earned while performing work in Nova Scotia in the eligible trade or film occupation

Note: Self-employment income is not considered eligible income for individuals in eligible nursing positions.

## Application Process

The online MOST application form can be found on the MOST webpage: <https://novascotia.ca/MOST>

An application for the MOST tax refund must be submitted no later than 18 months, after the end of the taxation year.

The online application form requires the following information from the applicant:

- 1) Personal information including:
  - a) Full legal name
  - b) Contact information (mailing address, email, phone number)
  - c) Social insurance number (SIN)
  - d) Birth date
- 2) Information from their most recent CRA Notice of Assessment/Reassessment for the taxation year:
  - a) Total Income – Line 15000,
  - b) Taxable Income – Line 26000,
  - c) Nova Scotia Provincial Tax – Line 42800, and
  - d) Nova Scotia tax on taxable income – Line 8 as reported on most recent form [NS428](#)
- 3) Employment information for the taxation year (including self-employment):
  - a) Employer legal name, operating name (if different), location
  - b) Information on each eligible position worked in during the taxation year:
    - i) Industry/Sector
    - ii) Trade/Occupation name
    - iii) Eligible income earned from the employer
    - iv) Total income earned from the employer
    - v) For applicants with income in an eligible trade, their NSAA ID (if the applicant is an apprentice or journey person certified in Nova Scotia)

- vi) For each eligible trade the applicant worked in as a journeyperson during the taxation year:
    - (1) Certificate of qualification number (for journeypersons who are certified within or outside of Nova Scotia)
    - (2) Province of certification (for journeypersons who hold a certification from outside of Nova Scotia)
    - (3) Interprovincial red seal number, if applicable
  - vii) For applicants with income in an eligible nursing occupation, their NSCN ID
  - viii) Total eligible income earned in all eligible positions across all eligible employers during the taxation year
- 4) A copy of each of the following documents to upload to the online application form when prompted:
- a) T1 Income Tax and Benefit Return for the taxation year, including Form NS428
  - b) Most recent CRA Notice of Assessment/Reassessment for the taxation year
  - c) For each eligible employer: T4 Statement of Remuneration Paid
  - d) If employed by an eligible employer: [Statement of Employment](#) for each eligible employer  
(More details can be found in the section on “Statement of Employment”)
  - e) If self-employed: [Declaration of Self-employment](#) for the taxation year  
(More details can be found in the section on “Declaration of Self-Employment”)
  - f) For applicants with income earned in an eligible trade, one or more of the following:
    - i) NSAA ID card
    - ii) NSAA certificate, including certificate number (for journeypersons certified in Nova Scotia)
    - iii) certificate from another province, including certificate number (for journeypersons certified outside of Nova Scotia)
    - iv) red seal endorsement, including red seal number
  - g) For applicants with income in an eligible nursing occupation: NSCN ID card

NOTE: Individuals who were both employed by an eligible employer and self-employed during the taxation year must submit both the *Statement of Employment* and *Declaration of Self-Employment* as part of the application.

Applicants may be required to submit additional information beyond what is listed above.

If an eligible individual’s income tax return is adjusted and the CRA issues a notice of reassessment after the individual submits an application, a subsequent application may be submitted by the individual **no later than 6 months after the date the notice of reassessment was issued** and before January 1, 2029.

NOTE: The Department may recalculate an applicant’s tax refund based on income tax return adjustments made by the CRA after the applicant submits an initial application, regardless of whether they submitted a subsequent application.

Applications must be completed by an eligible individual (or the estate of an eligible individual if they have died). In cases where the eligible individual has died, the tax refund cheque will be issued in the name of their estate.

### Lapsed Application

If an application has not been approved within 6 months from the application date, the application may be considered lapsed. Applicants with a lapsed application can apply again as long as the subsequent application is made within the 18 month period after the end of the taxation year.

## Tax Refund Calculation

The formula used to determine the MOST tax refund amount replicates the personal income tax system using eligible income in place of total income. This is because the MOST program only refunds the provincial portion of income tax associated with eligible income earned from eligible positions, rather than all income for an individual. If an individual has multiple income sources, only the provincial portion of income tax associated with MOST eligible income will be refunded.

### Calculation for the 2022 Taxation year

All *federal income deductions and provincial credits* are prorated based on the amount determined by dividing total eligible income for MOST by the total income amount reported on an applicant's tax return.

The MOST tax refund amount is the lessor of the MOST Tax Liability and Nova Scotia Provincial Tax, where:

- *Nova Scotia Provincial Tax* is line 42800 reported on the applicant's most recent Notice of Assessment/Notice of Reassessment issued by the CRA for the taxation year,
- *MOST Tax Liability* is the provincial portion of income tax associated with eligible income earned in MOST eligible trades and eligible film occupations.

### Calculation for the 2023 Taxation Year and Onward

All *federal income deductions* are prorated based on the amount determined by dividing total eligible income for MOST by the total income amount reported on an applicant's tax return.

All *provincial credits* are prorated based on the amount determined by dividing Nova Scotia tax on eligible taxable income by the total Nova Scotia tax on taxable income.

The MOST tax refund amount is the lessor of the MOST Tax Liability and Nova Scotia Provincial Tax, where:

- *Nova Scotia Provincial Tax* is line 42800 reported on the applicant's most recent Notice of Assessment/Notice of Reassessment issued by the CRA for the taxation year,
- *MOST Tax Liability* is the provincial portion of income tax associated with eligible income earned in MOST eligible positions.

Detailed calculations and illustrative examples for the 2022 and 2023 taxation years are provided in [Appendix C](#) and [Appendix D](#), respectively.

## Tax Refunds

Once an application is submitted, the Department will

- review all information provided by the applicant,
- verify the information against tax records from the CRA, and
- verify credentials with NSAA (for those who earned eligible income in an eligible trade)
- verify credentials with NSCN (for those who earned eligible income in an eligible nursing position)

The Department may also verify information provided by the applicant with

- their eligible employer(s), and
- for those with income in eligible film occupation(s): the Nova Scotia Film & Television Production Incentive Fund under the Department of Communities, Culture, Tourism and Heritage.



Once an application is approved, tax refund cheques will be issued in the amount determined by the “Tax Refund Calculation” section.

NOTE: If an application results in a tax refund amount that is less than \$2.00, a tax refund will not be issued.

Tax refund cheques will not be issued if information provided by an individual or their employer is false, misleading or fails to disclose a material fact; or the individual has not complied with any provision of the Act or regulations or the spirit and intent of the Act or regulations.

## Repayment of a Tax Refund

An individual who receives a tax refund to which they are not entitled or an amount greater than the amount to which they are entitled must immediately repay the amount or the excess amount to the Department.

In cases where the individual notices the overpayment, the individual must send an email to [MOST@novascotia.ca](mailto:MOST@novascotia.ca) explaining the situation.

If it is determined an individual is liable to repay an amount received to which they were not entitled or an amount greater than the amount they are entitled, the Department may deduct the amount from the eligible individual’s tax refund in future taxation year(s).

NOTE:

- The tax refund is assignable to Nova Scotia and subject to seizure or garnishment by Nova Scotia.
- Any amount required to be repaid is a debt due to the Crown and may be recovered in a court.

## Audit and Retention of Records

Applicants and employers are subject to audit at the discretion of the Department to assess eligibility and compliance with the legislation. Additional information may be requested.

Any person who provides information regarding an application must retain the information for at least 7 years after the end of the taxation year.

## Appendix A – ELIGIBLE TRADES FOR REGISTERED APPRENTICES & CERTIFIED JOURNEYPERSONS

2022 Taxation Year

<b>Construction</b>	
Blaster	Ironworker (Reinforcing)
Boilermaker	Ironworker (Structural/Ornamental)
Bricklayer	Lather (Interior Systems Mechanic)
Carpenter	Mobile Crane Operator
Concrete Finisher	Oil Heat System Technician
Construction Craft Worker	Painter and Decorator
Construction Electrician	Plumber
Drywall Finisher and Plasterer	Powerline Technician
Elevating Device Mechanic A/B	Refrigeration and Air Conditioning Mechanic
Floorcovering Installer	Restoration Stone Mason
Gasfitter A/B	Roofer
Glazier	Sheet Metal Worker
Heavy Equipment Operator (Dozer)	Sprinkler Fitter
Heavy Equipment Operator (Excavator)	Steamfitter/Pipefitter
Heavy Equipment Operator (Tractor-Loader-Backhoe)	Tilesetter
Insulator (Heat and Frost)	Tower Crane Operator
Ironworker (Generalist)	Welder
<b>Industrial/Manufacturing</b>	
Boat Builder	Machinist
Cabinetmaker	Marine (Fitter)
Communications Technician	Metal Fabricator (Fitter)
Electric Motor System Technician	Mine Electrician
Farm Technician	Power Engineer
Industrial Electrician	Rig Technician
Industrial Mechanic (Millwright)	Tool and Die Maker
Instrumentation and Control Technician	Welder
<b>Motive Power</b>	
Auto Body and Collision Technician	Marine Service Technician
Agricultural Equipment Technician	Motorcycle Technician
Automotive Glass Technician	Parts Technician
Automotive Refinishing Technician	Recreation Vehicle Service Technician
Automotive Service Technician	Transport Trailer Technician
AST - Service Centre Technician	Truck and Transport Mechanic
Heavy Duty Equipment Technician	
<b>Service</b>	
Alarm and Security Technician	Hairstylist
Appliance Service Technician	Landscape Horticulturist
Baker	Locksmith
Black Beauty Culture Hair Innovator	Parts Technician
Cook	

<b>Construction</b>	
Blaster	Ironworker (Reinforcing)
Boilermaker	Ironworker (Structural/Ornamental)
Bricklayer	Lather (Interior Systems Mechanic)
Carpenter	Mobile Crane Operator
Concrete Finisher	Oil Heat System Technician
Construction Craft Worker	Painter and Decorator
Construction Electrician	Plumber
Drywall Finisher and Plasterer	Powerline Technician
Elevating Device Mechanic A/B	Refrigeration and Air Conditioning Mechanic
Floorcovering Installer	Roofer
Gasfitter A/B	Sheet Metal Worker
Glazier	Sprinkler Fitter
Heavy Equipment Operator (Dozer)	Steamfitter/Pipefitter
Heavy Equipment Operator (Excavator)	Tilesetter
Heavy Equipment Operator (Tractor-Loader-Backhoe)	Tower Crane Operator
Insulator (Heat and Frost)	Welder
Ironworker (Generalist)	
<b>Industrial/Manufacturing</b>	
Boat Builder	Instrumentation and Control Technician
Cabinetmaker	Machinist
Communications Technician	Metal Fabricator (Fitter)
Farm Technician	Power Engineer
Industrial Electrician	Tool and Die Maker
Industrial Mechanic (Millwright)	Welder
<b>Motive Power</b>	
Auto Body and Collision Technician	Marine Service Technician
Agricultural Equipment Technician	Motorcycle Technician
Automotive Glass Technician	Parts Technician
Automotive Refinishing Technician	Recreation Vehicle Service Technician
Automotive Service Technician	Transport Trailer Technician
AST - Service Centre Technician	Truck and Transport Mechanic
Heavy Duty Equipment Technician	
<b>Service</b>	
Alarm and Security Technician	Cook
Appliance Service Technician	Hairstylist
Baker	Landscape Horticulturist
Black Beauty Culture Hair Innovator	Parts Technician

## Appendix B – ELIGIBLE FILM OCCUPATIONS

2022 and 2023 Taxation Years

<b>15.00 - SET DRESSING LABOUR</b>	
15.01 - Set Decorator	15.20 - Swing Gang
15.10 - Assistant Set Decorator(s)	15.30 - Worker(s)*
15.15 - Set Dresser(s)	15.95 - Other: Prop Builder/Fabricator
15.16 - Set Dressing Buyer(s)	
<b>16.00 - PROPS LABOUR</b>	
16.01 - Property Master	16.15 - On-Set Props Assistant(s)
16.10 - Assistant Property Master	16.16 - Props Buyer(s)
<b>19.00 - WARDROBE LABOUR</b>	
19.01 - Costume Designer	19.10 - Assistant Costumer
19.03 - Assistant Costume Designer	19.20 - Seamstress(es)/Tailor(s)
19.05 - Head Wardrobe/Set Supervisor	19.30 - Dresser(s)
<b>21.00 - VIDEO TECHNICAL CREW</b>	
21.01 - Technical Supervisor	21.35 - Crane Operator
21.03 - Technical Director	21.40 - Driver(s)*
21.05 - Floor Manager	21.45 - Video Operator(s)
21.08 - Lighting Consultant	21.50 - VTR Operator(s)
21.10 - Lighting Director	21.55 - Maintenance*
21.12 - Board Operator	21.65 - Stagehand(s)
21.15 - Electricians*	21.70 - Teleprompter Operator(s)
21.20 - Audio Recordist	21.75 - Utility Person(s)
21.25 - Boom Operator	21.85 - Television Assistant(s)
21.30 - Camera Operator(s)	
<b>22.00 - CAMERA LABOUR</b>	
22.01 - Director of Photography	22.63 - Additional 1st Assistant Camera
22.05 - Camera Operator	22.66 - Additional 2nd Assistant Camera
22.10 - 1st Assistant Camera	22.70 - Still Photographer
22.11 - Digital Imaging Technicians (DIT/DUT/DMT)	22.95 - Other: Drone Pilot
22.12 - 2nd Assistant Camera	22.95 - Other: Video Coordinator
22.20 - Camera Trainee(s)	22.95 - Other: Camera Utility
22.50 - Special Equipment Operators	22.95 - Other: Remote Head-Operator
22.60 - Additional Camera Operators	
<b>24.00 - GRIP LABOUR</b>	
24.01 - Key Grip	24.30 - Grip Dailies
24.15 - Dolly Operator	24.40 - Rigging/Striking
24.20 - Grip(s)	24.50 - Labourer(s)*
24.28 - Crane Grip	24.70 - Teleprompter Operator
<b>25.00 - PRODUCTION SOUND LABOUR</b>	
25.01 - Mixer/Sound Recordist	25.20 - Playback Operator
25.10 - Boom Operator	25.70 - PA System Operator
25.15 - Cable Person	

\* Must be an apprentice or journeyman under an eligible trade. See Appendix A, for a list of eligible trades.

## Appendix C – 2022 TAXATION YEAR TAX REFUND CALCULATION AND EXAMPLE

### 2022 Taxation Year Calculation

The MOST Tax Refund is the lessor of the MOST Tax Liability and the Nova Scotia Provincial Tax (Line 42800 reported on the Notice of Assessment\*) for the taxation year.

The MOST Tax Liability is computed as follows:

$$\text{MOST Tax Liability} = \text{NSTOETI} - \text{PPTC}$$

where

**NSTOETI** is Nova Scotia Tax on Eligible Taxable Income

**PPTC** is Prorated Provincial Tax Credits

$$\text{NSTOETI} = 8.79\% \text{ of } (\text{TEI} - \text{PFD}) \text{ up to } \$29,590 + 14.95\% \text{ of } ((\text{TEI} - \text{PFD}) - \$29,590)$$

where

**TEI** is Total Eligible Income

**PFD** is Prorated Federal Deductions

**TEI** = Total of all eligible income for the taxation year, up to a maximum of \$50,000.

$$\text{PFD} = (\text{Total Income} - \text{Taxable Income}) \times \text{Eligible Income Proportion}$$

where

Total Income is Line 15000 reported on the Notice of Assessment\*

Taxable Income is Line 26000 reported on the Notice of Assessment\*

Eligible Income Proportion is the proportion of TEI to total income reported on the Notice of Assessment \*

$$\text{Eligible Income Proportion} = \frac{\text{TEI}}{\text{Total Income}}$$

$$\text{PPTC} = (\text{NSTOTI} - \text{NSPT}) \times \text{Eligible Income Proportion}$$

where

**NSTOTI** is Nova Scotia Tax on Taxable Income (Line 8 reported on most recent form NS428)

**NSPT** is Nova Scotia Provincial Tax (Line 42800 reported on the Notice of Assessment\*)

\* **Notice of Assessment** refers to the most recent Notice of Assessment / Notice of Reassessment issued by the CRA for the taxation year.

NOTE: If the tax refund calculation results in an amount less than \$2.00, a tax refund will not be issued.

## 2022 Taxation Year Example

Mary is a plumber apprentice and worked as a plumber for ABC Plumbing in Nova Scotia in 2022, earning \$40,000. She also worked part-time as a yoga instructor with XYZ Community Centre where she earned \$2,000. In total for the year, she earned \$42,000. Mary's birthdate was on October 12, 1994 and she turned 28 years old in 2022.

Mary received T4 slips for the income she earned during the year:

- ABC Plumbing: \$40,000
- XYZ Community Centre: \$2,000

She also asked for and received a Statement of Employment from her employer (ABC Plumbing) to demonstrate she earned eligible income for the MOST tax refund program.

The income she earned as a yoga instructor with XYZ Community Centre does not qualify for the MOST tax refund program.

Mary's 2022 Notice of Assessment from the CRA reported:

Total Income (Line 15000):	\$42,000	
Taxable Income (Line 26000):	\$39,000	
Nova Scotia Provincial Tax (Line 42800):	\$2,999	<b>(NSPT)</b>
Nova Scotia Tax on Taxable Income (Line 8 form NS428):	\$4,008	<b>(NSTOTI)</b>

Mary's Statement of Employment from ABC Plumbing reported:

Total Eligible Income:	\$40,000	<b>(TEI)</b>
------------------------	----------	--------------

Age = 28 (less than 30 in 2022)

Eligible Income Proportion =  $\$40,000 / \$42,000$   
= 0.9524

Prorated Federal Deductions

PFD =  $(\$42,000 - \$39,000) \times 0.9524 = \$3,000 \times 0.9524$   
= \$2,857.14

TEI – PFD =  $(\$40,000 - \$2,857.14)$   
= \$37,142.86

Nova Scotia Tax on Eligible Taxable Income

NSTOETI =  $(8.79\% \times \$29,590) + [14.95\% \times (\$37,142.86 - \$29,590)]$   
=  $\$2,600.96 + (14.95\% \times \$7,552.86)$   
=  $\$2,600.96 + \$1,129.15$   
= \$3,730.11

Prorated Provincial Tax Credits

PPTC =  $(\$4,008 - \$2,999) \times 0.9524 = \$1,009 \times 0.9524$   
= \$960.97

MOST Tax Liability =  $\$3,730.11 - \$960.97$   
= \$2,769.14

MOST Tax Refund = Lessor of (Most Tax Liability and NSPT)  
= Lessor of (\$2,769.14 and \$2,999)  
= \$2,769.14

## Appendix D – 2023 TAXATION YEAR TAX REFUND CALCULATION AND EXAMPLE

### 2023 Taxation Year Calculation

The MOST Tax Refund is the lessor of the MOST Tax Liability and the Nova Scotia Provincial Tax (Line 42800 reported on the Notice of Assessment\*) for the taxation year.

The MOST Tax Liability is computed as follows:

$$\text{MOST Tax Liability} = \text{NSTOETI} - \text{PPTC}$$

where

**NSTOETI** is Nova Scotia Tax on Eligible Taxable Income

**PPTC** is Prorated Provincial Tax Credits

$$\text{NSTOETI} = 8.79\% \text{ of } (\text{TEI} - \text{PFD}) \text{ up to } \$29,590 + 14.95\% \text{ of } ((\text{TEI} - \text{PFD}) - \$29,590)$$

where

**TEI** is Total Eligible Income

**PFD** is Prorated Federal Deductions

**TEI** = Total of all eligible income for the taxation year, up to a maximum of \$50,000.

$$\text{PFD} = (\text{Total Income} - \text{Taxable Income}) \times \text{Eligible Income Proportion}$$

where

Total Income is Line 15000 reported on the Notice of Assessment\*

Taxable Income is Line 26000 reported on the Notice of Assessment\*

Eligible Income Proportion is the proportion of TEI to total income reported on the Notice of Assessment \*

$$\text{Eligible Income Proportion} = \frac{\text{TEI}}{\text{Total Income}}$$

$$\text{PPTC} = (\text{NSTOTI} - \text{NSPT}) \times \text{Eligible Tax Proportion}$$

where

**NSTOTI** is Nova Scotia Tax on Taxable Income (Line 8 reported on most recent form NS428)

**NSPT** is Nova Scotia Provincial Tax (Line 42800 reported on the Notice of Assessment\*)

**ETP** is the proportion of Nova Scotia Tax on Eligible Taxable Income (NSTOETI) to the total Nova Scotia Tax on Taxable Income (Line 8 reported on most recent form NS428)

$$\text{Eligible Tax Proportion} = \frac{\text{NSTOETI}}{\text{NSTOTI}}$$

\* **Notice of Assessment** refers to the most recent Notice of Assessment / Notice of Reassessment issued by the CRA for the taxation year.

NOTE: If the tax refund calculation results in an amount less than \$2.00, a tax refund will not be issued.

## 2023 Taxation Year Example

Olivia is a registered nurse holding a valid nursing licence and worked at XYZ Hospital in Nova Scotia in 2023, earning \$55,000. She also worked part-time as a dance instructor with ABC Dance Academy, where she earned \$3,000. In total for the year, she earned \$58,000. Olivia's birthdate was on March 1, 1994, and she turned 29 years old in 2023.

Olivia received T4 slips for the income she earned during the year:

- XYZ Hospital: \$55,000
- ABC Dance Academy: \$3,000

She also asked for and received a Statement of Employment from her employer (XYZ Hospital) to demonstrate she earned eligible income for the MOST tax refund program.

The income she earned as a dance instructor with ABC Dance Academy does not qualify for the MOST tax refund program.

Olivia's 2023 Notice of Assessment from the CRA reported:

Total Income (Line 15000):	\$58,000	
Taxable Income (Line 26000):	\$55,000	
Nova Scotia Provincial Tax (Line 42800):	\$4,500	<b>(NSPT)</b>
Nova Scotia Tax on Taxable Income (Line 8 form NS428):	\$5,700	<b>(NSTOTI)</b>

Olivia's Statement of Employment from XYZ Hospital reported:

Total Eligible Income (not adjusted for maximum eligible amount):	\$55,000	
Maximum Total Eligible Income:	\$50,000	<b>(TEI)</b>

Age = 29 (less than 30 in 2023)

Eligible Income Proportion =  $\$50,000 / \$58,000$   
= 0.86207

Prorated Federal Deductions (PFD) =  $(\$58,000 - \$55,000) \times 0.86207 = \$3,000 \times 0.86207$   
= \$2,586.21

TEI – PFD =  $(\$50,000 - \$2,586.21)$   
= \$47,413.79

Nova Scotia Tax on Eligible Taxable Income (NSTOETI) =  $(8.79\% \times \$29,590) + [14.95\% \times (\$47,413.79 - \$29,590)]$   
=  $\$2,600.96 + (14.95\% \times \$17,823.79)$   
=  $\$2,600.96 + \$2,664.66$   
= \$5,265.62

Eligible Tax Proportion (ETP) =  $\$5,265.62 / \$5,700$   
= 0.92379

Prorated Provincial Tax Credits (PPTC) =  $(\$5,700 - \$4,500) \times 0.92379 = \$1,200 \times 0.92379$   
= \$1,108.55

MOST Tax Liability =  $\$5,265.62 - \$1,108.55$   
= \$4,157.07

MOST Tax Refund = Lessor of (Most Tax Liability and NSPT)  
= Lessor of (\$4,157.07 and \$4,500)  
= \$4,157.07