



T1198 Frequently Asked Questions for Staff

Learn more about the Qualifying Retroactive Lump-Sum Payment (QRLSP) Statement (Form T1198)

Frequently Asked Questions (FAQs)

Are Bill 124 retroactive payments included in my 2024 T4?

Yes, your T4 for 2024 includes all amounts paid to you in 2024, including all qualifying lump sum retroactive payments for the year. You may file your 2024 taxes choosing not to use the Statement of Qualifying Retroactive Lump-Sum Payment.

What is a Statement of Qualifying Retroactive Lump-Sum Payment?

A Statement of Qualifying Retroactive Lump-Sum Payment (a T1198, or a letter with equivalent information) will be prepared by the Thames Valley District School Board for eligible employees who received a qualifying retroactive lump-sum payment or payments exceeding \$3,000. There is no legal requirement under the Income Tax Act (ITA) or Income Tax Regulations for a payor to issue this statement and it would typically be requested directly by an individual, but due to the circumstances around Bill 124 payments, TVDSB will be issuing this information to eligible employees as outlined below.

1. What is a Qualifying Retroactive Lump-Sum Payment (QRLSP)?

According to the Canada Revenue Agency (CRA), A QRLSP is a lump-sum payment paid to an individual (other than a trust) in a year that relates to one or more prior eligible tax years in which the



individual was a resident of Canada for the full year. Employment income received as an order or judgement from a court or other competent tribunal is considered a qualifying amount. "Qualifying" in the context of the QRLSP and employees of the TVDSB means income paid to employees as a result of the Ontario Superior Court of Justice's decision ruling Bill 124 unconstitutional. These payments were received in relation to the 2019-20, 2020-21, and 2021-22 years. Retroactive lump-sum payments made with respect to collective bargaining are not considered "qualifying" and will not be included on the QRLSP Statement.

2. How do I know if I am eligible to receive the Qualifying Retroactive Lump-Sum Payment Statement?

All employees who received qualifying payments exceeding \$3,000 will receive a QRLSP Statement.

3. When will I receive my Statement of Qualifying Retroactive Lump-Sum Payment?

Payroll services is working with our payroll system provider to be able to have this information available. At this time, it is projected that this information will be available in mid April. The individual tax filing deadline for 2024 personal income tax is April 30, 2025.

4. What am I required to do?

You are not required to do anything. However, if you would like more information on how a QRLSP Statement could impact you, please consult with your tax professional. If the total of all QRLSPs paid to you exceed \$3,000, you can request CRA to do a special tax calculation which would have your



QRLSP income redistributed to prior years as if you received the payments in those years. To determine if this would be advantageous to you, please consult with your tax professional.

5. Why does my QRLSP Statement have different amounts than my pay stubs?

QRLSP's must be reported to CRA based on a taxation year (January 1-December 31) whereas retroactive payments may be issued based on a school year (September 1-August 31).

6. I am a former TVDSB employee. Will I also receive a T1198?

If you are choosing to use the T1198 (or equivalent) on your 2024 tax return, please send your request to the Payroll Helpline at payrollhelpline@tvdsb.ca.

7. How do I map my T1198 information letter to the CRA required information (T1198 form)?

TVDSB will issue the required information in accordance with Canada Revenue Agency's requirements for issuing a T1198. CRA allows a form or a letter containing equivalent information from your employer. [Qualifying retroactive lump-sum payments - Canada.ca](https://www.cra.ca/qualifying-retroactive-lump-sum-payments)

If you are completing your own taxes and need to know how to map the payments to the form numbers, it is as follows:

68518 - Total Amount – total as reported in board communication

68519 – Total Principal – total as reported in board communication (there was no interest paid out)

68560 – Current year – 2024

68559 – 1st Prior Year – 2023

68558 – 2nd Prior Year – 2022



68557 – 3rd Prior Year – 2021

68556 – 4th Prior Year – 2020

68555 – 5th Prior Year – 2019

8. Can I file my 2024 tax return now and request adjustment at a later time by the CRA?

The T1198 is not mandatory and is an optional task. If you choose to file your tax return without the T1198 form, you may do so. Once the T1198 information is available and you elect to request an adjustment, you can complete a T1 Adjustment Request form and mail the form and T1198 information to CRA. [T1-ADJ T1 Adjustment Request - Canada.ca](https://www.cra.gc.ca/t1adj)

9. I still have questions, who can I contact?

If you still have questions regarding the QRLSP statement, a further explanation about what a QRLSP is and how it applies to you, and/or whether you should be requesting a special calculation for previous tax years, please contact your tax professional. The TVDSB cannot provide staff with personal income tax guidance or advice.

For payroll-related inquires, please contact payrollhelpline@tvdsb.ca.