**Financial Literacy for Freelance Interpreters in Ontario**

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## 1. Your Status as an Independent Contractor

- You are **not an employee**
- Taxes are **not deducted automatically**
- MCIS does **not a T4**
- You are **not entitled to Employment Insurance (EI)** benefits such as regular unemployment benefits
- MCIS Payment Schedule; mid and end of each month

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## 2. Tracking Your Assignments (Job Logs)

Keeping a simple job log helps you:

- Confirm payments
- Resolve discrepancies
- Prepare for tax season
- Track workload across agencies

**What to track for each assignment:**

- Date of assignment
- Agency or client name
- Service type (in-person, OPI, VRI)
- Language(s)
- Duration (hours or minutes)
- Rate
- Total expected payment

This can be done using:

- An **Excel or Google Sheet**
- A simple notebook

- Accounting or invoicing software (optional)

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**3. Tracking Payments**

Use **payment** remittance notices as official records.

Best practices:

- Print the remittance notice and save them in a safe place
- Create a folder in your email inbox for **payment confirmations**
- Match each payment to your job log to make sure there is no discrepancies
- Note:
    - Payment date
    - Amount received

This helps you quickly see:

- What has been paid
- What is still outstanding
- Any missing or incorrect payments. This has to be reported within 10 days

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**4. Record-Keeping for Tax Purposes**

- Keep records of:
    - Job logs
    - Payment confirmations
    - Work-related expenses and invoices
- Store records digitally or on paper
- CRA recommends keeping records for **at least 6 years**

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**5. Setting Aside Money for Taxes**

- Because taxes are not deducted, plan to set aside part of your income
- A general guideline is **25–30% of gross earnings**

- Consider a **separate savings account** for tax funds

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**6. HST Awareness (High Level)**

- Difference between HST and income tax
- If your total income exceeds **$30,000 in a 12-month period**, you need to register for HST
- Once registered, you **must send a copy** of your HST registration to MCIS - Multilingual Community Interpreter Services
- Any requests for **retroactive adjustments** will incur and **admin fee of $10** for each month to be adjusted
- Review remittance details to make sure HST is included in the next payment
- **Report** any **discrepancies** within **10 days max** of the payment date
- You may be able to claim eligible business expenses

*(A tax professional can advise based on your situation.)*

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**7. Budgeting for Irregular Income**

- Freelance income may vary month to month
- Plan based on **average income**, not peak months
- If possible, build a small buffer for slower periods (summer, Holiday season)

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**8. When to Ask for Help**

- If you're unsure about taxes, HST, or deductions, consider speaking with:
  - A tax preparer
  - An accountant familiar with self-employed individuals
- Even a one-time consultation can be helpful

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**Final Reminder**

Staying organized with job logs and payment records protects you, saves time, and gives you peace of mind.