

# TAXATION

# TAX FACTS 2010

## Current to June 15, 2010

*Tax Facts 2010* provides you with a summary of 2010 personal income tax rates and amounts, as well as corporate tax rates (as at July 1, 2010), based on announcements made to June 15, 2010.

### What's Inside

#### Top Personal Rates for 2010

On page 2, we have set out the top rates in Canada on regular income, dividends and capital gains.

#### Personal Tax Rates

On pages 3 to 7, we have set out the tax brackets that apply for the year 2010. For ease of use, a section has been provided for each province and territory containing both federal and provincial/territorial rates. This information can be used along with the personal tax credit information on pages 14 to 16 to estimate your taxes for 2010.

#### Ontario Health Premiums

The health premium tax for 2010 is set out on page 7.

#### Combined Federal and Provincial/Territorial Tax Brackets

On pages 8 to 11, we have condensed the detailed tax rate information for each province into a chart. You can use the chart that applies to you to estimate your combined federal and provincial/territorial tax liability and to determine effective tax rates on regular income, dividends and capital gains within the income ranges provided.

#### Quick Estimates

To allow you to quickly estimate your tax liability, we have provided a quick estimate chart on pages 12 and 13.

#### Personal Tax Credits

On pages 14 to 16, we have set out a summary of federal and provincial/territorial tax credit amounts. Under the tax on income system, a different set of credit amounts will apply federally and in each province and territory.

#### RRSP, RPP and DPSP Limits

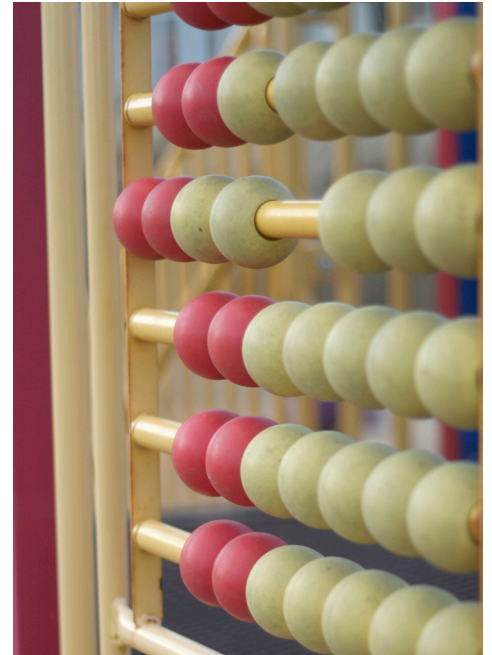
On page 17, we have set out the limits for registered retirement savings plans, registered pension plans and deferred profit sharing plans.

#### CPP, EI and QPIP Rates

On page 17, we have provided the 2010 Employment Insurance rates and premiums, the 2010 Québec Parental Insurance rates and premiums and the 2010 Canada Pension Plan rates and contributions.

#### Business Tax Rate Information

On pages 18 and 19, we have provided a summary of corporate income tax rates, as well as payroll and sales tax rates. On page 20, we have summarized capital tax rates.



## 2010 TOP PERSONAL MARGINAL TAX RATES

Jurisdiction	Tax on Income Top Rate (%)	Tax-On-Tax Top Rate (%)	Provincial Surtax (%)	2010 Combined Top Marginal Rates			
				Regular Income (%)	Eligible Dividends (%)	Ineligible Dividends (%)	Capital Gains (%)
Federal	29.00	---	---	---	---	---	---
British Columbia	14.70	---	---	43.70	21.45	33.71	21.85
Alberta	10.00	---	---	39.00	15.88	27.71	19.50
Saskatchewan	15.00	---	---	44.00	21.64	30.83	22.00
Manitoba	17.40	---	---	46.40	25.09	38.21	23.20
Ontario	11.16	---	20.00/36.00	46.41	26.57	32.57	23.21
Québec	24.00	---	---	48.22	30.68	36.35	24.11
New Brunswick	14.30	---	---	43.30	19.46	30.83	21.65
Nova Scotia	21.00	---	---	50.00	33.57	36.21	25.00
Prince Edward Island	16.70	---	10.00	47.37	25.96	39.66	23.69
Newfoundland & Labrador	14.40	---	---	43.40	21.67	31.33	21.70
Yukon	12.76	---	5.00	42.40	18.80	30.49	21.20
Northwest Territories	14.05	---	---	43.05	19.81	29.65	21.53
Nunavut	11.50	---	---	40.50	23.64	28.96	20.25
Non-resident	---	48.00	---	42.92	---	---	21.46

## 2010 PERSONAL INCOME TAX RATES

British Columbia Residents			
<u>Federal Tax Calculation</u>		<u>British Columbia Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate British Columbia tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>British Columbia Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$35,859	5.06%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$35,859 to \$71,719	\$1,814 plus 7.70% of the amount over \$35,859
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$71,719 to \$82,342	\$4,575 plus 10.50% of the amount over \$71,719
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021	\$82,342 to \$99,987	\$5,690 plus 12.29% of the amount over \$82,342
\$99,987 and over	\$7,859 plus 14.70% of the amount over \$99,987		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total British Columbia tax	\$ ____

Alberta Residents			
<u>Federal Tax Calculation</u>		<u>Alberta Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Alberta tax using the formula below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	Taxable income x 10.00%	
\$0 to \$40,970	15.00%		
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	3. Total Alberta tax	\$ ____
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____		
3. Total federal tax	\$ ____		

Saskatchewan Residents			
<u>Federal Tax Calculation</u>		<u>Saskatchewan Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Saskatchewan tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Saskatchewan Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$40,354	11.00%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$40,354 to \$115,297	\$4,439 plus 13.00% of the amount over \$40,354
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$115,297 and over	\$14,182 plus 15.00% of the amount over \$115,297
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total Saskatchewan tax	\$ ____

## 2010 PERSONAL INCOME TAX RATES

Manitoba Residents			
<u>Federal Tax Calculation</u>		<u>Manitoba Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Manitoba tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Manitoba Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$31,000	10.80%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$31,000 to \$67,000	\$3,348 plus 12.75% of the amount over \$31,000
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$67,000 and over	\$7,938 plus 17.40% of the amount over \$67,000
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total Manitoba tax	\$ ____

Ontario Residents			
<u>Federal Tax Calculation</u>		<u>Ontario Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Ontario tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Ontario Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$37,106	5.05%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$37,106 to \$74,214	\$1,874 plus 9.15% of the amount over \$37,106
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$74,214 and over	\$5,269 plus 11.16% of the amount over \$74,214
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
3. Total federal tax	\$ ____	3. Basic Ontario tax (BOT)	\$ ____
		4. Add: Ontario surtax	
		• 20.00% of BOT over \$4,006 plus	
		• 36.00% of BOT over \$5,127	\$ ____
		5. Total Ontario tax	\$ ____

Québec Residents			
<u>Federal Tax Calculation</u>		<u>Québec Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Québec tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Québec Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$38,570	16.00%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$38,570 to \$77,140	\$6,171 plus 20.00% of the amount over \$38,570
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$77,140 and over	\$13,885 plus 24.00% of the amount over \$77,140
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____
3. Basic federal tax (BFT)	\$ ____	3. Total Québec tax	\$ ____
4. Deduct Québec abatement, 16.5% of BFT	\$ ____		
5. Net federal tax	\$ ____		

## 2010 PERSONAL INCOME TAX RATES

New Brunswick Residents			
<u>Federal Tax Calculation</u>		<u>New Brunswick Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate New Brunswick tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>New Brunswick Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$36,421	9.30%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$36,421 to \$72,843	\$3,387 plus 12.50% of the amount over \$36,421
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$72,843 to \$118,427	\$7,940 plus 13.30% of the amount over \$72,843
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021	\$118,427 and over	\$14,003 plus 14.30% of the amount over \$118,427
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total New Brunswick tax	\$ ____

Nova Scotia Residents			
<u>Federal Tax Calculation</u>		<u>Nova Scotia Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Nova Scotia tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Nova Scotia Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$29,590	8.79%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$29,590 to \$59,180	\$2,601 plus 14.95% of the amount over \$29,590
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$59,180 to \$93,000	\$7,025 plus 16.67% of the amount over \$59,180
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021	\$93,000 to \$150,000	\$12,663 plus 17.50% of the amount over \$93,000
		\$150,000 and over	\$22,638 plus 21.00% of the amount over \$150,000
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total Nova Scotia tax	\$ ____

Prince Edward Island Residents			
<u>Federal Tax Calculation</u>		<u>Prince Edward Island Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate P.E.I. tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Prince Edward Island Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$31,984	9.80%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$31,984 to \$63,969	\$3,134 plus 13.80% of the amount over \$31,984
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$63,969 and over	\$7,548 plus 16.70% of the amount over \$63,969
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Basic Prince Edward Island tax (BPEIT)	\$ ____
		4. Add: Prince Edward Island surtax	
		• 10.00% of BPEIT over \$12,500	\$ ____
		5. Total Prince Edward Island tax	\$ ____

## 2010 PERSONAL INCOME TAX RATES

Newfoundland and Labrador Residents			
<u>Federal Tax Calculation</u>		<u>Newfoundland and Labrador Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Nfld. and Labrador tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Newfoundland and Labrador Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$31,278	7.70%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$31,278 to \$62,556	\$2,408 plus 12.65% of the amount over \$31,278
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$62,556 and over	\$6,365 plus 14.40% of the amount over \$62,556
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total Newfoundland and Labrador tax	\$ ____

Yukon Residents			
<u>Federal Tax Calculation</u>		<u>Yukon Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate Yukon tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Yukon Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$40,970	7.04%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$40,970 to \$81,941	\$2,884 plus 9.68% of the amount over \$40,970
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$81,941 to \$127,021	\$6,850 plus 11.44% of the amount over \$81,941
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021	\$127,021 and over	\$12,007 plus 12.76% of the amount over \$127,021
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Basic Yukon tax (BYT)	\$ ____
		4. Add: Yukon surtax	
		• 5.00% of BYT over \$6,000	\$ ____
		5. Total Yukon tax	\$ ____

Northwest Territories Residents			
<u>Federal Tax Calculation</u>		<u>Northwest Territories Tax Calculation</u>	
1. Calculate federal tax using the table below.	\$ ____	1. Calculate N.W.T. tax using the table below.	\$ ____
<u>Taxable Income</u>	<u>Federal Tax</u>	<u>Taxable Income</u>	<u>Northwest Territories Tax</u>
\$0 to \$40,970	15.00%	\$0 to \$37,106	5.90%
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970	\$37,106 to \$74,214	\$2,189 plus 8.60% of the amount over \$37,106
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941	\$74,214 to \$120,656	\$5,380 plus 12.20% of the amount over \$74,214
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021	\$120,656 and over	\$11,046 plus 14.05% of the amount over \$120,656
2. Reduce tax by total personal tax credits. See page 14 for details.	\$ ____	2. Reduce tax by total personal tax credits. See page 15 for details.	\$ ____
3. Total federal tax	\$ ____	3. Total Northwest Territories tax	\$ ____

## 2010 PERSONAL INCOME TAX RATES

Nunavut Residents			
<u>Federal Tax Calculation</u>			
1. Calculate federal tax using the table below.		\$ ____	
<u>Taxable Income</u>	<u>Federal Tax</u>		
\$0 to \$40,970	15.00%		
\$40,970 to \$81,941	\$6,146 plus 22.00% of the amount over \$40,970		
\$81,941 to \$127,021	\$15,160 plus 26.00% of the amount over \$81,941		
\$127,021 and over	\$26,881 plus 29.00% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 14 for details.		\$ ____	
3. Total federal tax		\$ ____	
<u>Nunavut Tax Calculation</u>			
1. Calculate Nunavut tax using the table below.		\$ ____	
<u>Taxable Income</u>	<u>Nunavut Tax</u>		
\$0 to \$39,065	4.00%		
\$39,065 to \$78,130	\$1,563 plus 7.00% of the amount over \$39,065		
\$78,130 to \$127,021	\$4,298 plus 9.00% of the amount over \$78,130		
\$127,021 and over	\$8,698 plus 11.50% of the amount over \$127,021		
2. Reduce tax by total personal tax credits. See page 15 for details.		\$ ____	
3. Total Nunavut tax		\$ ____	

## ONTARIO HEALTH PREMIUM TAX

The Ontario government introduced a health premium tax in its 2004 budget. Ontario health premiums are based on an individual's taxable income level, similar to personal income tax rates, and the premiums increase at higher levels of taxable income, as set out in the chart below.

Ontario Health Premiums for Ontario Residents	
Taxable Income	2010 and Subsequent Taxation Years
Up to \$20,000	--
\$20,000 - \$25,000	6% of TI** over \$20,000
\$25,000 - \$36,000	\$300
\$36,000 - \$38,500	\$300 plus 6% of TI over \$36,000
\$38,500 - \$48,000	\$450
\$48,000 - \$48,600	\$450 plus 25% of TI over \$48,000
\$48,600 - \$72,000	\$600
\$72,000 - \$72,600	\$600 plus 25% of TI over \$72,000
\$72,600 - \$200,000	\$750
\$200,000 - \$200,600	\$750 plus 25% of TI over \$200,000
More than \$200,600	\$900
** TI = taxable income	

## 2010 COMBINED FEDERAL AND PROVINCIAL/TERRITORIAL TAX BRACKETS

Use the following tables (pages 8 to 11) to estimate combined federal and provincial/territorial tax and effective combined tax rates on regular income, dividends and capital gains. Tax rates and amounts include surtaxes where applicable. Reduce the tax by your total federal and provincial/territorial tax credits (see pages 14 to 16). Note that provincial/territorial tax reductions at lower levels of income have not been included.

British Columbia						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	35,859	0	20.06	0.00	4.16	10.03
35,859	40,970	7,193	22.70	0.00	7.46	11.35
40,970	71,719	8,353	29.70	5.80	16.21	14.85
71,719	81,941	17,485	32.50	5.80	19.71	16.25
81,941	82,342	20,807	36.50	11.56	24.71	18.25
82,342	99,987	20,953	38.29	13.66	26.95	19.15
99,987	127,021	27,709	40.70	17.13	29.96	20.35
127,021	and over	38,712	43.70	21.45	33.71	21.85

Alberta						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	40,970	0	25.00	0.00	10.21	12.50
40,970	81,941	10,243	32.00	5.80	18.96	16.00
81,941	127,021	23,354	36.00	11.56	23.96	18.00
127,021	and over	39,583	39.00	15.88	27.71	19.50

Saskatchewan						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	40,354	0	26.00	0.00	8.33	13.00
40,354	40,970	10,492	28.00	2.88	10.83	14.00
40,970	81,941	10,664	35.00	8.68	19.58	17.50
81,941	115,297	25,004	39.00	14.44	24.58	19.50
115,297	127,021	38,013	41.00	17.32	27.08	20.50
127,021	and over	42,820	44.00	21.64	30.83	22.00

Manitoba						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	31,000	0	25.80	0.00	12.46	12.90
31,000	40,970	7,998	27.75	2.52	14.90	13.88
40,970	67,000	10,765	34.75	8.32	23.65	17.38
67,000	81,941	19,810	39.40	15.01	29.46	19.70
81,941	127,021	25,697	43.40	20.77	34.46	21.70
127,021	and over	45,262	46.40	25.09	38.21	23.20

## 2010 COMBINED FEDERAL AND PROVINCIAL/TERRITORIAL TAX BRACKETS

(See note on page 8.)

Ontario (does not include Ontario Health Premiums)						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	37,106	0	20.05	0.00	2.77	10.03
37,106	40,970	7,440	24.15	3.96	7.90	12.08
40,970	65,342	8,373	31.15	9.76	16.65	15.58
65,342	74,214	15,965	32.98	10.55	17.81	16.49
74,214	76,979	18,891	35.39	14.02	20.82	17.70
76,979	81,941	19,870	39.41	16.49	23.82	19.71
81,941	127,021	21,825	43.41	22.25	28.82	21.71
127,021	and over	41,394	46.41	26.57	32.57	23.21

Québec						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	38,570	0	28.53	5.90	11.74	14.27
38,570	40,970	11,004	32.53	11.66	16.74	16.27
40,970	77,140	11,785	38.37	16.50	24.05	19.19
77,140	81,941	25,663	42.37	22.26	29.05	21.19
81,941	127,021	27,697	45.71	27.07	33.22	22.86
127,021	and over	48,303	48.22	30.68	36.35	24.11

New Brunswick						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	36,421	0	24.30	0.00	7.08	12.15
36,421	40,970	8,850	27.50	0.99	11.08	13.75
40,970	72,843	10,101	34.50	6.78	19.83	17.25
72,843	81,941	21,097	35.30	7.94	20.83	17.65
81,941	118,427	24,309	39.30	13.70	25.83	19.65
118,427	127,021	38,648	40.30	15.14	27.08	20.15
127,021	and over	42,111	43.30	19.46	30.83	21.65

## 2010 COMBINED FEDERAL AND PROVINCIAL/TERRITORIAL TAX BRACKETS

(See note on page 8.)

Nova Scotia						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	29,590	0	23.79	0.11	3.45	11.90
29,590	40,970	7,039	29.95	8.98	11.15	14.98
40,970	59,180	10,447	36.95	14.78	19.90	18.48
59,180	81,941	17,176	38.67	17.25	22.05	19.34
81,941	93,000	25,978	42.67	23.01	27.05	21.34
93,000	127,021	30,697	43.50	24.21	28.08	21.75
127,021	150,000	45,496	46.50	28.53	31.83	23.25
150,000	and over	56,181	50.00	33.57	36.21	25.00

Prince Edward Island						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	31,984	0	24.80	0.00	11.71	12.40
31,984	40,970	7,932	28.80	4.99	16.71	14.40
40,970	63,969	10,520	35.80	10.78	25.46	17.90
63,969	81,941	18,754	38.70	14.96	29.08	19.35
81,941	98,145	25,709	42.70	20.72	34.08	21.35
98,145	127,021	32,628	44.37	21.64	35.91	22.19
127,021	and over	45,440	47.37	25.96	39.66	23.69

Newfoundland and Labrador						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	31,278	0	22.70	0.00	5.46	11.35
31,278	40,970	7,100	27.65	3.28	11.65	13.83
40,970	62,556	9,780	34.65	9.07	20.40	17.33
62,556	81,941	17,260	36.40	11.59	22.58	18.20
81,941	127,021	24,316	40.40	17.35	27.58	20.20
127,021	and over	42,528	43.40	21.67	31.33	21.70

## 2010 COMBINED FEDERAL AND PROVINCIAL/TERRITORIAL TAX BRACKETS

(See note on page 8.)

Yukon						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	40,970	0	22.04	0.00	5.32	11.02
40,970	80,711	9,030	31.68	5.80	17.37	15.84
80,711	81,941	21,620	32.16	5.80	17.70	16.08
81,941	127,021	22,016	38.01	12.48	25.01	19.01
127,021	and over	39,152	42.40	18.80	30.49	21.20

Northwest Territories						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	37,106	0	20.90	0.00	2.08	10.45
37,106	40,970	7,755	23.60	0.00	5.33	11.80
40,970	74,214	8,667	30.60	5.80	14.08	15.30
74,214	81,941	18,840	34.20	7.06	18.58	17.10
81,941	120,656	21,483	38.20	12.82	23.58	19.10
120,656	127,021	36,272	40.05	15.49	25.90	20.03
127,021	and over	38,821	43.05	19.81	29.65	21.53

Nunavut						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	39,065	0	19.00	0.00	2.08	9.50
39,065	40,970	7,422	22.00	1.28	5.83	11.00
40,970	78,130	7,841	29.00	7.08	14.58	14.50
78,130	81,941	18,617	31.00	9.96	17.08	15.50
81,941	127,021	19,798	35.00	15.72	22.08	17.50
127,021	and over	35,576	40.50	23.64	28.96	20.25

Non-Resident						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	40,970	0	22.20	---	---	11.10
40,970	81,941	9,095	32.56	---	---	16.28
81,941	127,021	22,435	38.48	---	---	19.24
127,021	and over	39,782	42.92	---	---	21.46

## 2010 PERSONAL TAX QUICK ESTIMATE TABLE

Estimates include basic personal tax credits. For other tax credits, see pages 14 to 16. Low-income tax reductions and refundable provincial/territorial credits are not included. The Ontario Health Premium is also not included.

Income Level	B.C.	Alta.	Sask.	Man.	Ont.	Qué.
10,000	-	-	-	202	53	-
15,000	895	693	874	1,434	999	877
20,000	1,898	1,760	2,174	2,724	2,001	2,304
25,000	2,901	3,010	3,474	4,014	3,004	3,730
30,000	3,904	4,260	4,774	5,304	4,006	5,156
35,000	4,907	5,510	6,074	6,672	5,009	6,582
40,000	6,019	6,760	7,374	8,060	6,130	8,066
45,000	7,437	8,293	9,050	9,730	7,620	9,928
50,000	8,922	9,893	10,800	11,467	9,177	11,846
55,000	10,407	11,493	12,550	13,205	10,735	13,765
60,000	11,892	13,093	14,300	14,942	12,292	15,683
65,000	13,377	14,693	16,050	16,680	13,850	17,602
70,000	14,862	16,293	17,800	18,557	15,493	19,520
75,000	16,438	17,893	19,550	20,527	17,160	21,439
80,000	18,063	19,493	21,300	22,497	19,051	23,472
85,000	19,858	21,216	23,173	24,590	21,144	25,693
90,000	21,773	23,016	25,123	26,760	23,315	27,978
95,000	23,687	24,816	27,073	28,930	25,485	30,264
100,000	25,602	26,616	29,023	31,100	27,655	32,549
105,000	27,637	28,416	30,973	33,270	29,826	34,835
110,000	29,672	30,216	32,923	35,440	31,996	37,120
115,000	31,707	32,016	34,873	37,610	34,167	39,406
120,000	33,742	33,816	36,917	39,780	36,337	41,691
125,000	35,777	35,616	38,967	41,950	38,508	43,977
127,021	36,600	36,343	39,796	42,827	39,385	44,901
150,000	46,642	45,305	49,907	53,489	50,050	55,980
<b>Top Combined Marginal Rates</b>						
Regular Income	43.70%	39.00%	44.00%	46.40%	46.41%	48.22%
Dividends - Eligible	21.45%	15.88%	21.64%	25.09%	26.57%	30.68%
Dividends - Ineligible	33.71%	27.71%	30.83%	38.21%	32.57%	36.35%
Capital Gains	21.85%	19.50%	22.00%	23.20%	23.21%	24.11%

## 2010 PERSONAL TAX QUICK ESTIMATE TABLE

(See note on page 12.)

Income Level	N.B.	N.S.	P.E.I.	Nfld.	Yukon	N.W.T.	Nunavut
10,000	114	156	225	167	-	-	-
15,000	1,271	1,288	1,407	1,245	1,018	826	824
20,000	2,486	2,477	2,647	2,380	2,120	1,871	1,774
25,000	3,701	3,667	3,887	3,515	3,222	2,916	2,724
30,000	4,916	4,881	5,127	4,650	4,324	3,961	3,674
35,000	6,131	6,379	6,488	5,968	5,426	5,006	4,624
40,000	7,461	7,876	7,928	7,351	6,528	6,129	5,603
45,000	9,118	9,657	9,650	9,016	8,019	7,592	6,985
50,000	10,843	11,504	11,440	10,748	9,603	9,122	8,435
55,000	12,568	13,352	13,230	12,481	11,187	10,652	9,885
60,000	14,293	15,213	15,020	14,213	12,771	12,182	11,335
65,000	16,018	17,147	16,840	15,989	14,355	13,712	12,785
70,000	17,743	19,080	18,775	17,809	15,939	15,242	14,235
75,000	19,486	21,014	20,710	19,629	17,523	16,800	15,685
80,000	21,251	22,947	22,645	21,449	19,107	18,510	17,173
85,000	23,139	25,004	24,703	23,392	20,891	20,342	18,846
90,000	25,104	27,137	26,838	25,412	22,791	22,252	20,596
95,000	27,069	29,288	28,973	27,432	24,692	24,162	22,346
100,000	29,034	31,463	31,139	29,452	26,592	26,072	24,096
105,000	30,999	33,638	33,357	31,472	28,493	27,982	25,846
110,000	32,964	35,813	35,576	33,492	30,394	29,892	27,596
115,000	34,929	37,988	37,794	35,512	32,294	31,802	29,346
120,000	36,910	40,163	40,013	37,532	34,195	33,712	31,096
125,000	38,925	42,338	42,231	39,552	36,095	35,703	32,846
127,021	39,739	43,217	43,128	40,368	36,864	36,512	33,553
150,000	49,689	53,902	54,013	50,341	46,606	46,405	42,860
<b>Top Combined Marginal Rates</b>							
Regular Income	43.30%	50.00%	47.37%	43.40%	42.40%	43.05%	40.50%
Dividends - Eligible	19.46%	33.57%	25.96%	21.67%	18.80%	19.81%	23.64%
Dividends - Ineligible	30.83%	36.21%	39.66%	31.33%	30.49%	29.65%	28.96%
Capital Gains	21.65%	25.00%	23.69%	21.70%	21.20%	21.53%	20.25%

## 2010 PERSONAL TAX CREDITS - FEDERAL AND PROVINCIAL/TERRITORIAL

The following chart (pages 14 and 15) summarizes federal and provincial/territorial non-refundable tax credit amounts and rates. Where a threshold is indicated, income over the threshold reduces the credit amount listed. To determine your total non-refundable credits, add up the credits you're eligible for and apply the tax credit multiplier.

	Fed.	B.C. <sup>(18)</sup>	Alta.	Sask.	Man.	Ont. <sup>(18)</sup>	Qué.
Tax Credit Multiplier	15.00%	5.06%	10.00%	11.00%	10.80%	5.05%	20.00%
Personal	\$10,382	\$11,000	\$16,825	\$13,348	\$8,134 <sup>(8)</sup>	\$8,943	\$10,505 <sup>(9)</sup>
Spouse/Common-law partner	10,382	9,653	16,825	13,348	8,134	7,594	(10)
Reduction threshold	-	965	-	1,335	-	759	
Eligible dependant	10,382	9,653	16,825	13,348	8,134	7,594	(11) (13)
Reduction threshold	-	965	-	1,335	-	759	
Child/Dependant							(12)
Each dependant under 18 <sup>(1)</sup>	2,101	-	-	4,944	-	-	
Each dependant under 6 (max.) <sup>(2)</sup>	-	-	-	-	-	-	
Age	6,446	4,220	4,689	4,366 <sup>(7)</sup>	3,728	4,366	2,260
Reduction - 15% of income over	32,506	31,413	34,903	32,506	27,749	32,506	30,490 <sup>(13)</sup>
Disability							
Self	7,239	7,058	12,979	8,445	6,180	7,225	2,390
Dependant (maximum) <sup>(3)</sup>	11,462	11,176	22,719	16,890	9,785	11,439	2,390
Disabled/infirm dependant (age 18 and over)	4,223	4,118	9,740	8,445	3,605	4,215	(14)
Reduction threshold	5,992	6,559	6,434	5,992	5,115	5,992	
Caregiver	4,223	4,118	9,739	8,445	3,605	4,216	(14)
Reduction threshold	14,422	13,936	15,486	14,423	12,312	14,421	
Pension income	2,000	1,000	1,296	1,000	1,000	1,237	2,010 <sup>(13)</sup>
Education (and Textbook) <sup>(4)</sup>							
Full-time amount per month	465	200	654	400	400	481	-
Part-time amount per month	140	60	196	120	120	144	-
CPP (max. amount)	2,163	2,163	2,163	2,163	2,163	2,163	(9)
EI (max. amount)	747	747	747	747	747	747	(9)
Canada employment (max. amount)	1,051	-	-	-	-	-	-
Other <sup>(5)</sup>	Payment	Payment	Payment	Payment	Payment	Payment	Payment
Medical	Amt. Pd.	Amt. Pd.	Amt. Pd.	Amt. Pd.	Amt. Pd.	Amt. Pd.	Amt. Pd.
Reduction threshold	2,024	1,957	2,175	2,024	1,728	2,024	(15)
Adoption expenses (max. amount)	10,975	10,975	11,507	-	10,000	10,911	(16)
Children's fitness (max. amount) <sup>(6)</sup>	500	-	-	-	500	-	-
If disabled	1,000	-	-	-	1,000	-	-
Transit amount - eligible expenditures	Amt. Pd.	-	-	-	-	-	-
Charitable donations							
On first \$200	15.00%	5.06%	10.00%	11.00%	10.80%	5.05%	20.00%
On balance	29.00%	14.70%	21.00%	15.00%	17.40%	11.16%	24.00%
Ineligible dividend tax credit - on actual amount received	16.67%	4.25%	4.38%	7.50%	3.13%	5.63%	10.00%
Eligible dividend tax credit - on actual amount received	25.88%	15.60%	14.40%	15.84%	15.84%	9.22%	17.14%

See page 16 for notes.

## 2010 PERSONAL TAX CREDITS - FEDERAL AND PROVINCIAL/TERRITORIAL

(See note on page 14.)

	N.B. <sup>(18)</sup>	N.S. <sup>(18)</sup>	P.E.I. <sup>(18)</sup>	Nfld. <sup>(18)</sup>	Yukon <sup>(17)</sup>	N.W.T.	Nunavut
Tax Credit Multiplier	9.30%	8.79%	9.80%	7.70%	7.04%	5.90%	4.00%
Personal	\$8,777	\$8,231	\$7,708	\$7,833	\$10,382	\$12,740	\$11,714
Spouse/Common-law partner Reduction threshold	7,453 746	6,989 699	6,546 655	6,400 641	10,382 -	12,740 -	11,714 -
Eligible dependant Reduction threshold	7,453 746	6,989 699	6,294 629	6,400 641	10,382 -	12,740 -	11,714 -
Child/Dependant							
Each dependant under 18 <sup>(1)</sup>	-	-	-	-	2,101	-	-
Each dependant under 6 (max.) <sup>(2)</sup>	-	1,200	1,200	-	-	-	1,200
Age							
Reduction - 15% of income over	4,286 31,905	4,019 29,919	3,764 28,019	4,340 27,400	6,446 32,506	6,232 32,506	8,786 32,506
Disability							
Self	7,106	4,887	6,890	5,285	7,239	10,332	11,714
Dependant (maximum) <sup>(3)</sup>	11,251	8,235	10,909	7,773	11,462	14,555	15,937
Disabled/infirm dependant (age 18 and over) Reduction threshold	4,146 5,881	2,716 5,515	2,446 4,966	2,488 5,345	4,223 5,992	4,223 5,992	4,223 5,992
Caregiver Reduction threshold	4,145 14,156	4,753 13,274	2,446 11,953	2,487 12,156	4,223 14,422	4,223 14,422	4,223 14,422
Pension income	1,000	1,138	1,000	1,000	2,000	1,000	2,000
Education (and Textbook) <sup>(4)</sup>							
Full-time amount per month	400	200	400	200	465	400	465
Part-time amount per month	120	60	120	60	140	120	140
CPP (max. amount)	2,163	2,163	2,163	2,163	2,163	2,163	2,163
EI (max. amount)	747	747	747	747	747	747	747
Canada employment (max. amount)	-	-	-	-	1,051	-	-
Other <sup>(5)</sup>	Payment	Payment	Payment	Payment	Payment	Payment	Payment
Medical Reduction threshold	Amt. Pd. 1,986	Amt. Pd. 1,637	Amt. Pd. 1,678	Amt. Pd. 1,706	Amt. Pd. 2,024	Amt. Pd. 2,024	Amt. Pd. 2,024
Adoption expenses (max. amount)	-	-	-	10,570	10,975	-	-
Children's fitness (max. amount) <sup>(6)</sup>							
If disabled	-	500	-	-	500	-	-
	-	500	-	-	1,000	-	-
Transit amount - eligible expenditures	-	-	-	-	Same as fed.	-	-
Charitable donations							
On first \$200	9.30%	8.79%	9.80%	7.70%	7.04%	5.90%	4.00%
On balance	14.30%	21.00%	16.70%	14.40%	12.76%	14.05%	11.50%
Ineligible dividend tax credit - on actual amount received	6.63%	9.63%	2.63%	6.25%	5.56%	7.50%	5.00%
Eligible dividend tax credit - on actual amount received	17.01%	12.55%	14.89%	14.94%	15.59%	16.30%	8.80%

See page 16 for notes.

## 2010 PERSONAL TAX CREDITS - FEDERAL AND PROVINCIAL/TERRITORIAL

### Notes:

- (1) The federal Child Tax Credit is provided for each child under the age of 18 years at the end of the taxation year. Saskatchewan has a similar credit.
- (2) Nova Scotia, Prince Edward Island and Nunavut each provide a tax credit to fully or partially offset the income inclusion of the Universal Child Care Benefit (UCCB).
- (3) Except for Québec, the credit is for minor dependants and is subject to a reduction based on child care and disability supports expenses. In Québec, the credit is for an infirm spouse if a transfer is allowed.
- (4) The federal, Yukon and Nunavut Textbook Tax Credits have been added to their respective Education Credit amount (\$65 per month for full-time; \$20 per month for part-time).
- (5) Other amounts include qualifying tuition fees paid and interest paid on student loans.
- (6) The federal Children's Fitness Tax Credit is based on eligible fees for the enrollment of a child under 16 years of age at the beginning of the year in an eligible program of physical activity. For children under 18 years of age at the beginning of the year who qualify for the disability tax credit, the federal amount will be based on a higher maximum. Manitoba also allows a provincial credit based on the same amount as the federal claim. Nova Scotia provides a Sport and Recreation Activity Tax Credit for fees paid for qualified programs offered by registered organizations. Saskatchewan provides an Active Families Benefit which is a refundable credit of up to \$150 for eligible children in a qualified program as defined by the province.
- (7) Every senior who resides in Saskatchewan can claim the senior supplementary amount of \$1,153, regardless of their net income.
- (8) For 2008 and later years, further personal amounts are available in the form of the Manitoba Family Tax Benefit which are then reduced by 9% of the taxpayer's net income.
- (9) Québec's basic tax credit and complementary amount were replaced by a single basic amount beginning in 2008 and the amount is indexed annually starting in 2009. There is no longer an additional amount for CPP/QPP or EI paid over the basic amount now provided.
- (10) Under Québec's non-refundable tax credit system, certain unused personal credits of either spouse are transferable to the other spouse.
- (11) Québec offers a credit for an individual living alone (other than with a minor person or an eligible student) - credit amount \$1,230; an individual living with an eligible student as a single-parent family may add an amount of \$1,525 if certain criteria are met (see note 13 below).
- (12) Québec offers the following credits for dependants:
  - ◆ Amount for minor child engaged in full-time professional training/post secondary studies - \$1,940 per term (maximum 2 terms; amount reduced by 80% of child's net income for the year calculated without including any scholarships, fellowships or awards received during the year).
  - ◆ Amount for full-time student 18 years or older - transfer mechanism to either parent for unused portion of basic tax credit amount (maximum of \$6,925 for 2010; amount reduced by \$1,940 if only 1 semester is completed and by 80% of child's Québec taxable income for the year).
  - ◆ Amount for other adult dependants (non-spouse) is \$2,820 (no infirmity test) and is reduced by 80% of the dependant's net income for the year calculated without including any scholarships, fellowships or awards received during the year.
- (13) The sum of the Québec pension credit amount, age amount and living alone or with a dependent amount is subject to a reduction of 15% of family net income over \$30,490.
- (14) The tax credit respecting a dependent child with an impairment was replaced, as of the 2006 taxation year, by an improved supplement for handicapped children. The various measures for natural caregivers of adults were replaced by a refundable tax credit, as of the 2006 taxation year.
- (15) Medical expenses eligible for Québec's medical credit must be reduced by 3% of family net income (i.e. total of both spouses). There is no maximum amount which will limit the reduction amount as there is with other jurisdictions.
- (16) Québec provides a refundable tax credit with respect to eligible expenses incurred to adopt a child where certain conditions are met. This credit is equal to 50% of the eligible expenses to a maximum credit of \$10,000 per child.
- (17) The Yukon uses federal tax credit amounts for territorial purposes.
- (18) A low income tax reduction is provided by several provinces/territories.

## RRSP CONTRIBUTION LIMITS<sup>(1)</sup>

Year	Dollar Limit	Income Level <sup>(2)</sup>
2009	\$21,000	\$116,667
2010	\$22,000	\$122,222
2011	\$22,450	\$124,722
2012	Indexed	Indexed

(1) RRSP Contribution Limit for a year is the lesser of the dollar limit for that year and 18% of the prior year's earned income, less any pension adjustment for the prior year (reported on your T4).

(2) Earned income needed in prior year for maximum contribution.

## RPP AND DPSP LIMITS

Year	Defined Benefit RPP <sup>(1)</sup>	Money Purchase RPP <sup>(2)</sup>
2009	\$2,444	\$22,000
2010	\$2,494	\$22,450
2011	Indexed	Indexed

(1) Maximum pension benefit per year of service.

(2) Annual contribution limit.

Note: The DPSP limit is one-half of the money purchase RPP annual contribution limit.

## 2010 EMPLOYMENT INSURANCE RATES AND PREMIUMS

	Maximum Yearly Insurable Earnings	Employee's Premium Rate	Employer's Premium Rate	Maximum Yearly Employee Premium	Maximum Yearly Employer Premium
All provinces except Québec	\$43,200	1.73%	2.42%	\$747.36	\$1,046.30
Québec	\$43,200	1.36%	1.904%	\$587.52	\$822.53

## 2010 QUÉBEC PARENTAL INSURANCE RATES AND PREMIUMS

	Maximum Yearly Insurable Earnings	Employee's/ Individual's Premium Rate	Employer's Premium Rate	Maximum Yearly Employee/ Individual Premium	Maximum Yearly Employer Premium
Salaried	\$62,500	0.506%	0.708%	\$316.25	\$442.50
Self-employed	\$62,500	0.899%	N/A	\$561.88	N/A

## 2010 CANADA PENSION PLAN RATES AND CONTRIBUTIONS

Maximum Pensionable Earnings	Basic Exemption	Maximum Contributory Earnings	Employee and Employer Rate	Maximum Employee/ Employer Contribution	Maximum Self-Employed Contribution
\$47,200	\$3,500	\$47,200	4.95%	\$2,163.15	\$4,326.30

## 2010 CORPORATE INCOME TAX FACTS AND FIGURES

The rates shown are nominal tax rates as at July 1, 2010. Add federal and provincial/territorial rates to get a combined rate. Rate and amount changes are set out in the notes and should be prorated for taxation years that straddle the effective dates (except where noted).

	Canadian-Controlled Private Corporations (CCPCs)			Other Corporations	
	Active Business Income (ABI)		Investment Income	Manufacturing & Processing	Other
	Rate	Income Limit			
Federal	11.00%	\$500,000	34.67%	18.00%	18.00%
Provincial					
British Columbia	2.50	500,000	10.50	10.50	10.50
Alberta	3.00	500,000	10.00	10.00	10.00
Saskatchewan	4.50	500,000	12.00	10.00	12.00
Manitoba	1.00	400,000	12.00	12.00	12.00
Ontario	4.50	500,000	12.00	10.00	12.00
Québec	8.00	500,000	11.90	11.90	11.90
New Brunswick	5.00	500,000	11.00	11.00	11.00
Nova Scotia	5.00	400,000	16.00	16.00	16.00
Prince Edward Island	1.00	500,000	16.00	16.00	16.00
Newfoundland & Labrador	4.00	500,000	14.00	5.00	14.00
Yukon	4.00	400,000	15.00	2.50	15.00
Northwest Territories	4.00	500,000	11.50	11.50	11.50
Nunavut	4.00	500,000	12.00	12.00	12.00

### Notes (changes before 2005 are not included):

#### Federal

- The rate on active business income (ABI) up to the small business income (SBI) threshold is subject to a clawback if prior year's taxable capital for the Large Corporations Tax exceeds \$10 million. The SBI threshold was increased from \$250,000 to \$300,000 effective Jan. 1, 2005, to \$400,000 effective Jan. 1, 2007 and to \$500,000 effective Jan. 1, 2009.
- The rate on ABI up to the SBI threshold was reduced from 13.12% to 11.0% effective Jan. 1, 2008.
- 26 2/3% of investment income is eligible for refund at the rate of \$1 for every \$3 of dividends paid.
- Effective Jan. 1, 2008, the corporate surtax was eliminated for all businesses and the general federal tax rate on business income was reduced from 22.12% to 19.5%. The rate was reduced to 19.0% effective Jan. 1, 2009 and to 18.0% effective Jan. 1, 2010, and will be further reduced to 16.5% effective Jan. 1, 2011 and to 15.0% effective Jan. 1, 2012.

#### British Columbia

- Rate on ABI up to the SBI threshold was reduced from 4.5% to 3.5% effective Jul. 1, 2008 and to 2.5% effective Dec. 1, 2008. Rate is expected to be reduced further by Apr. 1, 2012.
- The SBI threshold was increased from \$300,000 to \$400,000 effective Jan. 1, 2005 and to \$500,000 effective Jan. 1, 2010.
- Rate on other income was reduced from 13.5% to 12.0% effective Jul. 1, 2005, to 11.0% effective Jul. 1, 2008 and to 10.5% effective Jan. 1, 2010. The rate will be further reduced to 10.0% effective Jan. 1, 2011.

#### Alberta

- The SBI threshold increased from \$400,000 to \$430,000 effective Apr. 1, 2007, to \$460,000 effective Apr. 1, 2008 and to \$500,000 effective Apr. 1, 2009.
- Rate on other income was reduced from 11.5% to 10.0% effective Apr. 1, 2006.

#### Saskatchewan

- Rate on ABI up to the SBI threshold was reduced from 5.5% to 5.0% effective Jan. 1, 2005 and to 4.5% effective Jan. 1, 2007.
- The SBI threshold was increased from \$300,000 to \$400,000 effective Jul. 1, 2006, to \$450,000 effective Jul. 1, 2007 and to \$500,000 effective Jul. 1, 2008.
- Rate on all other income decreased from 17.0% to 14.0% effective Jul. 1, 2006, to 13.0% effective Jul. 1, 2007 and to 12.0% effective Jul. 1, 2008.

#### Manitoba

- Rate on ABI up to the SBI threshold was reduced from 5.0% to 4.5% effective Jan. 1, 2006, to 3.0% effective Jan. 1, 2007, to 2.0% effective Jan. 1, 2008 and to 1.0% effective Jan. 1, 2009. Tax on ABI up to the SBI threshold will be eliminated effective Dec. 1, 2010.
- The SBI threshold was increased from \$360,000 to \$400,000 effective Jan. 1, 2005.
- Rate on all other income was reduced from 15.5% to 15.0% effective Jan. 1, 2005, to 14.5% effective Jan. 1, 2006, to 14.0% effective Jan. 1, 2007, to 13.0% effective Jul. 1, 2008 and to 12.0% effective Jul. 1, 2009. Rate to be reduced to 11.0% in subsequent years, subject to balanced budget requirements.

#### Ontario

- Rate on ABI up to the SBI threshold is reduced from 5.5% to 4.5% effective Jul. 1, 2010.
- The SBI threshold increased from \$400,000 to \$500,000 effective Jan. 1, 2007. Lower rate on ABI was subject to clawback based on taxable income over the SBI threshold at 4.25% (decreased from 4.667% effective Jan. 1, 2007). The clawback is eliminated effective Jul. 1, 2010.
- Rate on M&P income is reduced from 12.0% to 10.0% effective Jul. 1, 2010.

(cont'd on next page)

**Notes (changes before 2005 are not included):****Ontario (cont'd)**

- Rate on all other income is reduced from 14.0% to 12.0% effective Jul. 1, 2010. The rate will be reduced to 11.5% effective Jul. 1, 2011, to 11.0% effective Jul. 1, 2012 and to 10.0% effective Jul. 1, 2013.

**Québec**

- Effective Jan. 1, 2006, a small business rate of 8.5% was provided. The rate was reduced to 8.0% effective Mar. 24, 2006. The rate applies on ABI up to an SBI threshold of \$400,000. The threshold was increased to \$500,000 effective Mar. 20, 2009. This small business rate is subject to a clawback if taxable capital exceeds \$10 million.
- Prior to Feb. 21, 2007, rate of 16.25% applied for non-business income. After Feb. 20, 2007, the rate on passive income was reduced to 9.9%. The rate increased to 11.4% effective Jan. 1, 2008 and to 11.9% effective Jan. 1, 2009.
- The general rate on ABI was increased from 8.9% to 9.9% effective Jan. 1, 2006, to 11.4% effective Jan. 1, 2008 and to 11.9% effective Jan. 1, 2009.

**New Brunswick**

- Rate on ABI up to the SBI threshold was reduced from 2.5% to 2.0% effective Jul. 1, 2005 and to 1.5% effective Jul. 1, 2006. The rate was increased to 5.0% effective Jan. 1, 2007.
- The SBI threshold was increased from \$425,000 to \$450,000 effective Jul. 1, 2005 and to \$475,000 effective Jul. 1, 2006. The threshold was reduced to \$400,000 effective Jan. 1, 2007, then increased to \$500,000 effective Jan. 1, 2009.
- Rate on all other income was reduced from 13.0% to 12.0% effective Jul. 1, 2009 and to 11.0% effective Jul. 1, 2010. The rate will be further reduced to 10.0% effective Jul. 1, 2011 and to 8.0% effective Jul. 1, 2012.

**Nova Scotia**

- Rate on ABI up to the SBI threshold will be reduced from 5.0% to 4.5% effective Jan. 1, 2011.
- The SBI threshold was increased from \$300,000 to \$350,000 effective Apr. 1, 2005 and to \$400,000 effective Apr. 1, 2006.

**Prince Edward Island**

- Rate on ABI up to the SBI threshold was reduced from 7.5% to 6.5% effective Apr. 1, 2005, to 5.4% effective Apr. 1, 2006, to 4.3% effective Apr. 1, 2007, to 3.2% effective Apr. 1, 2008, to 2.1% effective Apr. 1, 2009 and to 1.0% effective Apr. 1, 2010.
- The SBI threshold follows the federal SBI threshold (see federal notes).
- Rate on M&P income was increased from 7.5% to 16.0% effective Apr. 1, 2005.

**Newfoundland and Labrador**

- Rate on ABI up to the SBI threshold was reduced from 5.0% to 4.0% effective Apr. 1, 2010. Note that this rate change applies to corporations whose fiscal period began on or after Apr. 1, 2010.
- The SBI threshold follows the federal SBI threshold (see federal notes).

**Yukon**

- Rate on ABI up to the SBI threshold was reduced from 6.0% to 4.0% effective Jan. 1, 2005.
- Rate for ABI from M&P activities is 2.5%.

**Northwest Territories**

- The SBI threshold follows the federal SBI threshold (see federal notes).
- Rate on other income was reduced from 14.0% to 11.5% effective Jul. 1, 2006.

**Nunavut**

- The SBI threshold follows the federal SBI threshold (see federal notes).

**2010 PAYROLL TAX**

The following jurisdictions levy a payroll tax on remuneration for individuals employed in that jurisdiction. Tax rates for 2010 are listed below. Tax is payable by the employer (except for the N.W.T. and Nunavut, where the employee pays the tax).

Jurisdiction	Payroll Tax Rates (%)	Notes:
Man. <sup>(1)</sup>	0 - 4.3	<p>(1) Payroll of \$0 to \$1.25 million, no tax; from \$1.25 million to \$2.5 million, 4.3% of payroll over \$1.25 million; over \$2.5 million, 2.15% of total payroll.</p> <p>(2) Rate of tax is 0.98% for payrolls under \$200,000 and 1.95% for payrolls over \$400,000 (graduated rates apply for payrolls between the thresholds). First \$400,000 of taxable payroll of an eligible employer (not associated) and of an associated group of eligible employers is exempt.</p> <p>(3) Rate of tax is 2.7% for payrolls up to \$1 million and 4.26% for payrolls \$5 million and above (graduated rates apply for payrolls between the two thresholds). Certain exemptions may apply.</p> <p>(4) Tax is only charged on payrolls over \$1 million.</p> <p>(5) Tax paid by employees as a payroll deduction.</p>
Ont. <sup>(2)</sup>	0.98 - 1.95	
Qué. <sup>(3)</sup>	2.7 - 4.26	
Nfld. <sup>(4)</sup>	2.0	
N.W.T. <sup>(5)</sup>	2.0	
Nunavut <sup>(5)</sup>	2.0	

**2010 SALES TAX**

Jurisdiction <sup>(1)</sup>	Sales Tax Rates (%)	Combined Rates (%)	Notes:
Federal <sup>(2)</sup>	5.0	See below	<p>(1) Alberta, Nunavut, the Yukon and the Northwest Territories do not impose a sales tax.</p> <p>(2) The GST rate decreased from 6% to 5% effective Jan. 1, 2008.</p> <p>(3) Effective Jul. 1, 2010, Ontario and B.C.'s sales tax system are harmonized with the 5% GST to produce a combined federal/provincial rate of 13% in Ontario and 12% in B.C.</p> <p>(4) Québec and PEI levy sales tax on taxable goods (and services where applicable) on the actual cost including GST. Consequently, the combined tax rate in Québec is 12.875% and 15.5% in PEI. All other provinces calculate PST independent of GST.</p> <p>(5) The rate of tax will increase to 8.5% (combined rate of 13.925%) effective Jan. 1, 2011 and to 9.5% (combined rate of 14.975%) effective Jan. 1, 2012.</p> <p>(6) New Brunswick and Newfoundland and Labrador have harmonized their sales tax systems with the 5% GST to produce a combined federal/provincial rate of 13%.</p> <p>(7) Nova Scotia has harmonized its sales tax system with the 5% GST. The combined federal/provincial rate is 15% (increased from 13% effective July 1, 2010).</p>
B.C. <sup>(3)</sup>	7.0	12.0	
Sask.	5.0	10.0	
Man.	7.0	12.0	
Ont. <sup>(3)</sup>	8.0	13.0	
Qué. <sup>(4) (5)</sup>	7.5	12.875	
N.B. & Nfld. <sup>(6)</sup>	8.0	13.0	
N.S. <sup>(7)</sup>	10.0	15.0	
P.E.I. <sup>(4)</sup>	10.0	15.5	

## 2010 CAPITAL TAXES

The following jurisdictions levy capital tax on corporate taxable capital employed by a corporation doing business through a permanent establishment in their jurisdiction. The following rates are as at July 1, 2010. Note that the rates and rules discussed can vary where the corporation is related or associated with other corporations.

Jurisdiction	General (%)	Financial Institutions (%)	Notes:
Federal - LCT	-- <sup>(1)</sup>	--	<p><b>1. Federal</b> - The Large Corporations Tax (LCT) was eliminated effective Jan. 1, 2006. Financial Institutions Capital Tax (FIT) changed to a single rate of 1.25% on taxable capital over \$1 billion effective Jul. 1, 2006.</p> <p><b>2. B.C.</b> - The corporation capital tax on financial institutions was eliminated effective Apr. 1, 2010. Originally, a minimum tax based on 1% of B.C. paid-up capital was to be introduced in its place that would apply to financial institutions with a net paid-up capital equal to or greater than \$1 billion effective Apr. 1, 2010. However, the 2010 B.C. budget announced the repeal of this minimum tax.</p> <p><b>3. Sask.</b> - General capital tax for all corporations other than provincial Crown corporations was eliminated on Jul. 1, 2008. The previous rate was 0.15%. The tax rate for provincial commercial Crown corporations remains at 0.6% (since 1992). A special surcharge applies on resource corporations and trusts. The aggregate paid-up capital threshold for small financial institutions increased to \$1.5 billion from \$1 billion effective for fiscal years ending on or after Oct. 31, 2008.</p> <p><b>4. Man.</b> - The general capital tax is being phased out and will be eliminated for taxation years commencing after Dec. 31, 2010. For taxation years commencing after Jan. 1, 2009 and before Jan. 2, 2010, the rate is 0.1% on the first \$20 million of taxable capital plus 0.3% on the excess. For taxation years commencing after Jan. 1, 2010 and before Jan. 1, 2011, the rate will be nil on the first \$20 million of taxable capital plus 0.2% on the excess. In both cases, a \$10 million deduction from capital applies. For taxable capital between \$20 and \$21 million, a notch provision applies. Effective Jul. 1, 2008, this tax was eliminated for qualifying manufacturing and processing corporations. Capital tax on banks, trust companies, and trust and loan companies will remain at 3% and for Crown corporations at 0.5%.</p> <p><b>5. Ont.</b> - For M&amp;P and resource corporations, the capital tax was eliminated or reduced on Jan. 1, 2007 through a special exemption. For other corporations, the capital tax rate was reduced from 0.225% to 0.15% on Jan. 1, 2010; a \$15 million deduction from taxable capital applies. The tax is eliminated effective Jul. 1, 2010. The rates for financial institutions were reduced from 0.45% or 0.675% and 0.54% to 0.3% or 0.45% and 0.36% effective Jan. 1, 2010 (the applicable rate depends on the size and type of institution). The tax is eliminated effective Jul. 1, 2010.</p> <p><b>6. Qué.</b> - Rate reductions will be phased-in until the general capital tax is eliminated effective Jan. 1, 2011. The deduction from paid-up capital is \$1 million, but is partially reduced where paid-up capital is between \$1 million and \$4 million. Qualifying manufacturing corporations had their capital tax effectively eliminated for taxation years ending after Mar. 13, 2008. Capital tax on financial institutions is also being reduced and will be eliminated by 2011.</p> <p><b>7. N.B.</b> - The general capital tax was eliminated on Jan. 1, 2009. Previous rate was 0.1%.</p> <p><b>8. N.S.</b> - No tax is payable on the first \$5 million of taxable capital. If taxable capital is equal to or greater than \$10 million, the rate is 0.1% with no deduction. The rate is reduced from 0.15% effective Jul. 1, 2010 and will be further reduced to 0.05% effective Jul. 1, 2011. If taxable capital is between \$5 million and \$10 million, the rate is doubled and applied after netting the \$5 million deduction. This tax will be eliminated effective Jul. 1, 2012.</p>
Federal - FIT	--	1.25 <sup>(1)</sup>	
B.C.	--	-- <sup>(2)</sup>	
Sask.	-- <sup>(3)</sup>	0.7 or 3.25 <sup>(3)</sup>	
Man.	0.1 or 0.3 <sup>(4)</sup>	3.0	
Ont.	-- <sup>(5)</sup>	-- <sup>(5)</sup>	
Qué.	0.12 <sup>(6)</sup>	0.24 <sup>(6)</sup>	
N.B.	-- <sup>(7)</sup>	3.0	
N.S.	0.1 or 0.2 <sup>(8)</sup>	4.0	
P.E.I.	--	5.0	
Nfld.	--	4.0	