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2009
B.C.

2009 INCOME TAX RATES FOR INDIVIDUALS (B.C.)

	<u>Taxable Income</u>	<u>Total Federal and B.C. Tax</u>	<u>% Tax Applicable to Balance of Income Bracket</u>	
Up to	\$ 35,716		20.06%	
Exceeding	35,716	\$ 5,142	22.70% on next	\$ 5,010
	40,726	6,280	29.70% on next	30,707
	71,433	15,400	32.50% on next	10,019
	81,452	18,656	36.50% on next	562
	82,014	18,861	38.29% on next	17,574
	99,588	25,590	40.70% on next	26,676
	126,264	36,447	43.70% on remainder	

*Assumes no dividend income and only the basic personal tax credit claimed.
Income brackets based on federal and provincial indexing for 2009.*

OTHER FACTS

- In 2009, an individual with no other income and claiming only the basic personal tax credit may receive \$32,400 of regular dividends, \$50,300 of “eligible” dividends or \$9,300 of salary without personal tax.
- OAS and EI are repayable as follows:
 - OAS: 15% of net income in excess of \$66,335
 - EI: 30% of net income in excess of \$52,875 (*First-time claimants and claimants who receive maternity, parental and sickness benefits do not have to repay those benefits.*)

Current as of August 31, 2009.

PERSONAL TAX CREDITS*

Basic personal	\$2,022
Spousal**	1,954
65 and over***	1,174
Pension	351
Disability	1,435
BC Tax Reduction Credit****	389

- * combined Federal and Provincial value (including provincial credits).
- ** reduced when spousal income exceeds \$803.
- *** reduced when income exceeds \$31,288.
- **** reduced when income exceeds \$17,285.

Individuals

<u>Taxable Income</u>	<u>Dividends*</u>		<u>Capital Gains*</u>	<u>Interest and Other</u>
	<u>Eligible**</u>	<u>Ineligible</u>		
\$ - 35,716	-	3.16%	10.03%	20.06%
35,716 - 40,726	-	6.46%	11.35%	22.70%
40,726 - 71,433	-	15.21%	14.85%	29.70%
71,433 - 81,452	3.68%	18.71%	16.25%	32.50%
81,452 - 82,014	9.48%	23.71%	18.25%	36.50%
82,014 - 99,588	12.07%	25.95%	19.15%	38.29%
99,588 - 126,264	15.57%	28.96%	20.35%	40.70%
Over \$126,264	19.92%	32.71%	21.85%	43.70%

* *These rates apply to the actual dividend and full capital gain realized.*

** *Most Canadian public and certain private corporations subject to the top corporate tax rate are able to declare "eligible" dividends with enhanced dividend tax credits.*

C.P.P. – 2009

Max. pensionable earnings	\$46,300.00
Basic exemption	3,500.00
Max. contribution (4.95%)	2,118.60
Max. self-employed contribution (2X)	4,237.20

EMPLOYMENT INSURANCE (E.I.) – 2009

Max. insurable earnings	\$42,300.00
Max. premiums (1.73%)	731.79
Max. employer contribution (1.4X)	1,024.51

W.C.B. – 2009 (B.C.)

Max. assessable earnings	\$68,500.00
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2008 AVERAGE EXCHANGE RATES

U.S.	1.0660	European Euro	1.5603
U.K.	1.9617	Hong Kong	0.1369

2009 CORPORATE TAX RATES (B.C.)

Active Business

- first \$400,000 (CCPC)	13.50%
- between \$400,000 and \$500,000	22.00%
- over \$500,000	30.00%

Investment Income

- portfolio dividends	33.33%
- capital gains	22.84%
- other	45.67%

MAX. DEDUCTIBLE RATE OF AUTOMOBILE ALLOWANCE

- First 5,000 km at 52¢/km, excess 46¢/km

PROBATE FEES

Gross value of estate

Rate

- \$25,000-\$50,000	0.6% of amount over \$25,000
- over \$50,000	1.4% of amount over \$50,000