

2007 INDIVIDUAL INCOME TAX (ONTARIO) *(reflecting October 30, 2007 Economic Statement Proposals)*

Combined Rates

Highest Marginal	2001 - 2005	2006	2007
Salary, Interest, Etc.	46.41%	46.41%	46.41%
Ineligible Dividends	31.34%	31.34%	31.34%
Eligible Dividends	N/A	25.09%	24.64%
Capital Gain	23.21%	23.21%	23.21%

Maximum Contributions

2007

2008

CPP employee/employer	\$1,989.90	\$2,049.30
CPP Self-employed	\$3,979.80	\$4,098.60
EI employee portion	\$720.00	\$711.03
EI employer portion	\$1,008.00	\$995.44
RRSP	\$19,000	\$20,000

<i>Federal Income Tax Table</i>	
<i>Taxable Income</i>	<i>Basic Federal Income Tax</i>
Up to \$37,178	15.00%
\$37,179 to \$74,357	\$5,577 + 22% on excess
\$74,358 to \$120,887	\$13,756 + 26% on excess
\$120,888 and over	\$25,854 + 29% on excess

Ontario Health Premium

Taxable Income	After 2004
Up to \$ 20,000	Nil
\$20,000 to 36,000	\$300
\$36,000 to \$48,000	\$450
\$48,000 to \$72,000	\$600
\$72,000 to \$200,000	\$750
Over \$200,000	\$900

Automobile Rates

Effective Date	Max. Ded'n per km (1 st 5,000km/excess)	Standby Charge
Jan 1/01-02	41 / 35	16
Jan 1/03-04	42 / 36	17
Jan 1/05	45 / 39	20
Jan 1/06-07	50 / 44	22

<i>Ontario Income Tax Table</i>	
<i>Taxable Income</i>	<i>Basic Ontario Income Tax</i>
Up to \$35,488	6.05%
\$35,489 to \$70,976	\$2,147 + 9.15% on excess
\$70,977 and over	\$5,394 + 11.16% on excess

Effective Date	Cost Limit	Monthly Lease Limit	Monthly Interest Limit
Jan 01/01 - Jun /30/06	\$34,500	\$920.00	\$300
Jul /01/06 - Dec /31/07	\$34,200	\$912.00	\$300

2007 Tax Table⁺ Quick Calculation *(including October 30, 2007 Proposals)*

<i>Taxable Income</i>	<i>Federal Income Tax</i>	<i>Ontario Income Tax</i>	<i>Ontario Surtax</i>	<i>Total Tax with Surtaxes</i>	<i>Marginal Tax Rate on Excess</i>	<i>Average Tax Rate</i>
\$	\$	\$	\$	\$	%	%
9,600	-	-	-	-	15.00	-
11,826	334	-	-	334	27.10	2.82
15,099	825	396	-	1,221	21.05	8.09
35,488	3,883	1,629	-	5,512	24.15	15.53
37,178	4,137	1,784	-	5,921	31.15	15.93
50,000	6,958	2,957	-	9,915	31.15	19.83
62,488	9,705	4,100	-	13,805	32.98	22.09
65,000	10,258	4,329	46	14,633	32.98	22.51
70,976	11,573	4,876	155	16,604	35.39	23.39
73,623	12,155	5,172	214	17,541	39.41	23.83
74,357	12,316	5,254	260	17,830	43.41	23.98
100,000	18,983	8,116	1,863	28,962	43.41	28.96
120,887	24,414	10,447	3,168	38,029	46.41	31.46

Federal Prescribed Interest Rates

Federal	Quarter			
	1 st	2 nd	3 rd	4 th
2003	5%	5%	6%	5%
2004	5%	5%	4%	5%
2005	5%	5%	5%	5%
2006	5%	6%	6%	7%
2007	7%	7%	7%	7%

Rate is 2% higher for late or deficient income tax payments and unremitted tax withholdings

Rate is 2% lower for deemed interest on employee & shareholder loans

+ This table cannot be used if taxable income includes Canadian dividends. This table does not include the Ontario Health Premium.

CORPORATE INCOME TAXES IN ONTARIO – December 31, 2007 Year End

	ABI & No M&P				ABI & M&P				CCPCs
	Low Rate	Low Ontario Rate	High Rate Claw-back	High Rate	Low Rate	Low Ontario Rate	High Rate Claw-back	High Rate	Investment Income***
Basic Federal Rate	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00
Provincial Abatement	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)
Refundable Tax									6.67
General Rate Reduction	0.00	0.00	(7.00)	(7.00)					
Small Business Deduction	(16.00)	(16.00)	0.00	0.00	(16.00)	(16.00)	0.00	0.00	
M & P Profits Deduction					0.00	0.00	(7.00)	(7.00)	
Surtax	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
Total Federal rate	13.12	13.12	22.12	22.12	13.12	13.12	22.12	22.12	35.79
Basic Ontario rate	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Small Business Deduction	(8.50)	(8.50)	0.00	0.00	(8.50)	(8.50)	0.00	0.00	
Ontario SBD Clawback	0.00	0.00	4.67	0.00	0.00	0.00	4.67	0.00	
M & P Profits Deduction					0.00	0.00	(2.00)	(2.00)	
Ontario M&P Adjustment					0.00	0.00	(1.10)	0.00	
Total Ontario rate	5.50	5.50	18.67	14.00	5.50	5.50	15.57	12.00	14.00
Total Tax – 2007**	18.62	18.62	40.79	36.12	18.62	18.62	37.69	34.12	49.79
Income Ranges*	-	300,001	400,001	Over	-	300,001	400,001	Over	
	300,000	400,000	1,128,519	1,128,519	300,000	400,000	1,128,519	1,128,519	
Scheduled									
Total Tax – 2008****	16.50	16.50	38.17	33.50	16.50	16.50	35.07	31.50	48.67
Historic									
Total Tax – 2006*	18.62	27.62	40.79	36.12	18.62	27.62	37.69	34.12	49.79
Total Tax – 2005*	18.62	27.62	40.79	36.12	18.62	27.62	37.69	34.12	49.79

* In 2005 and 2006, the Federal SBD threshold was \$300,000 and the Ontario threshold was \$400,000

** In 2007, the Federal SBD threshold increased to \$400,000

*** Ultimate net corporate tax rate of 23.12% after full dividend refund of 26.67%. Refer to the integration tables.

**** 2008 tax rates are based on the scheduled Federal and Ontario corporate tax rate reductions, including the reductions proposed in the October 30, 2007 Economic Statement.