

2008 INDIVIDUAL INCOME TAX (ONTARIO)

Combined Rates

Highest Marginal	2007	2008	2009
Salary, Interest, Etc.	46.41%	46.41%	46.41%
Ineligible Dividends	31.34%	31.34%	31.34%
Eligible Dividends	24.64%	23.96%	23.06%
Capital Gain	23.21%	23.21%	23.21%

Maximum Contributions 2008

CPP employee/employer	\$2,049.30
CPP Self-employed	\$4,098.60
EI employee portion	\$711.03
EI employer portion	\$995.44
RRSP	\$20,000

Federal Income Tax Table	
Taxable Income	Basic Federal Income Tax
Up to \$37,885	15%
\$37,886 to \$75,769	\$5,683 + 22% on excess
\$75,770 to \$123,184	\$14,018 + 26% on excess
\$123,185 and over	\$26,345 + 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 1/03-04	42 / 36	17
Jan 1/05	45 / 39	20
Jan 1/06-07	50 / 44	22
Jan 1/07-08	52 / 46	24

Ontario Income Tax Table	
Taxable Income	Basic Ontario Income Tax
Up to \$36,020	6.05%
\$36,021 to \$72,041	\$2,179 + 9.15% on excess
\$72,042 and over	\$5,475 + 11.16% on excess

Effective Date	Cost Limit	Monthly Lease Limit	Monthly Interest Limit
Jul /01/06 - Dec /31/07	\$34,200	\$912.00	\$300
Jan 1/08 – Dec/31/08	\$33,900	\$904.00	\$300

2008 Tax Table⁺ Quick Calculation

Taxable Income	Federal Income Tax	Ontario Income Tax	Ontario Surtax	Total Tax with Surtaxes	Marginal Tax Rate on Excess	Average Tax Rate
\$	\$	\$	\$	\$	%	%
8,681	-	-	-	-	0.00	0.00
9,600	-	-	-	-	15.00	0.00
12,003	361	-	-	361	27.11	3.00
15,326	859	402	-	1,261	21.05	8.23
36,020	3,963	1,654	-	5,617	24.16	15.59
37,885	4,243	1,824	-	6,067	31.15	16.02
50,000	6,908	2,933	-	9,841	31.15	19.68
63,432	9,863	4,162	-	14,025	33.02	22.11
65,000	10,208	4,306	29	14,543	32.98	22.37
72,041	11,757	4,950	158	16,865	35.39	23.41
74,720	12,347	5,249	217	17,813	39.41	23.84
75,769	12,577	5,366	283	18,226	43.41	24.05
100,000	18,877	8,070	1,797	28,745	43.41	28.74
123,184	24,905	10,658	3,246	38,809	46.41	31.50

Federal Prescribed Interest Rates

Federal	Quarter			
	1 st	2 nd	3 rd	4 th
2004	5%	5%	4%	5%
2005	5%	5%	5%	5%
2006	5%	6%	6%	7%
2007	7%	7%	7%	7%
2008	6%	6%	5%	-

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, 2008 Year End

	ABI & NO M&P				ABI & M&P				CCPC
	Low Rate	Low Ontario Rate	High Rate Clawback	High Rate	Low Rate	Low Ontario Rate	High Rate Clawback	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	-	(8.50)	(8.50)	(8.50)	-	-	-	-	-
Small Business Deduction	(17.00)	-	-	-	(17.00)	-	-	-	-
M & P Profits Deduction	-	-	-	-	-	(8.50)	(8.50)	(8.50)	-
Surtax***	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Federal Rate	11.00	19.50	19.50	19.50	11.00	19.50	19.50	19.50	34.67
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)	-	-	(8.50)	(8.50)	-	-	-
Ontario SBD Clawback	-	-	4.25	-	-	-	4.25	-	-
M & P Profits Deduction	-	-	-	-	-	-	(2.00)	(2.00)	-
Ontario M&P Adjustment	-	-	-	-	-	-	(1.00)	-	-
Total Ontario Rate	5.50	5.50	18.25	14.00	5.50	5.50	15.25	12.00	14.00
Total Tax – 2008 **	16.50	25.00	37.75	33.50	16.50	25.00	34.75	31.50	48.67
Scheduled Total Tax – 2009 *****	16.50	24.50	37.25	33.00	16.50	24.50	34.25	31.00	48.67
Total Tax – 2007 **	18.62	27.62	40.37	36.12	18.62	27.62	37.37	34.12	49.79
Income Ranges **	-	400,001	500,001	Over	-	400,001	500,001	Over	
	400,000	500,000	1,500,000	1,500,000	400,000	500,000	1,500,000	1,500,000	
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
Historical 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	

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

** In 2007, the Federal SBD threshold increased to \$400,000 and the Ontario SBD threshold increased to \$500,000. The income range for the Ontario SBD clawback increased to \$1,500,000.

*** The corporate surtax of 1.12% was eliminated, effective January 1, 2008.

**** Ultimate net corporate tax rate on investment income is 22.0% after full dividend refund of 26.67%. Refer to the integration tables.

***** 2009 tax rate is based on the scheduled Federal and Ontario corporate tax rate reductions.