



KINGSTON  
ROSS  
PASNAK LLP

## Tax Facts

Wednesday, October 18, 2017

CPP rates:	2016	2017
Maximum pensionable earnings	54,900	55,300
Basic exemption	3,500	3,500
Contribution rate	4.95%	4.95%
Maximum contribution per year	2,544.30	2,564.10

EI rates:	2016	2017
Yearly maximum earnings	50,800	51,300
Contribution rate (employee)	1.88%	1.83%
Employee maximum premium	955.04	836.19
Employer maximum	1,337.06	1,170.67

RRSP contribution limits:	2016	2017	2018
Max contribution room addition	25,370	26,010	26,230
Income to get maximum room	140,845	144,500	145,729
Over-contribution limit	2,000	2,000	2,000

Note that current year income establishes the additional RRSP room for next year.

TFSA contribution limits:	2016	2017
Maximum contribution room*	5,500	5,500

\*amounts withdrawn from TFSA plans can be re-contributed on January 1st of the year following the year in which the withdrawal was made.

Automobile Information:	2016	2017
Prescribed rate/km oper. benefit	0.26	0.25
-employee sells or leases autos	0.23	0.22
Class 10.1 maximum vehicle cost	30,000	30,000
Lease costs/month max def'n	800	800
Interest/month max def'n	300	300

Reasonable reimbursements:	2016	2017
-up to 5,000 km/over 5,000 km	0.54/0.48	0.55/0.49
-Territories	0.58/0.52	0.58/0.52

Travel Expenses (medical, moving, northern resident) (in c):	2016	2017
(in Alberta)	43.5	TBD

Individual marginal tax rates:	2016	2017
(in Alberta)		
Marginal Rate	2016	2017
0.00%	11,474	11,635
15.00%	18,451	18,690
25.00%	45,285	45,916
30.50%	90,563	91,831
32.00%	N/A	N/A
36.00%	125,000	126,625
38.00%	140,388	142,353
39.00%	N/A	N/A
41.00%	150,000	151,950
42.00%	200,000	202,600
43.00%	N/A	202,800
47.00%	N/A	303,900
48.00%	>300,000	>303,900

British Columbia top rate	2016	2017
	47.70%	47.70%
	>200,000	>202,800

Marginal tax rates on non-eligible dividends (not grossed up):	2016	2017
Marginal Rate	2016	2017
0.00%	22,800	20,559
8.13%	N/A	N/A
8.14%	N/A	N/A
12.84%	N/A	N/A
13.33%	45,282	N/A
14.38%	45,282	45,916
19.77%	90,563	N/A
20.82%	N/A	91,831
21.10%	N/A	N/A
25.82%	N/A	N/A
26.20%	125,000	N/A
27.25%	N/A	126,625
28.54%	140,388	N/A
29.36%	N/A	N/A
29.59%	N/A	142,353
32.05%	150,000	N/A
33.10%	N/A	151,950
33.22%	200,000	N/A
34.27%	N/A	202,600
35.44%	N/A	202,800
39.07%	300,000	303,900
40.12%	N/A	303,900
40.24%	>300,000	N/A
41.29%	N/A	>303,900

Marginal tax rates on eligible dividends (not grossed up):	2016	2017
Marginal Rate	2016	2017
0.00%	55,700	51,635
7.56%	90,563	N/A
9.63%	N/A	N/A
15.15%	125,000	126,625
17.91%	140,388	142,353
19.29%	N/A	N/A
22.05%	150,000	151,950
23.43%	200,000	202,600
24.81%	N/A	202,800
30.33%	300,000	303,900
31.71%	>300,000	>303,900

Alberta Dividend Tax Credits	2016	2017
(as a % of grossed-up dividends)		
Non-Eligible	3.08%	2.19%
Eligible	10.00%	10.00%

Age Credit	2016	2017
Credit	7,125	7,225
Phasing-out start	35,927	36,430
Full phasing out	83,427	84,597

Dividend Gross-Up Rates	2016	2017
Eligible Dividend	1.38	1.38
Ineligible Dividend	1.18	1.17
Enhanced Dividend Tax Credit	6/11	6/11
GRIP inclusion rate (based on cal yr)	0.72	0.72

Prescribed Interest rates:	2016	2017
January-March	5%	5%
April-June	5%	5%
July-September	5%	5%
October-December	5%	5%
Average	5%	5%

-subtract 2% for refund interest for non corporate taxpayers/ 4% for benefits & shareholder accounts & refund interest to corporate taxpayers

Capital gains inclusions (1972 - current)	2016	2017
-1972 to 1987: 1/2; 1988 & 1989: 2/3; 1990 to Feb 27/00: 3/4		
-Feb 28/00 to Oct 17/00: 2/3; after Oct 17/00: 1/2		

Capital gains exemption limit	2016	2017
	\$24,176	\$35,714

Corporate Tax Rates	2016	2017
Federal SBD rate	10.50%	10.50%
Federal General rate	15.00%	15.00%
Fed. inactive (no dividend refund)	38.67%	38.67%
Fed. inactive (dividend refund)	7.67%	7.67%
Federal SBD limit	500,000	500,000
Alberta SBD rate	3.00%	2.00%
Alberta General & inactive rate	12.00%	12.00%
Alberta SBD limit	500,000	500,000

Combined Tax Rates on Corporate Income		2016	2017
CCPC Active Income	<500,000	13.5%	12.5%
	>500,000	27%	27%
CCPC Investment Income	Interest	50.67%	50.67%
	Refundable Tax	30.67%	30.67%
	Capital Gains	25.34%	25.34%
	Refundable Tax	15.34%	15.34%

	Instalment deadline		Balance due deadline		Filing deadline	
	CCPC	Large Corp	CCPC	Large Corp	CCPC	Large Corp
General rule	Last day of month 3, 6, 9 and 12	Last day of each month	3 months		6 months after YE	
Federal	Waived if total tax is ≤ \$3,000 (Note 1)		Note 2	2 months	No Exceptions	
Alberta	Waived if Alberta income tax is ≤ \$2,000 (Note 1)		Note 3			

Note 1: in current or previous year.

Note 2: must be CCPC throughout the year, claim SBD1, had taxable income, on association basis, in taxation years ending in the previous calendar year ≤ the total business limit for those taxation years.

Note 3: must be CCPC throughout the year, claim SBD, and had taxable income ≤ \$500,000

Non-capital losses can be carried back 3 years and forward 7, 10 or 20 years:

- after 7 tax years if it arose in a tax year ending before March 23, 2004
- after 10 tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

Failure to file T2 return in a correct format:

- \$250 for year end in 2011, \$500 in 2012 and \$1,000 thereafter.

Source deduction remittances:

AMWA = Average Monthly Withholding Amount (from 2 years prior) for all associated corporations

Remitter types	AMWA prior to 2015	AMWA as of 2015	Due dates
New or regular remitter	<\$15,000	<\$25,000	15th day of month following when salary was paid
Accelerated remitter threshold 1	\$15,000 to \$49,999.99	\$25,000- \$99,999.99	Salary paid 1st 15 days of month, due the 25th of same month
	>\$50,000	>\$100,000	Salary paid 16th to end of month, due the 10th of next month
Accelerated remitter threshold 2			Salary paid 1st to 7th, 3 business days after the 7th
			Salary paid 8th to 14th, 3 business days after the 14th
Quarterly remitter	<\$3,000	<\$3,000	Salary paid 15th to 21st, 3 business days after the 21st
			Salary, paid 22nd to end of month, 3 business days after m/e
Good performers	up to 3 days late - 3% penalty; 4-5 days late - 5% penalty; 6-7 days late - 7% penalty		April 15, July 15, October 15 and January 15
Chronically late	Second offence in same calendar year = 20%		

Failure to file penalties calculations:

S.162(1): individuals: Apr30/Jun15; corporations: 6 months after y/e

=5% of unpaid tax + 1% per full month after due date (max 17%)

S.162(2): after Demand to File issued

=10% of unpaid tax + 2% per full month after due date (max 50%)

Information returns (T3, T4, T5, NR4, etc., over 50 same type of returns must file):

Number of returns	Legislated late-filing penalty	Relieving admin policy (max 100 days)
1 - 5	N/A	\$100 flat penalty
6 - 10	N/A	min \$100, \$5/day, max \$500
11 - 50	N/A	min \$100, \$10/day, max \$1,000
< 50	min \$100, \$10/day, max \$1,000	min \$100, \$10/day, max \$1,000
51-500	min \$100, \$15/day, max \$1,500	min \$100, \$15/day, max \$1,500
501-2,500	min \$100, \$25/day, max \$2,500	min \$100, \$25/day, max \$2,500
2,501-10,000	min \$100, \$50/day, max \$5,000	min \$100, \$50/day, max \$5,000
> 10,001	min \$100, \$75/day, max \$7,500	min \$100, \$75/day, max \$7,500

Refund Interest Calculations:

Federal corporate: latest of:	Federal individual:	AB corporate: latest of:
120 days after year end if return for year is filed on time; or	The latest of:	-actual filing date
The 30th day after the date the return was filed if it was filed late	- May 31st	-date of overpayment
	-31st day after return filed	
	- the day after you overpaid your taxes	

Tax Filings/ Instalments	Due Date
T4 Summary - Summary of Remuneration Paid	February 28, 2018
T5 Return - Return of Investment Income	February 28, 2018
Trust Returns (T3)	90 days after year end
2017 Personal Tax Returns:	
Individual	April 30, 2018
Individual with self-employment income	June 15, 2018
Taxes payable	April 30, 2018
2017 Instalment Due Dates: Personal Tax and Trust & Estates	Q1 (Mar 15); Q2 (Jun 15); Q3 (Sept 15) Q4 (Dec 15)
GST Return - Annual Filer	3 months after year end
GST Return - Quarterly Filer	1 month after quarter end
2017 GST Instalment Due Dates: Annual Filer December 2017	Q1 (Apr 30); Q2 (Jul 31); Q3 (Oct 31); Q4 (Jan 31)