

## 2005-2006 TAX FACTS FOR ONTARIO RESIDENTS

### TAX RATES ON ACTIVE CORPORATE INCOME FOR 2005 AND 2006

CCPC Active Income	2006	2005
\$ 0—\$ 300,000	18.62%	18.62%
\$300,001—\$ 400,000	27.62%	27.62%
\$400,001—\$1,128,520	40.79%	40.79%
> \$1,128,520	36.12%	36.12%
<b>CCPC Investment Income</b>	<b>2006</b>	<b>2005</b>
Other	49.79%	49.79%
Capital Gains	24.90%	24.90%

### RRSP LIMITS

Year	RRSP Deduction Limit	Prior Year Earned Income Required to Maximize RRSP
2005	\$ 16,500	\$ 91,667
2006	\$ 18,000	\$ 100,000

### PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS IN 2006

Taxable Income	Marginal Tax Rate On Salary	Marginal Tax Rate on Cash Dividends	Marginal Tax Rate on Capital Gains
\$ 1—\$ 9,039	0.00%	0.00%	0.00%
\$ 9,040—\$ 34,758	21.05%	3.23%	10.53%
\$34,759—\$ 36,378	24.15%	7.11%	12.08%
\$36,379—\$ 61,206	31.15%	15.86%	15.58%
\$61,206—\$ 69,517	32.98%	16.86%	16.49%
\$69,518—\$ 72,102	35.39%	19.88%	17.70%
\$72,103—\$ 72,756	39.41%	22.59%	19.71%
\$72,757—\$118,285	43.41%	27.59%	21.71%
> \$118,286	46.41%	31.34%	23.21%

### CPP & EI LIMITS

Year	CPP Limit	Maximum Pensionable Earnings	EI—Employee Limit	EI—Employer Limit	EI—Maximum Earnings
2005	\$ 1,861.20	\$ 41,100	\$ 760.50	\$ 1,064.70	\$ 39,000
2006	\$ 1,910.70	\$ 42,100	\$ 729.30	\$ 1,021.02	\$ 39,000

Note: Employer and employees pay the same CPP amount.

### PRESCRIBED INTEREST RATES (Note: These rates are for shareholder loans—refunds add 2%, overdue balances add 4%)

Quarter	2006	2005
1st quarter	3%	3%
2nd quarter	4%	3%
3rd quarter	4%	3%
4th quarter	5%	3%

### ONTARIO HEALTH PREMIUM RATES

Taxable Income threshold level	Phase-in Rate	Total premium for threshold	Cumulative premium
\$ 0—\$ 20,000	0%	\$ 0	\$ 0
\$ 20,001—\$ 25,000	6%	\$ 300	\$ 300
\$ 36,000—\$ 38,500	6%	\$ 150	\$ 450
\$ 48,000—\$ 48,600	25%	\$ 150	\$ 600
\$ 72,000—\$ 72,600	25%	\$ 150	\$ 750
\$200,000—\$200,600	25%	\$ 150	\$ 900

Note: No additional premium is payable for amounts in between the threshold levels (e.g., income between \$25,001-\$35,999 attracts no additional premium).

### WORKPLACE SAFETY & INSURANCE BOARD (WSIB)

	2006	2005
Annual Max Earnings Ceiling	\$ 69,400	\$ 67,700

### AUTOMOBILE AMOUNTS

Claim Description	2006	2005
Tax-exempt car reimbursements		
—first 5,000 km	50 cents/km	45 cents/km
—after 5,000 km	44 cents/km	39 cents/km
CCA threshold—Class 10.1	\$30,000	\$30,000
Interest expense limit	\$300/month	\$300/month
Leasing limit per month	\$800/mo+taxes	\$800/mo+taxes
Operating expense benefit re: standby charge	22 cents/km	20 cents/km

### CLAWBACK OF OLD AGE SECURITY

Year	OAS Benefit	Start of Clawback @ 15% if income is greater than	OAS fully clawed back when income is greater than
2005	\$ 5,706	\$ 60,806	\$ 98,850

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