2015 AUTOMOBILE DEDUCTION LIMITS

Effective January 1, 2015, the following passenger vehicle limits apply:

Maximum cost for CCA purposes will remain at $30,000 plus taxes.

Ceiling on deductible leasing costs will remain at $800 plus taxes.

The limit on allowable interest deduction for amounts borrowed to purchase an automobile will remain at $300 per month.

The limit on tax-exempt kilometre allowances increased to $0.55 for the first 5,000 kilometres driven and $0.49 for each additional kilometre.

2014 / 2013 AVERAGE EXCHANGE RATES

COUNTRY	CURRENCY	2014	2013
United States	Dollar	1.1045	1.0299
European Union	Euro	1.4671	1.3681
United Kingdom	Pound Sterling	1.8190	1.6113
Japan	Yen	0.0105	0.0106

2015 / 2014 PAYROLL DEDUCTIONS

		2015	2014
CPP	Max Pensionable Earnings	**$53,600.00**	**$ 52,500.00**
	Basic Annual Exemption	**$ 3,500.00**	**$ 3,500.00**
	Contribution Rate	4.95%	4.95%
	Max Employee Contribution	**$ 2,479.95**	**$ 2,425.50**
EI	Max Annual Insurance Earnings	**$49,500.00**	**$ 48,600.00**
	Premium Rate	1.88%	1.88%
	Max Employee Annual Premium	**$ 930.60**	**$ 913.68**

CORPORATE TAX RATES

Combined Federal and BC Rates for the year ended:	ACTIVE INCOME UP TO $500,000	NO SMALL BUSINESS DEDUCTION INCOME	NON-ACTIVE INVESTMENT INCOME
December 31, 2013	13.50	25.75	45.42
January 31, 2014.......	13.50	25.84	45.51
February 28, 2014......	13.50	25.92	45.58
March 31, 2014..........	13.50	26.00	45.67
April 30, 2014...........	13.50	26.00	45.67
May 31, 2014.............	13.50	26.00	45.67
June 30, 2014..........	13.50	26.00	45.67
July 31, 2014............	13.50	26.00	45.67
August 31, 2014........	13.50	26.00	45.67
September 30, 2014...	13.50	26.00	45.67
October 31, 2014.......	13.50	26.00	45.67
November 30, 2014....	13.50	26.00	45.67
December 31, 2014....	13.50	26.00	45.67

PRESCRIBED INTEREST RATES

	RECEIVER GENERAL PAYMENTS TO	FROM	ALL OTHER PURPOSES
2013 - Q1 ,Q2,Q3	5%	3%	1%
2013 - Q4	6%	4%	2%
2014 - Q1,Q2,Q3,Q4	5%	3%	1%
2015 - Q1	5%	3%	1%

HARMONIZED SALES TAX RATES

15% HST in Nova Scotia.

14% HST in Prince Edward Island.

13% HST in Ontario, New Brunswick and Newfoundland & Labrador.

5% GST in BC and all other provinces and the territories.

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EPR

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QUICK TAX 2015

2014 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS

Amount of credits:		FEDERAL AMOUNT	TOTAL Fed/BC CREDIT
Basic personal credit ($9,869 BC)		$11,138	$2,170
Age credit (Born 1949 or earlier; 65 and over)	1	6,916	1,261
Spousal/Partner and eligible dependants credit	2	11,138	2,099
Infirm dependants aged 18 or older	2	4,530	898
Caregiver credit	2	4,530	898
Family caregiver credit	3	2,058	309
Amount for children born 1997 or later - per child	4	2,255	338
Canada employment amount (maximum)	5	1,127	169
Pension income (maximum) (BC max = $1,000)	5	2,000	351
Disability credit		7,766	1,539
Education and textbook amounts, full-time per month	6		80
Education and textbook amounts, part-time per month	6		24
Credits as a percentage of:			
CPP contributions and EI premiums	7		20.06%
Public transit passes (Federal credit only)	8		15.00%
Children's fitness and arts credits	9		20.06%
Adoption expenses	10		20.06%
Tuition and eligible student loan interest	11		20.06%
Medical expenses (in excess of limitations)	12		20.06%
Charitable donations - first $200	13		20.06%
- remainder			43.70%

1 The Age credit begins to reduce when the taxpayer's net income reaches $34,873 / $32,943 and is fully reduced at $80,980 / $62,450 (Federal / BC).
2 The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are $0 / $845 for Spouse or Common-Law Partner; $6,607 / $6,879 for Infirm Dependant; and $15,472 / $14,615 for Caregiver Credit.
3 Additional $2,058 credit added to Spousal/Infirm/Caregiver credit amounts when the dependant has physical/mental infirmity.
4 Federal credit available for children under 18 (born 1997 or later).
5 Credits are the lesser of qualifying income amounts and Federal maximums.
6 In addition to tuition fees, a full-time student may also claim $465 / $200 per month enrolled; a part-time student may claim $140 / $60 per month.
7 Canada Pension Plan contribution is 4.95% of pensionable earnings. Basic exemption of $3,500; Maximum CPP pensionable earnings are $52,500. EI contribution rate is 1.88%. Maximum insurable earnings are $48,600.
8 You may be able to claim weekly, monthly or annual transit passes which permit unlimited travel within Canada for you, your spouse or your children.
9 You may claim up to a maximum of $1,000 per child for fitness and $500 for arts for fees paid in 2014 for eligible activities for children aged 16 (born 1998 or later) at the beginning of the tax year.
10 You may claim a credit for eligible adoption expenses related to the adoption of a child who is under the age of 18 up to a maximum of $15,000.
11 Tuition fees and educational credits are transferable to a spouse, parent or grandparent. The maximum transfer is $5,000 less the student's net income over $11,138 / $9,869. The student may carry forward unused amounts.
12 Medical expenses are first reduced by $2,171 / $2,052 (Federal / BC) or 3% of Net Income, whichever is less, in order to calculate allowable amount.
13 Charitable donations may not exceed 75% of net income except in the event of death (100%). Excess amounts may be carried forward for 5 years.
14 The following amounts may be transferred from a spouse, to the extent that they are not needed to reduce his or her federal income tax to zero: age amount, pension amount, disability amount, amount for eligible children, tuition fees and education amount.
15 OAS clawback begins at $71,592 and is fully recovered at $116,103.
16 Working Income Tax Benefit (BC) For Singles: Income between $4,750 and $19,721; Max benefit ($1,206) at $12,411; For Family: Income between $4,750 and $28,328. Max benefit ($1,914) at $16,728.

Split numbers represent Federal / BC amounts

QUICK TAX

INDIVIDUAL MARGINAL RATES - 2014

TAXABLE INCOME	Income	Dividends Eligible	Dividends Regular
$ 11,138 - $ 18,200	15.00%	0.00%	0.00%
$ 18,201 - $ 37,606	20.06%	0.00%	7.61%
$ 37,607 - $ 43,953	22.70%	0.00%	10.73%
$ 43,954 - $ 75,213	29.70%	6.46%	18.99%
$ 75,214 - $ 86,354	32.50%	10.32%	22.29%
$ 86,355 - $ 87,907	34.29%	12.79%	24.41%
$ 87,908 - $ 104,858	38.29%	18.31%	29.13%
$ 104,859 - $ 136,270	40.70%	21.64%	31.97%
$ 136,271- $ 150,000	43.70%	25.78%	35.51%
$ 150,001 AND OVER*	45.80%	28.68%	37.99%

* Temporary BC Tax Bracket for 2014 and 2015 on taxable income over $150,000.

2014 TAXABLE INCOME WITH BASIC EXEMPTION

TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	4,050	80,000	16,816
11,000	-	36,000	4,424	82,500	17,629
12,000	-	38,000	4,808	85,000	18,441
13,000	3	40,000	5,235	90,000	20,215
14,000	143	42,000	5,662	95,000	22,130
15,000	283	44,000	6,091	100,000	24,044
16,000	422	46,000	6,658	105,000	25,962
17,000	562	48,000	7,225	110,000	27,997
18,000	702	50,000	7,797	115,000	30,032
19,000	863	52,000	8,371	120,000	32,067
20,000	1,082	54,000	8,960	125,000	34,102
21,000	1,301	56,000	9,554	130,000	36,137
22,000	1,520	58,000	10,148	140,000	40,319
23,000	1,739	60,000	10,742	150,000	44,689
24,000	1,958	62,000	11,336	175,000	56,139
25,000	2,177	64,000	11,930	200,000	67,589
26,000	2,396	66,000	12,524	225,000	79,039
27,000	2,615	68,000	13,118	250,000	90,489
28,000	2,833	70,000	13,712	300,000	113,389
29,000	3,052	72,500	14,454	500,000	204,989
30,000	3,271	75,000	15,197	750,000	319,489
32,000	3,676	77,500	16,004	1,000,000	433,989

* Tax computations reflect general employment income with applicable credits for basic personal exemption, Canada employment amount, CPP and EI credits. Other credits may apply.

DIVIDEND INCOME WITH DIVIDEND TAX CREDIT

ACTUAL DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND	ACTUAL DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND
20,000	-	-	100,000	16,032	7,460
30,000	374	-	125,000	24,360	12,673
40,000	1,355	-	150,000	33,804	19,843
50,000	3,254	69	200,000	52,796	34,181
60,000	5,152	1,429	250,000	71,788	48,519
70,000	7,258	2,993	500,000	166,749	120,211
80,000	9,891	4,488	750,000	261,710	191,903
90,000	12,836	5,983	1,000,000	356,671	263,594

* Tax calculations are based on applicable gross-up amounts and include basic exemption only.

2014 / 2015 MAJOR CHANGES

- Businesses that earn income from one or more webpages or websites now have additional reporting requirements including number of webpages, URL addresses and percentage of gross income generated from the internet
- Family Tax Cut introduced a non-refundable federal tax credit up to $2,000 based on a “notional” transfer of income for eligible couples with at least one child under the age of 18 at December 31.
- For 2014 the Children’s Fitness credit increased to $1,000 per child for eligible activities. The credit will be made refundable effective for 2015 and subsequent tax years.
- Effective January 1, 2015, the Universal Child Care Benefit increases to $160/month for children under age 6 and a new benefit of $60/month is introduced for children 6-17 years.
- In 2015, Lifetime Capital Gains Exemption on Qualifying SBC Shares, farm or fishing property to increase to $813,600.
- In 2015, the Child Care Expense Deduction to increase by $1,000 to a maximum of: $8,000 per child under age 7, $5,000 for each child between 7-16 years, and $11,000 for children eligible for the Disability Tax Credit.

GOVERNMENT / CRA CONTACT

CRA - Individual Taxes	1-800-959-8281
CRA - Business Services	1-800-959-5525
HRDC - CPP/OAS/GIS	1-800-277-9914
PST Hotline	1-877-388-4440

PLANNING AND FILING DEADLINES IN 2015

March 2: Last day to issue T4’s, T4A’s and T5’s.

March 2: Last day to make personal and spousal RRSP contributions applicable to the 2014 taxation year.

March 16, June 15, September 15 & December 15: Quarterly installments for taxpayers who are required to remit quarterly.

April 30: File Personal Income Tax Returns for 2014 and remit balance due, if any, to CRA.

June 15: Due date for Personal Tax Returns of individuals or spouses/common-law partners of individuals with self-employed business income. (Payment of tax balance still due by April 30).

December 31: Deadline for RRSP contributions in the year a taxpayer turns 71. This is also the deadline for converting RRSPs into RRIFs or Life Annuities in a taxpayer’s 71st year.

RRIF MIN WITHDRAWAL RATES FOR AGE AT DEC 31

Age	%	Age	%	Age	%	Age	%
71	7.38	77	8.15	83	9.58	89	12.71
72	7.48	78	8.33	84	9.93	90	13.62
73	7.59	79	8.53	85	10.33	91	14.73
74	7.71	80	8.75	86	10.79	92	16.12
75	7.85	81	8.99	87	11.33	93	17.92
76	7.99	82	9.27	88	11.96	94+	20.00

*Under 71 = 1/(90-Age attained by individual at beginning of year)

The information in this booklet is general in nature; it discusses tax rates and planning matter in a broad sense. Consult your local EPR office in order to receive specific advice appropriate to your individual situation.