

**2017 AUTOMOBILE DEDUCTION LIMITS**

Effective January 1, 2017, 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 remains at \$0.54 (\$0.55-2018) for the first 5,000 kilometres driven and \$0.48 (\$0.49-2018) for each additional kilometre.

**2017 / 2016 AVERAGE EXCHANGE RATES**

COUNTRY	CURRENCY	2017	2016
United States	Dollar	1.2986	1.3248
European Union	Euro	1.4650	1.4660
United Kingdom	Pound Sterling	1.6720	1.7962
Japan	Yen	0.0116	0.0122

**2018 / 2017 PAYROLL DEDUCTIONS**

	2018	2017
<b>CPP</b> Max Pensionable Earnings	<b>\$55,900.00</b>	<b>\$ 55,300.00</b>
Basic Annual Exemption	<b>\$ 3,500.00</b>	<b>\$ 3,500.00</b>
Contribution Rate	4.95%	4.95%
Max Employee Contribution	<b>\$ 2,593.80</b>	<b>\$ 2,564.10</b>
<b>EI</b> Max Annual Insurance Earnings	<b>\$51,700.00</b>	<b>\$ 51,300.00</b>
Premium Rate	1.66%	1.63%
Max Employee Annual Premium	<b>\$ 858.22</b>	<b>\$ 836.19</b>

**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, 2016.....	13.00	26.00
January 31, 2017.....	13.00	26.00	49.67
February 28, 2017.....	13.00	26.00	49.67
March 31, 2017.....	13.00	26.00	49.67
April 30, 2017.....	12.96	26.00	49.67
May 31, 2017.....	12.92	26.00	49.67
June 30, 2017.....	12.88	26.00	49.67
July 31, 2017.....	12.83	26.00	49.67
August 31, 2017.....	12.79	26.00	49.67
September 30, 2017...	12.75	26.00	49.67
October 31, 2017.....	12.71	26.00	49.67
November 30, 2017....	12.67	26.00	49.67
December 31, 2017....	12.62	26.00	49.67

**PRESCRIBED INTEREST RATES**

	RECEIVER GENERAL PAYMENTS		ALL OTHER PURPOSES
	TO	FROM	
2015 - Q1, Q2, Q3, Q4	5%	3%	1%
2016 - Q1, Q2, Q3, Q4	5%	3%	1%
2017 - Q1, Q2, Q3, Q4	5%	3%	1%
2018 - Q1	5%	3%	1%

**GOODS & SERVICES / HARMONIZED SALES TAX RATES**

15% HST in Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland & Labrador  
 13% HST in Ontario  
 5% GST in BC and all other provinces and the territories

**Our Mission:** We are committed to continually gaining a deeper insight and understanding of our clients and their needs. We are dedicated to supporting and assisting each of our clients achieve success in their business purposes. We strive to offer and deliver services of quality and excellence, services designed to enhance client performance and value.

Technology, compliance, and specialization create ongoing challenges for everyone in our profession worldwide. At EPR, we understand the tremendous resources necessary to maintain the highest possible standards of client service.

Our firm is member of AGN International, a global association of separate and independent accounting and advisory businesses.

AGN International is composed of 5 regions. Within each region and worldwide, member firms collaborate to meet clients' needs, and improve client service by understanding each other's markets and sharing experience and knowledge.

Visit the AGN website to learn all about our global association: [www.agn.org](http://www.agn.org).

**Our Professional Services Include:****Financial Statements:**

Audits  
 Reviews  
 Compilations

**Taxation:**

Corporate Income Taxes  
 Personal Income Taxes  
 Trust & Estate Taxes  
 GST/HST/PST  
 SR&ED  
 Non-Resident

**Advisory Services:**

Business Acquisitions  
 Business Valuation  
 Corporate Reorganizations  
 Business Succession  
 Financial Restructuring  
 Business Plans  
 Budget Preparation  
 Will and Estate Planning  
 Personal Tax Planning  
 Feasibility Studies  
 Acquisitions / Dispositions



CHARTERED PROFESSIONAL ACCOUNTANTS

**MAPLE RIDGE**

22377 Dewdney Trunk Road, Maple Ridge, BC V2X 3J4  
 Telephone: (604) 467-5561

**Local Partners**

PATRICK SMITH, CPA, CGA [psmith@eprcpa.ca](mailto:psmith@eprcpa.ca)  
 KATHI HALPIN, CPA, CGA [khalpin@eprcpa.ca](mailto:khalpin@eprcpa.ca)  
 JOHN THOMSON, CPA, CGA [jthomson@eprcpa.ca](mailto:jthomson@eprcpa.ca)

**LANGLEY**

21542 48 Avenue, Langley, BC V3A 3M5  
 Telephone: (604) 534-1441

**Local Partners**

PAUL WALKER, FCPA, FCGA [pwalker@eprcpa.ca](mailto:pwalker@eprcpa.ca)  
 CHRISTINE KISS, CPA, CGA [ckiss@eprcpa.ca](mailto:ckiss@eprcpa.ca)

Website: [www.eprcpa.ca](http://www.eprcpa.ca)



An Independent Canadian Member  
 of AGN International



Maple Ridge Langley

Chartered Professional Accountants

**QUICK TAX  
 2018**

2017 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS			
		FEDERAL AMOUNT	TOTAL Fed/BC CREDIT
Amount of credits:			
Basic personal credit (\$10,208 BC)		\$11,635	\$2,262
Age credit (Born 1952 or earlier; 65 and over)	1	7,225	1,315
Spousal/Partner and eligible dependants credit	2	11,635	2,188
Infirm dependants aged 18 or older	2	0	226
Canada Caregiver credit	2,3	6,883	1,032
Canada Caregiver credit - child under 18	3	2,150	323
Canada employment amount (maximum)	4	1,178	177
Pension income (maximum) (BC max = \$1,000)	4	2,000	351
Disability credit		8,113	1,604
Education and textbook amounts, full-time per month	5		10
Education and textbook amounts, part-time per month	5		3
<b>Credits as a percentage of:</b>			
CPP contributions and EI premiums	6		20.06%
Public transit passes (Federal only)	7		15.00%
Children's fitness and arts credits (Provincial only)	8		5.06%
Adoption expenses	9		20.06%
Tuition and eligible student loan interest	10		20.06%
Medical expenses (in excess of limitations)	11		20.06%
Charitable donations - first \$200	12		20.06%
- remainder			43.70%

- The Age credit begins to reduce when the taxpayer's net income reaches \$36,430 / \$34,075 and is fully reduced at \$84,597 / \$64,595 (Federal / BC).
- The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are \$0 / \$874 for Spouse or Common-Law Partner; \$0 / \$7,115 for Infirm Dependant; and \$16,163 / \$0 for Canada Caregiver Credit.
- A credit up to a maximum of \$6,883 may be claimed for an infirm spouse, eligible dependant over 18, and certain adult relatives. The credit is limited to \$2,150 for infirm children under 18 years of age.
- Credits are the lesser of qualifying income amounts and Federal maximums.
- In addition to tuition fees, a provincial credit is available to full-time students for \$200 per month enrolled; a part-time student may claim \$60 per month.
- Canada Pension Plan contribution is 4.95% of pensionable earnings. Basic exemption of \$3,500; Maximum CPP pensionable earnings are \$55,300. EI contribution rate is 1.63%. Maximum insurable earnings are \$51,300.
- You may be able to claim weekly or monthly transit passes which permit unlimited travel within Canada for you, your spouse or your children up to June 30, 2017.
- You may claim up to a maximum of \$500 per child for fitness and arts fees paid in 2017 for eligible activities for children aged 16 (born 2001 or later) at the beginning of the tax year (BC credit only).
- 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 \$15,670.
- Tuition fees and the provincial education amount are transferable to eligible individuals. The maximum transfer is \$5,000 less the student's net income over \$11,635 / \$10,208. The student may carry forward unused amounts.
- Medical expenses are first reduced by \$2,268 / \$2,122 (Federal / BC) or 3% of Net Income, whichever is less, in order to calculate allowable amount.
- 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.
- 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 income amount, disability amount, Canada caregiver amount for infirm children under 18 years of age and tuition amount.
- OAS claw back begins at \$74,788 and is fully recovered at \$121,314.
- Working Income Tax Benefit (BC) For Singles: Income between \$4,750 and \$20,608; Max benefit (\$1,200) at \$12,965; For Family: Income between \$4,750 and \$29,596. Max benefit (\$1,903) at \$17,475.

Split numbers represent Federal / BC amounts

## EPR QUICK TAX

INDIVIDUAL MARGINAL RATES - 2017			
TAXABLE INCOME	Income	Eligible	Regular
\$ 11,636 - \$ 19,297	15.00%	0.00%	2.70%
\$ 19,298 - \$ 38,898	20.06%	0.00%	8.61%
\$ 38,899 - \$ 45,916	22.70%	0.00%	11.70%
\$ 45,917 - \$ 77,797	28.20%	4.39%	18.13%
\$ 77,798 - \$ 89,320	31.00%	8.25%	21.41%
\$ 89,321 - \$ 91,831	32.79%	10.72%	23.50%
\$ 91,832 - \$ 108,460	38.29%	18.31%	29.94%
\$ 108,461 - \$ 142,353	40.70%	21.64%	32.76%
\$ 142,354 - \$ 202,800	43.70%	25.78%	36.27%
\$ 202,801 AND OVER	47.70%	31.30%	40.95%

2017 TAXABLE INCOME WITH BASIC EXEMPTION					
TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	3,968	80,000	15,948
11,000	-	36,000	4,343	82,500	16,723
12,000	-	38,000	4,718	85,000	17,498
13,000	-	40,000	5,121	90,000	19,060
14,000	66	42,000	5,549	95,000	20,874
15,000	206	44,000	5,976	100,000	22,789
16,000	346	46,000	6,408	105,000	24,703
17,000	486	48,000	6,946	110,000	26,655
18,000	626	50,000	7,483	115,000	28,690
19,000	767	52,000	8,023	120,000	30,725
20,000	909	54,000	8,567	125,000	32,760
21,000	1,132	56,000	9,119	130,000	34,795
22,000	1,355	58,000	9,683	140,000	38,865
23,000	1,578	60,000	10,247	150,000	43,164
24,000	1,801	62,000	10,811	175,000	54,089
25,000	2,024	64,000	11,375	200,000	65,014
26,000	2,247	66,000	11,939	225,000	76,827
27,000	2,470	68,000	12,503	250,000	88,752
28,000	2,693	70,000	13,067	300,000	112,602
29,000	2,916	72,500	13,772	500,000	208,002
30,000	3,139	75,000	14,477	750,000	327,252
32,000	3,585	77,500	15,182	1,000,000	446,502

\*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	15,501	7,734
30,000	494	-	125,000	23,808	11,339
40,000	1,439	-	150,000	32,875	17,309
50,000	3,252	-	200,000	52,257	32,958
60,000	5,065	1,588	250,000	72,731	48,607
70,000	6,993	3,250	500,000	175,101	126,854
80,000	9,308	4,745	750,000	277,471	205,101
90,000	12,302	6,240	1,000,000	379,841	283,347

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

## 2017/2018 MAJOR CHANGES

### Effective 2017

- The federal children's fitness and arts tax credits and the education and textbook tax credits have been eliminated, however the provincial credit is still available for BC residents
- The Canada Caregiver Credit replaced the Infirm Dependant Amount, the Caregiver Amount and the Family Caregiver Amount. The provincial tax credits remain the same.
- June 30, 2017 the transit pass credit has been eliminated.

### Effective 2018

- Tax On Split Income (TOSI) – Effective January 1, 2018 TOSI rules have been expanded to affect adults receiving taxable dividends from private corporations unless specific exemptions apply. Please consult your local EPR office for more details.
- The 2018 RRSP contribution limit of \$26,230 is reached with earned income of \$145,722 (2017 \$26,010 and \$144,500)

## 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 2018

**February 28:** Last day to issue T4's, T4A's and T5's.

**March 1:** Last day to make personal and spousal RRSP contributions applicable to the 2017 taxation year.

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

**April 30:** File Personal Income Tax Returns for 2017 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 71<sup>st</sup> year.

## RRIF MIN WITHDRAWAL RATES FOR AGE AT DEC 31

Age	%	Age	%	Age	%	Age	%	
71	5.28	77	6.17	83	7.71	89	10.99	
72	5.40	78	6.36	84	8.08	90	11.92	
73	5.53	79	6.58	85	8.51	91	13.06	
74	5.67	80	6.82	86	8.99	92	14.49	
75	5.82	81	7.08	87	9.55	93	16.34	
76	5.98	82	7.38	88	10.21	94	18.79	
* Under 71 + 1/(90-Age attained at beginning of year)							95+	20.00

*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.*