

2021 AUTOMOBILE DEDUCTION LIMITS	
Effective January 1, 2021 the following passenger vehicle limits apply: Maximum cost for CCA purposes will remain at \$30,000 plus taxes (\$34,000 - 2022) for the majority of passenger vehicles, and \$55,000 plus taxes (\$59,000 - 2022) for zero-emission passenger vehicles.	
Ceiling on deductible leasing costs remains at \$800 plus taxes (\$900 - 2022).	
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 will remain at \$0.59 (\$0.61 - 2022) for the first 5,000 kilometres driven and \$0.53 (\$0.55 - 2022) for each additional kilometre.	

2021 / 2020 AVERAGE EXCHANGE RATES			
COUNTRY	CURRENCY	2021	2020
United States	Dollar	1.2535	1.3415
European Union	Euro	1.4828	1.5298
United Kingdom	Pound Sterling	1.7246	1.7199
Japan	Yen	0.0114	0.0126

2021 / 2022 PAYROLL DEDUCTIONS			
		2022	2021
CPP	Max Pensionable Earnings	\$64,900.00	\$ 61,600.00
	Basic Annual Exemption	\$ 3,500.00	\$ 3,500.00
	Contribution Rate	5.70%	5.45%
	Max Employee Contribution	\$ 3,499.80	\$ 3,166.45
EI	Max Annual Insurance Earnings	\$60,300.00	\$ 56,300.00
	Premium Rate	1.58%	1.58%
	Max Employee Annual Premium	\$ 952.74	\$ 889.54

CORPORATE TAX RATES				
Combined Federal and BC Rates for the year ended:	ACTIVE INCOME	NO SMALL BUSINESS DEDUCTION UP TO \$500,000	NON-ACTIVE INVESTMENT INCOME	
		11.00	27.00	50.67
	December 31, 2020.....	11.00	27.00	50.67
January 31, 2021.....	11.00	27.00	50.67	
February 29, 2021.....	11.00	27.00	50.67	
March 31, 2021.....	11.00	27.00	50.67	
April 30, 2021.....	11.00	27.00	50.67	
May 31, 2021.....	11.00	27.00	50.67	
June 30, 2021.....	11.00	27.00	50.67	
July 31, 2021.....	11.00	27.00	50.67	
August 31, 2021.....	11.00	27.00	50.67	
September 30, 2021...	11.00	27.00	50.67	
October 31, 2021.....	11.00	27.00	50.67	
November 30, 2021.....	11.00	27.00	50.67	
December 31, 2021....	11.00	27.00	50.67	

PRESCRIBED INTEREST RATES				
		RECEIVER GENERAL PAYMENTS		ALL OTHER PURPOSES
		TO	FROM	
2019 -	ALL QTRS	6%	4%	2%
2020 -	Q1, Q2	6%	4%	2%
2020 -	Q3, Q4	5%	3%	1%
2021 -	ALL QTRS	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.

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



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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.



Maple Ridge Langley

Chartered Professional Accountants

QUICK TAX
2022

2021 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS			
		FEDERAL AMOUNT	TOTAL Fed/BC CREDIT
Amount of credits:			
Basic personal credit (\$11,070 BC)	1	\$13,808	2,631
Age credit (Born 1957 or earlier; 65 and over)	2	7,713	1,408
Spousal/Partner and eligible dependants credit	3	13,808	2,551
Canada Caregiver credit	3,4	7,348	1,347
Canada Caregiver credit - child under 18	4	2,295	344
Canada employment amount (maximum)	5	1,257	189
Pension income (maximum) (BC max = \$1,000)	5	2,000	351
Disability credit		8,662	1,719
Disability supplement - child under 18	6	5,053	4,844
Credits as a percentage of:			
CPP contributions and EI premiums	7		20.06%
Adoption expenses	8		20.06%
Tuition and eligible student loan interest	9		20.06%
Medical expenses (in excess of limitations)	10		20.06%
Charitable donations - first \$200	11		20.06%
- remainder			45.80%

- The federal basic personal amount is gradually reduced when the taxpayer's net income reaches \$151,978 and is fully reduced to \$12,421 when net income exceeds \$216,512.
- The Age credit begins to reduce when the taxpayer's net income reaches \$38,893 / \$36,954 and is fully reduced at \$90,313 / \$70,047 (Federal / BC).
- The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are \$0 / \$948 for Spouse or Common-Law Partner; and \$17,256 / \$16,394 for Canada Caregiver Credit.
- A credit up to a maximum of \$7,348 may be claimed for an infirm spouse, eligible dependant over 18, and certain adult relatives. The credit is limited to \$2,295 for infirm children under 18 years of age.
- Credits are the lesser of qualifying income amounts and Federal maximums.
- For taxpayers under the age of 18 at the end of the tax year, a disability supplement of \$5,053 / \$4,844 is available. Supplement is reduced by amounts claimed for medical expenses, child or attendant care.
- Canada Pension Plan contribution is 5.45% of pensionable earnings. Basic exemption-\$3,500; Max CPP pensionable earnings are \$61,600. EI contribution rate is 1.58%. Max insurable earnings are \$56,300. CPP Contributions exceeding \$2,830.54 qualify for income deduction.
- 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 \$16,729.
- Tuition fees are transferable to eligible individuals. The maximum transfer is \$5,000 less the student's net income over \$13,808 / \$11,070. The student may carry forward unused amounts.
- Medical expenses are first reduced by \$2,421 / \$2,302 (Federal / BC) or 3% of Net Income, whichever is less.
- 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 workers benefit (CWB) For Singles: Income below \$32,244; Max benefit (\$1,395) at \$8,167; For Family: Income below \$42,197. Max benefit (\$2,403) at \$11,900.
- OAS clawback begins at \$79,845 and is fully recovered at \$129,757.

Split numbers represent Federal / BC amounts

QUICK TAX

INDIVIDUAL MARGINAL RATES - 2021			
TAXABLE INCOME	Dividends		
	Income	Eligible	Regular
\$ 13,808 - \$ 21,418	15.00%	0.00%	4.61%
\$ 21,419 - \$ 42,184	20.06%	0.00%	10.42%
\$ 42,185 - \$ 49,020	22.70%	0.00%	13.46%
\$ 49,021 - \$ 84,369	28.20%	1.63%	19.79%
\$ 84,370 - \$96,866	31.00%	5.49%	23.01%
\$ 96,867 - \$ 98,040	32.79%	7.96%	25.06%
\$ 98,041 - \$ 117,623	38.29%	15.55%	31.39%
\$ 117,624 - \$ 151,978	40.70%	18.88%	34.16%
\$151,979 - \$159,483*	44.02%	23.46%	37.99%
\$159,484 - \$216,511*	46.12%	26.36%	40.41%
\$ 216,512 - \$222,420	49.80%	31.44%	44.63%
\$222,421 AND OVER	53.50%	36.54%	48.88%

* marginal rates adjusted to reflect reduction of enhanced federal personal amount

2021 TAXABLE INCOME WITH BASIC EXEMPTION					
TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	3,521	80,000	15,093
11,000	-	36,000	3,932	82,500	15,798
12,000	-	38,000	4,305	85,000	16,513
13,000	-	40,000	4,678	90,000	18,063
14,000	-	42,000	5,051	95,000	19,613
15,000	-	44,000	5,467	100,000	21,305
16,000	-	46,000	5,892	105,000	23,220
17,000	140	48,000	6,318	110,000	25,134
18,000	279	50,000	6,814	115,000	27,049
19,000	419	52,000	7,320	120,000	29,014
20,000	558	54,000	7,855	125,000	31,049
21,000	697	56,000	8,390	130,000	33,084
22,000	858	58,000	8,930	140,000	37,154
23,000	1,080	60,000	9,471	150,000	41,224
24,000	1,302	62,000	10,018	175,000	52,474
25,000	1,524	64,000	10,581	200,000	64,004
26,000	1,745	66,000	11,145	225,000	75,921
27,000	1,967	68,000	11,709	250,000	89,296
28,000	2,189	70,000	12,273	300,000	116,046
29,000	2,411	72,500	12,978	500,000	223,046
30,000	2,633	75,000	13,683	750,000	356,796
32,000	3,077	77,500	14,388	1,000,000	490,546

*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					
DIVIDEND	REGULAR	ELIGIBLE	ACTUAL	REGULAR	ELIGIBLE
	DIVIDEND	DIVIDEND	DIVIDEND	DIVIDEND	DIVIDEND
20,000	-	-	100,000	15,465	7,581
30,000	494	-	125,000	23,944	11,177
40,000	1,642	-	150,000	33,441	14,667
50,000	3,455	-	200,000	54,418	29,731
60,000	5,434	1,242	250,000	78,861	48,002
70,000	7,413	3,070	500,000	201,077	139,359
80,000	9,606	4,591	750,000	323,293	230,715
90,000	12,326	6,086	1,000,000	445,509	322,072

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

2021/2022 CHANGES

Effective 2021

- Eligible employees who work more than 50% from home for at least four weeks due to COVID 19 pandemic, can continue to claim \$2 a day for each day worked from home to a maximum of \$500 per individual (2020 \$400)
- Government COVID 19 benefit payments need to be reported on the T1 return. Amounts repaid in 2021 for amounts received in 2020 can be claimed in the year the benefit was paid or in the year of repayment.
- In 2021, the federal basic personal amount has increased to \$13,808 (2020 \$13,299) for individuals with net income of \$151,978 or less. This amount is gradually decreased for individuals with Net income above this threshold to \$216,511, at which the basic personal amount is \$12,421. The federal basic personal amount will continue to be increased each year to \$15,000 by 2023.

Effective 2022

- The taxable benefit for personal use of an automobile where the employer pays the operating expenses will be \$0.29 (2021 \$0.27)
- The maximum cost for CCA purposes will increase to \$34,000 plus taxes for the majority of passenger vehicles and \$59,000 for zero-emission passenger vehicles
- The CPP rate increased to 5.70% (2021 5.45%) with the maximum pensionable earnings of \$64,900 (2021 \$61,600).
- The 2022 RRSP contribution limit of \$29,210 is reached with earned income of \$154,611 (2021 \$ 27,230 and \$151,277).
- The 2022 TFSA contribution limit remains at \$6,000. Any withdrawals made during the year are added back into the contribution room in the following year.
- Proposed for 2022, the eligible educator school supply tax credit will increase from 15% to 25% and the list of goods that qualify for the credit will be expanded.

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 2022

Feb 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 2021 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 2021 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	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