

2011 Quick Facts on Tax

FOR ADVISOR USE ONLY

TAX RATES

| Basic personal tax exemption | \$10,527 | | | | | | | | | | |
|--|---|----------------|--------------|----------------|-----|---------------------|-----|----------------------|-----|--------------------|-----|
| Federal tax brackets and rates (based on taxable income) | <table><thead><tr><th>Taxable income</th><th>Federal rate</th></tr></thead><tbody><tr><td>\$0 – \$41,543</td><td>15%</td></tr><tr><td>\$41,544 – \$83,087</td><td>22%</td></tr><tr><td>\$83,088 – \$128,799</td><td>26%</td></tr><tr><td>\$128,800 and over</td><td>29%</td></tr></tbody></table> | Taxable income | Federal rate | \$0 – \$41,543 | 15% | \$41,544 – \$83,087 | 22% | \$83,088 – \$128,799 | 26% | \$128,800 and over | 29% |
| Taxable income | Federal rate | | | | | | | | | | |
| \$0 – \$41,543 | 15% | | | | | | | | | | |
| \$41,544 – \$83,087 | 22% | | | | | | | | | | |
| \$83,088 – \$128,799 | 26% | | | | | | | | | | |
| \$128,800 and over | 29% | | | | | | | | | | |
| Earned Income, Interest Income and Foreign Income | Fully taxable at the rates above plus applicable provincial or territorial tax | | | | | | | | | | |
| Eligible Canadian dividends | Gross up is 41%; taxable amount is 141% Federal tax credit is 16.4354% of taxable amount | | | | | | | | | | |
| Capital Gains Inclusion Rate | 50% of most net capital gains are taxable, generally in the year they are received or “triggered” | | | | | | | | | | |

REGISTERED PLANS

| RRSP – maximum annual deduction limit | \$22,000 for 2010 \$22,450 for 2011 | | | | | | | | | | | | |
|---|---|----------------|----------------|---------------|-----|-----|--------------------|-----|-----|---------------|-----|-----|--|
| RRSP – withholding tax on withdrawals | | | | | | | | | | | | | |
| <table><thead><tr><th>Amount</th><th>Quebec</th><th>Rest of Canada</th></tr></thead><tbody><tr><td>Up to \$5,000</td><td>21%</td><td>10%</td></tr><tr><td>\$5,000 – \$15,000</td><td>25%</td><td>20%</td></tr><tr><td>Over \$15,000</td><td>31%</td><td>30%</td></tr></tbody></table> | Amount | Quebec | Rest of Canada | Up to \$5,000 | 21% | 10% | \$5,000 – \$15,000 | 25% | 20% | Over \$15,000 | 31% | 30% | |
| Amount | Quebec | Rest of Canada | | | | | | | | | | | |
| Up to \$5,000 | 21% | 10% | | | | | | | | | | | |
| \$5,000 – \$15,000 | 25% | 20% | | | | | | | | | | | |
| Over \$15,000 | 31% | 30% | | | | | | | | | | | |
| TFSA Annual Limit | \$5,000 | | | | | | | | | | | | |
| Registered Disability Savings | No annual limit but a lifetime cap of \$200,000 | | | | | | | | | | | | |

PENSION PLANS

| | |
|--|--|
| Maximum CPP/QPP benefit at age 65 | \$960.00 per month |
| Maximum CPP/QPP benefit at age 60 | \$672.00 per month |
| Maximum OAS benefit for Q1 | \$524.23 per month |
| OAS clawback rate | \$0.15 for every \$1 of net income above \$67,668; the full OAS is eliminated at a net (taxable) income of \$109,607 or higher |
| Pension Tax Credit for taxpayers aged 65 plus | First \$2,000 from private pension plan or Registered Retirement Income Fund (RRIF) |

EDUCATION

| | |
|--|--|
| Maximum annual RESP contribution | Unlimited annual up to lifetime maximum of \$50,000 per beneficiary |
| Annual RESP contribution for maximum CESG | 20% of first \$2,500 per beneficiary = CESG up to \$500 Plus 20% of next \$2,500 per beneficiary if carry forward room is available = additional CESG up to \$500 |
| Maximum annual CESG | \$1,000 per year per beneficiary |
| Maximum annual RESP withdrawal | In first semester of post-secondary studies there is a maximum Educational Assistance Payment of \$5,000; no cap in subsequent years but withdrawals must be reasonable |

EXTERNAL RESOURCES

| | |
|------------------------------|--|
| Canada Revenue Agency | |
| Website | www.cra-arc.gc.ca/menu-e.html |
| Helpline | 1-800-959-8281 |
| CPP/OAS Hotline | 1-800-277-9914 |



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