

# CPA CFE REFERENCE SCHEDULE 2017

## 1. PRESENT VALUE OF TAX SHIELD FOR AMORTIZABLE ASSETS

Present value of Total Tax Shield from CCA for a New Asset

$$= \frac{CTd}{(d+k)} \left( \frac{2+k}{2(1+k)} \right) = \frac{CdT}{(d+k)} \left( \frac{1+0.5k}{1+k} \right)$$

**Notation for above formula:**

$C$  = net initial investment

$T$  = corporate tax rate

$k$  = discount rate or time value of money

$d$  = maximum rate of capital cost allowance

## 2. SELECTED PRESCRIBED AUTOMOBILE AMOUNTS

	<b>2016</b>	<b>2017</b>
Maximum depreciable cost - Class 10.1	\$30,000 + sales tax	\$30,000 + sales tax
Maximum monthly deductible lease cost	\$800 + sales tax	\$800 + sales tax
Maximum monthly deductible interest cost	\$300	\$300
Operating cost benefit - employee	26¢ per km of personal use	25¢ per km of personal use
Non-taxable automobile allowance rates		
- first 5,000 kilometres	54¢ per km	54¢ per km
- balance	48¢ per km	48¢ per km

## 3. INDIVIDUAL FEDERAL INCOME TAX RATES

**For 2016**

<u>If taxable income is between</u>	<u>Tax on base amount</u>	<u>Tax on excess</u>
\$0 and \$45,282	\$0	15%
\$45,283 and \$90,563	\$6,792	20.5%
\$90,564 and \$140,388	\$16,075	26%
\$140,389 and \$200,000	\$29,029	29%
\$200,001 and any amount	\$46,316	33%

**For 2017**

<u>If taxable income is between</u>	<u>Tax on base amount</u>	<u>Tax on excess</u>
\$0 and \$45,916	\$0	15%
\$45,917 and \$91,831	\$6,887	20.5%
\$91,832 and \$142,253	\$16,300	26%
\$142,254 and \$202,800	\$29,436	29%
\$202,801 and any amount	\$46,965	33%

#### 4. SELECTED INDEXED AMOUNTS FOR PURPOSES OF COMPUTING INCOME TAX

Personal tax credits are a maximum of 15% of the following amounts:

	<b>2016</b>	<b>2017</b>
Basic personal amount	\$11,474	\$11,635
Spouse, common-law partner, or eligible dependant amount	11,474	11,635
Age amount if 65 or over in the year	7,125	7,225
Net income threshold for age amount	35,927	36,430
Canada employment amount	1,161	1,178
Disability amount	8,001	8,113
Infirm dependants 18 & over	6,788	6,883
Net income threshold for infirm dependants 18 & over	6,807	6,902
Adoption expenses	15,453	15,670

Other indexed amounts are as follows:

	<b>2016</b>	<b>2017</b>
Medical expenses tax credit - 3% of net income ceiling	\$2,237	\$2,268
Annual TFSA dollar limit	5,500	5,500
RRSP dollar limit	25,370	26,010
Lifetime capital gains exemption on qualified small business corporation shares	824,176	835,716

#### 5. PRESCRIBED INTEREST RATES (base rates)

<u>Year</u>	<u>Jan. 1 - Mar. 31</u>	<u>Apr. 1 - June 30</u>	<u>July 1 - Sept. 30</u>	<u>Oct. 1 - Dec. 31</u>
2017	1	1		
2016	1	1	1	1
2015	1	1	1	1

This is the rate used for taxable benefits for employees and shareholders, low-interest loans and other related-party transactions. The rate is 4 percentage points higher for late or deficient income tax payments and unremitted withholdings. The rate is 2 percentage points higher for tax refunds to taxpayers with exception of corporations, for which the base rate is used.

## 6. MAXIMUM CAPITAL COST ALLOWANCE RATES FOR SELECTED CLASSES

Class 1.....	4%	for all buildings, except those below
Class 1.....	6%	for new non-residential buildings acquired after March 18, 2007
Class 1.....	10%	for new manufacturing and processing buildings acquired after March 18, 2007
Class 8.....	20%	
Class 10.....	30%	
Class 10.1.....	30%	
Class 12.....	100%	
Class 13.....		Original lease period plus one renewal period (minimum 5 years and maximum 40 years)
Class 14.....		Length of life of property
Class 14.1.....	5% / 7%	
Class 17.....	8%	
Class 29.....	50%	straight-line
Class 43.....	30%	
Class 44.....	25%	
Class 45.....	45%	
Class 50.....	55%	
Class 53.....	50%	

