

TAX APPENDIX 2020

2020 INDIVIDUAL FEDERAL INCOME TAX RATES

| <u>If taxable income is between</u> | <u>Tax on base amount</u> | <u>Tax on excess</u> |
|-------------------------------------|---------------------------|----------------------|
| \$0 and \$48,535 | \$0 | 15% |
| \$48,536 and \$97,069 | \$7,280 | 20.5% |
| \$97,070 and \$150,473 | \$17,230 | 26% |
| \$150,474 and \$214,368 | \$31,115 | 29% |
| \$214,369 and any amount | \$49,645 | 33% |

2020 SELECTED NON-REFUNDABLE TAX CREDITS INDEXED AMOUNTS PERMITTED TO INDIVIDUALS FOR PURPOSES OF COMPUTING FEDERAL INCOME TAX

The tax credits are 15% of the following amounts:

| | |
|--|----------|
| Basic personal amount (if net income (NI) \geq 33% tax bracket) | \$12,298 |
| Basic personal amount (if net income (NI) \leq 29% tax bracket) | 13,229 |
| Spouse, common-law partner or eligible dependant amount (if NI \geq 33% tax bracket) | 12,298 |
| Spouse, common-law partner or eligible dependant amount (if NI \leq 29% tax bracket) | 13,229 |
| Net income threshold for Spouse, ... partner or eligible dependant amount | 0 |
| Age amount if 65 or over in the year | 7,637 |
| Net income threshold for Age amount | 38,508 |
| Canada Caregiver amount (CCA) (children under age 18) | 2,273 |
| Canada Caregiver amount (CCA) (infirm dependants age 18 or older) | 7,276 |
| Net income threshold for Canada caregiver amount (CCA) | 17,085 |
| Disability amount | 8,576 |
| Supplement for children with disabilities | 5,003 |
| Adoption expenses credit limit | 16,563 |
| Canada employment amount | 1,245 |
| Pension | 2,000 |

Other amounts:

| | |
|--|-------------------------------------|
| CPP (Canada Pension Plan) | 58,700 / 3,500 / (5.25%) / 2,898 |
| EI (Employment Insurance) | 54,200 / (1.58%) / 856 |
| Annual Tax-Free Savings Account (TFSA) limit | 6,000 |
| Medical expenses | 2,397 |
| Federal Political contribution | 3/4 (400) / 1/2 (750) / 1/3 (1,275) |
| RRSP dollar limit | 27,230 |
| Dividends (Non-eligible / Eligible) | 15% / 38% + 10.38% / 20.73% |
| Canada training credit minimum working income threshold / (max NI) | 10,000 (147,667) |
| Basic amount for GST credit | 38,507 |
| Basic amount for OAS clawback | 79,054 |
| Lifetime capital gains exemption on qualified small business corporation shares | 883,384 |

CORPORATE FEDERAL INCOME TAX RATE

The tax payable by a corporation on its taxable income under Part I of the *Income Tax Act* is 38% before any additions and/or deductions.

TAX APPENDIX 2020 (continued)

MAXIMUM CAPITAL COST ALLOWANCE RATES FOR SELECTED CLASSES

| | | |
|-------------------|------|---|
| Class 1..... | 4% | For all buildings except those below |
| Class 1..... | 6% | used for non-residential activities |
| Class 1..... | 10% | used for manufacturing and processing activities |
| Class 3..... | 5% | |
| 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% | For property acquired after December 31, 2016 |
| Class 17..... | 8% | |
| Class 29..... | 50% | Straight-line |
| Class 39..... | 25% | |
| Class 43..... | 30% | |
| Class 44..... | 25% | |
| Class 45..... | 45% | |
| Class 46..... | 30% | |
| Class 50..... | 55% | |
| Class 52..... | 100% | |
| Class 53..... | 50% | |
| Class 54, 55..... | 100% | |

SELECTED PRESCRIBED AUTOMOBILE AMOUNTS

| | |
|--|---|
| Maximum depreciable cost - Class 10.1 | \$30,000 + GST + PST |
| Maximum depreciable cost - zero-emission passenger vehicle | \$55,000 + GST + PST |
| Maximum monthly deductible lease cost | \$800 + GST + PST |
| Maximum monthly deductible interest cost | \$300 |
| Operating cost benefit - employee | 28¢ / 25¢ per kilometre of personal use |
| Non-taxable car allowance benefit limits | |
| - first 5,000 km | 59¢ per kilometre |
| - balance | 53¢ per kilometre |

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> |
|-------------|-------------------------|-------------------------|--------------------------|-------------------------|
| 2020 | 2 | | | |
| 2019 | 2 | 2 | 2 | 2 |
| 2018 | 1 | 2 | 2 | 2 |
| 2017 | 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.