

TAX APPENDIX 2006

MAXIMUM CAPITAL COST ALLOWANCE RATES FOR SELECTED CLASSES

Class 1	4%
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 17	8%
Class 39	25%
Class 43	30%
Class 44	25%
Class 45	45%
Class 46	30%

SELECTED PRESCRIBED AUTOMOBILE AMOUNTS

Maximum depreciable cost - Class 10.1	\$30,000 + GST
Maximum monthly deductible lease cost	\$800 + GST
Maximum monthly deductible interest cost	\$300
Operating cost benefit - employee	22¢ per kilometre of personal use
Non-taxable car allowance benefit limits	
- first 5,000 km	50¢ per kilometre
- balance	44¢ per kilometre

2006 INDIVIDUAL FEDERAL INCOME TAX RATES

Income Tax Rate Schedule - Individuals

<u>Taxable Income</u>	<u>Tax</u>
\$36,378 or less	15.25%
\$36,379 to \$72,755	\$ 5,548 + 22% on next \$36,377
\$72,756 to \$118,284	\$13,551 + 26% on next \$45,529
\$118,285 or more	\$25,388 + 29% on remainder

TAX APPENDIX 2006 (continued)

2006 SELECTED NON-REFUNDABLE TAX CREDITS PERMITTED TO INDIVIDUALS FOR PURPOSES OF COMPUTING INCOME TAX

The tax credits are 15.25% of the following amounts:

Basic personal amount	\$8,839
Married and equivalent to spouse amount	7,505
Net income threshold for married or equivalent amount	751
Age 65 or over in the year	4,066
Disability amount	6,741
Disabled dependents who reach 18 in the year	3,933
Net income threshold for disabled dependents 18 and over	5,580
Caregiver	3,933
Net income threshold for caregiver	13,430
Basic amount for:	
Age credit and GST credit	30,270
Child tax benefit	36,378
OAS clawback	62,144

CORPORATE FEDERAL INCOME TAX RATE

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

PRESCRIBED INTEREST 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>
2006	5	6	6	7
2005	5	5	5	5
2004	5	5	4	5
2003	5	5	6	5
2002	5	4	5	5
2001	8	8	7	7
2000	7	8	8	8

The rate is 2 percentage points higher for late or deficient income tax payments and unremitted withholdings.

The rate is 2 percentage points lower for deemed interest on employee and shareholder loans.