

TAX RATE CARD FOR 2016

| BRITISH COLUMBIA | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 10,027 | - | - | -34.53 | -15.20 |
| 10,028 to 11,474 | 5.06 | 2.53 | -27.54 | -9.28 |
| 11,475 to 38,210 | 20.06 | 10.03 | -6.84 | 8.27 |
| 38,211 to 45,282 | 22.70 | 11.35 | -3.20 | 11.36 |
| 45,283 to 76,421 | 28.20 | 14.10 | 4.39 | 17.79 |
| 76,422 to 87,741 | 31.00 | 15.50 | 8.25 | 21.07 |
| 87,742 to 90,563 | 32.79 | 16.40 | 10.72 | 23.16 |
| 90,564 to 106,543 | 38.29 | 19.15 | 18.31 | 29.60 |
| 106,544 to 140,388 | 40.70 | 20.35 | 21.64 | 32.42 |
| 140,389 to 200,000 | 43.70 | 21.85 | 25.78 | 35.93 |
| 200,001 and over | 47.70 | 23.85 | 31.30 | 40.61 |

| ONTARIO | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 10,011 | - | - | -34.53 | -17.33 |
| 10,012 to 11,474 | 5.05 | 2.53 | -27.56 | -11.42 |
| 11,475 to 41,536 | 20.05 | 10.03 | -6.86 | 6.13 |
| 41,537 to 45,282 | 24.15 | 12.08 | -1.20 | 10.93 |
| 45,283 to 73,145 | 29.65 | 14.83 | 6.39 | 17.37 |
| 73,146 to 83,075 | 31.48 | 15.74 | 8.92 | 19.51 |
| 83,076 to 86,176 | 33.89 | 16.95 | 12.24 | 22.33 |
| 86,177 to 90,563 | 37.91 | 18.95 | 17.79 | 27.03 |
| 90,564 to 140,388 | 43.41 | 21.70 | 25.38 | 33.46 |
| 140,389 to 150,000 | 46.41 | 23.20 | 29.52 | 36.97 |
| 150,001 to 200,000 | 47.97 | 23.98 | 31.67 | 38.80 |
| 200,001 to 220,000 | 51.97 | 25.98 | 37.19 | 43.48 |
| 220,001 and over | 53.53 | 26.76 | 39.34 | 45.30 |

| NOVA SCOTIA | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 8,481 | - | - | -32.94 | -16.41 |
| 8,482 to 11,474 | 8.79 | 4.40 | -20.81 | -6.12 |
| 11,475 to 29,590 | 23.79 | 11.90 | -0.11 | 11.43 |
| 29,591 to 45,282 | 29.95 | 14.98 | 8.39 | 18.64 |
| 45,283 to 59,180 | 35.45 | 17.73 | 15.98 | 25.07 |
| 59,181 to 90,563 | 37.17 | 18.59 | 18.35 | 27.08 |
| 90,564 to 93,000 | 42.67 | 21.34 | 25.94 | 33.52 |
| 93,001 to 140,388 | 43.50 | 21.75 | 27.09 | 34.49 |
| 140,389 to 150,000 | 46.50 | 23.25 | 31.23 | 38.00 |
| 150,001 to 200,000 | 50.00 | 25.00 | 36.06 | 42.09 |
| 200,001 and over | 54.00 | 27.00 | 41.58 | 46.77 |

| ALBERTA | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 11,474 | - | - | -34.53 | -15.92 |
| 11,475 to 18,451 | 15.00 | 7.50 | -13.83 | 1.63 |
| 18,452 to 45,282 | 25.00 | 12.50 | -0.03 | 13.33 |
| 45,283 to 90,563 | 30.50 | 15.25 | 7.56 | 19.77 |
| 90,564 to 125,000 | 36.00 | 18.00 | 15.15 | 26.20 |
| 125,001 to 140,388 | 38.00 | 19.00 | 17.91 | 28.54 |
| 140,389 to 150,000 | 41.00 | 20.50 | 22.05 | 32.05 |
| 150,001 to 200,000 | 42.00 | 21.00 | 23.43 | 33.22 |
| 200,001 to 300,000 | 47.00 | 23.50 | 30.33 | 39.07 |
| 300,001 and over | 48.00 | 24.00 | 31.71 | 40.24 |

| QUEBEC | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 11,474 | - | - | -33.73 | -18.53 |
| 11,475 to 11,550 | 12.53 | 6.26 | -16.44 | -3.87 |
| 11,551 to 42,390 | 28.53 | 14.26 | 5.64 | 14.85 |
| 42,391 to 45,282 | 32.53 | 16.26 | 11.16 | 19.53 |
| 45,283 to 84,780 | 37.12 | 18.56 | 17.49 | 24.90 |
| 84,781 to 90,563 | 41.12 | 20.56 | 23.01 | 29.58 |
| 90,564 to 103,150 | 45.71 | 22.86 | 29.35 | 34.95 |
| 103,151 to 140,388 | 47.46 | 23.73 | 31.77 | 37.00 |
| 140,389 to 200,000 | 49.97 | 24.98 | 35.22 | 39.93 |
| 200,001 and over | 53.31 | 26.65 | 39.83 | 43.84 |

| PRINCE EDWARD ISLAND | | | | |
|----------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 7,708 | - | - | -35.22 | -15.88 |
| 7,709 to 11,474 | 9.80 | 4.90 | -21.69 | -4.41 |
| 11,475 to 31,984 | 24.80 | 12.40 | -0.99 | 13.14 |
| 31,985 to 45,282 | 28.80 | 14.40 | 4.53 | 17.82 |
| 45,283 to 63,969 | 34.30 | 17.15 | 12.12 | 24.25 |
| 63,970 to 90,563 | 37.20 | 18.60 | 16.12 | 27.64 |
| 90,564 to 98,145 | 42.70 | 21.35 | 23.71 | 34.08 |
| 98,146 to 140,388 | 44.37 | 22.19 | 24.56 | 35.68 |
| 140,389 to 200,000 | 47.37 | 23.69 | 28.70 | 39.19 |
| 200,001 and over | 51.37 | 25.69 | 34.22 | 43.87 |

| SASKATCHEWAN | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 11,474 | - | - | -35.91 | -16.10 |
| 11,475 to 15,843 | 15.00 | 7.50 | -15.21 | 1.45 |
| 15,844 to 44,601 | 26.00 | 13.00 | -0.03 | 14.32 |
| 44,602 to 45,282 | 28.00 | 14.00 | 2.73 | 16.66 |
| 45,283 to 90,563 | 33.50 | 16.75 | 10.32 | 23.09 |
| 90,564 to 127,403 | 39.00 | 19.50 | 17.91 | 29.53 |
| 127,404 to 140,388 | 41.00 | 20.50 | 20.67 | 31.87 |
| 140,389 to 200,000 | 44.00 | 22.00 | 24.81 | 35.38 |
| 200,001 and over | 48.00 | 24.00 | 30.33 | 40.06 |

| NEW BRUNSWICK | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 9,758 | - | - | -37.29 | -16.99 |
| 9,759 to 11,474 | 9.68 | 4.84 | -23.93 | -5.66 |
| 11,475 to 40,492 | 24.68 | 12.34 | -3.23 | 11.89 |
| 40,493 to 45,282 | 29.82 | 14.91 | 3.86 | 17.90 |
| 45,283 to 80,985 | 35.32 | 17.66 | 11.45 | 24.33 |
| 80,986 to 90,563 | 37.02 | 18.51 | 13.80 | 26.32 |
| 90,564 to 131,664 | 42.52 | 21.26 | 21.39 | 32.76 |
| 131,665 to 140,388 | 43.84 | 21.92 | 23.21 | 34.30 |
| 140,389 to 150,000 | 46.84 | 23.42 | 27.35 | 37.81 |
| 150,001 to 200,000 | 49.30 | 24.65 | 30.75 | 40.69 |
| 200,001 and over | 53.30 | 26.65 | 36.27 | 45.37 |

| NEWFOUNDLAND & LABRADOR | | | | |
|-------------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 8,802 | - | - | -28.18 | -17.11 |
| 8,803 to 11,474 | 7.70 | 3.85 | -17.55 | -8.10 |
| 11,475 to 35,148 | 22.70 | 11.35 | 3.15 | 9.45 |
| 35,149 to 45,282 | 27.50 | 13.75 | 9.77 | 15.07 |
| 45,283 to 70,295 | 33.00 | 16.50 | 17.36 | 21.50 |
| 70,296 to 90,563 | 33.80 | 16.90 | 18.46 | 22.44 |
| 90,564 to 125,500 | 39.30 | 19.65 | 26.05 | 28.87 |
| 125,501 to 140,388 | 40.30 | 20.15 | 27.43 | 30.04 |
| 140,389 to 175,700 | 43.30 | 21.65 | 31.57 | 33.55 |
| 175,701 to 200,000 | 44.30 | 22.15 | 32.95 | 34.72 |
| 200,001 and over | 48.30 | 24.15 | 38.47 | 39.40 |

| MANITOBA | | | | |
|---------------------|---------------------------|---------------|-----------------------------|-------------------------------|
| Taxable Income (\$) | Marginal Tax Rates (%) | | | |
| | Interest & Regular Income | Capital Gains | Eligible Canadian Dividends | Ineligible Canadian Dividends |
| 0 to 9,134 | - | - | -31.77 | -13.28 |
| 9,135 to 11,474 | 10.80 | 5.40 | -16.86 | -0.65 |
| 11,475 to 31,000 | 25.80 | 12.90 | 3.84 | 16.90 |
| 31,001 to 45,282 | 27.75 | 13.88 | 6.53 | 19.19 |
| 45,283 to 67,000 | 33.25 | 16.63 | 14.12 | 25.62 |
| 67,001 to 90,563 | 37.90 | 18.95 | 20.53 | 31.06 |
| 90,564 to 140,388 | 43.40 | 21.70 | 28.12 | 37.50 |
| 140,389 to 200,000 | 46.40 | 23.20 | 32.26 | 41.01 |
| 200,001 and over | 50.40 | 25.20 | 37.78 | 45.69 |

The above rates are the combined federal and provincial marginal rates, including all surtaxes, that apply to the actual amount of interest and regular income, capital gains, and dividends received. It is assumed that the only credit claimed is the basic personal amount. These rates are based on federal and provincial budget proposals and news released as of March 2016. Eligible Dividends: Dividends paid by corporations resident in Canada from income that has been subject to the general federal corporate tax rate (public corporations, CCPCs from eligible dividends received from public corporations, other Canadian resident corporations subject to the general corporate rate). Ineligible Dividends: Dividends paid by Canadian Controlled Private Corporations (CCPC) that is from income that is eligible for the small business deduction (SBD) or from investment income other than income from eligible dividends from public corporations. The marginal rates for dividend income reflects the maximum amount of the non-refundable dividend tax credit.

FEDERAL TAX BRACKETS – 2016

| Taxable Income (\$) | Federal Tax at Bottom End of Bracket (\$) | Plus this Marginal Rate on the Excess (%) |
|---------------------|---|---|
| 0 to 45,282 | Nil | 15 |
| 45,283 to 90,563 | 6,792 | 20.5 |
| 90,564 to 140,388 | 16,075 | 26 |
| 140,389 to 200,000 | 29,029 | 29 |
| 200,001 and over | 46,316 | 33 |

FEDERAL PERSONAL TAX CREDITS – 2016 (\$)

| | Gross | Credit (at 15%) |
|--|--------|-----------------|
| Basic personal | 11,474 | 1,721 |
| Married/eligible dependant ^{1,2} | 11,474 | 1,721 |
| Dependants over 18 and infirm ³ | 6,788 | 1,018 |
| Age ⁴ | 7,125 | 1,069 |
| Disability | 8,001 | 1,200 |
| Caregiver ^{1,5} | 4,667 | 700 |

¹The Family Caregiver Amount of \$2,121 is added to these amounts in some cases. ²Reduced by dependant's net income. ³ Reduced by dependant's net income in excess of \$6,807. ⁴Reduced by an amount equal to 15% of net income exceeding \$35,972. ⁵Reduced by dependant's net income in excess of \$15,940.

ADDITIONAL NON-REFUNDABLE FEDERAL TAX CREDITS

| | |
|-------------------------------|---|
| Pension income | 15% of up to \$2,000 for a maximum credit of \$300 |
| Medical expense | 15% of amount in excess of: lesser of a) 3% of net income and b) \$2,237 |
| Tuition fees | 15% of amount paid in respect of attendance at a post-secondary institution |
| Education and Textbook | 15% of \$400 education plus \$65 textbook for each month enrolled full-time in a qualifying program (part-time: \$120 education plus \$20 textbook) |
| Charitable donations | 15% for first \$200, 29% of the balance ⁶ (or 33% on the lesser of the amount of the donations and the donor's taxable income in excess of \$200); donations limited to 75% of net income ⁷ |
| Canada pension | 15% of contributions |
| Employment insurance | 15% of premiums paid |
| Public Transit Pass | 15% of the cost of public transit travel |
| Children's Arts | 15% of eligible amounts, up to \$250 paid for an eligible program of artistic, cultural, recreational, or developmental activity |

⁶First-time donors can claim an additional 25% credit on up to \$1,000 cash donations once between 2013 and 2017. ⁷ On death, donations considered to be made by the individual are limited to 100% of net income in the year of death and the year prior to death. For gifts made by the estate, the estate is permitted a claim in the year or may be carried forward five tax years (10 tax years for ecological gifts) of the estate. Commencing in 2016, donations at death are deemed to be made by the estate and subject to the estate donation rules. However, if the estate is a graduated rate estate, there is the additional flexibility to allocate the donation to the last two tax years of the individual or to an earlier tax year of the estate.

ANNUAL CONTRIBUTION LIMITS FOR TFSA AND RRSP

| Year | TFSA maximum | RRSP 18% of prior year earned income to maximum of: |
|--------------------|----------------------|---|
| 2012 | \$5,000 | \$22,970 |
| 2013 | \$5,500 | \$23,820 |
| 2014 | \$5,500 | \$24,270 |
| 2015 | \$10,000 | \$24,930 |
| 2016 | \$5,500 | \$25,370 |
| 2017 | Indexed to inflation | \$26,010 |
| 2018 and following | Indexed to inflation | Indexed to average wage growth |

ELIGIBLE DIVIDENDS (\$)

The following actual amount of Eligible Canadian dividends can be received by a Canadian resident with no tax payable, assuming no other income or deductions other than the basic personal and dividend tax credit.

| | | | |
|-------------------------|--------|-----------------------------|--------|
| British Columbia | 51,477 | Quebec | 35,850 |
| Alberta | 51,477 | New Brunswick | 51,477 |
| Saskatchewan | 51,477 | Nova Scotia | 30,515 |
| Manitoba | 24,278 | Prince Edward Island | 44,700 |
| Ontario | 51,477 | Nfld. & Labrador | 21,368 |

For federal tax purposes the gross-up rate for eligible dividends is 38%. The enhanced federal dividend tax credit is approximately 15.02% of the grossed-up dividend.

CAPITAL GAINS VS. INELIGIBLE DIVIDENDS (\$)

Capital gains are taxed at lower rates than dividends from a Canadian corporation, but only once taxable income reaches a certain threshold. For taxable incomes below the following thresholds, Canadian dividends (ineligible) will be taxed at lower rates than capital gains.

| | | | |
|-------------------------|--------|-----------------------------|--------|
| British Columbia | 45,080 | Quebec | n/a |
| Alberta | n/a | New Brunswick | 37,440 |
| Saskatchewan | n/a | Nova Scotia | n/a |
| Manitoba | n/a | Prince Edward Island | n/a |
| Ontario | 57,130 | Nfld. & Labrador | 41,160 |

CANADA PENSION PLAN CONTRIBUTIONS – 2016 (\$)

| | |
|--|-----------|
| CPP maximum pensionable earnings | 54,900.00 |
| Basic exemption | 3,500.00 |
| Maximum contributory earnings | 51,400.00 |
| Maximum contributions: Employees (4.95%) | 2,544.30 |
| Self-employed (9.9%) | 5,088.60 |

CANADA PENSION PLAN BENEFITS (\$)

The maximum benefits available under the CPP program:

| | Annual Total | 2016 (monthly) |
|-------------------------------|--------------|----------------|
| Death benefit (lump sum) | 2,500.00 | - |
| Retirement benefit | 13,110.00 | 1,092.50 |
| Post retirement benefit | 327.72 | 27.31 |
| Disability benefit | 15,489.72 | 1,290.81 |
| Survivor's benefit – under 65 | 7,123.44 | 593.62 |
| – 65 and older | 7,866.00 | 655.50 |
| Children of disabled person | 2,852.00 | 237.69 |
| Children of deceased person | 2,852.00 | 237.69 |

OLD AGE SECURITY BENEFITS

The maximum monthly benefit available under the OAS program:

| | |
|-----------------------|----------|
| 2016 January to March | \$570.52 |
| 2016 April to June | \$570.52 |

For 2016, benefits are repayable if net income exceeds \$73,756. The repayment is 15% of excess income to a maximum of the OAS received. OAS is eliminated once net income reaches \$119,398. A tax-free Guaranteed Income Supplement (GIS) of up to approximately \$773.60 monthly is available for low-income individuals.

