

2014 AUTOMOBILE DEDUCTION LIMITS

Effective January 1, 2014, the following passenger vehicle limits apply:
 Maximum cost for CCA purposes will remain at \$30,000 plus taxes.
 Ceiling on deductible leasing costs will remain at \$800 plus taxes.
 The limit on allowable interest deduction for amounts borrowed to purchase an automobile will remain at \$300 per month.
 The limit on tax-exempt kilometer allowances remains at \$0.54 for the first 5,000 kilometers driven and \$0.48 for each additional kilometer.

2013 / 2012 AVERAGE EXCHANGE RATES

COUNTRY	CURRENCY	2013	2012
United States	Dollar	1.0299	0.9996
European Union	Euro	1.3681	1.2850
United Kingdom	Pound Sterling	1.6113	1.5840
Japan	Yen	0.0106	0.0125

2014 / 2013 PAYROLL DEDUCTIONS

		2014	2013
CPP	Max Pensionable Earnings	\$52,500.00	\$ 51,100.00
	Basic Annual Exemption	\$ 3,500.00	\$ 3,500.00
	Contribution Rate	4.95%	4.95%
	Max Employee Contribution	\$ 2,425.50	\$ 2,356.20
EI	Max Annual Insurance Earnings	\$48,600.00	\$ 47,400.00
	Premium Rate	1.88%	1.88%
	Max Employee Annual Premium	\$ 913.68	\$ 891.12

CORPORATE TAX RATES

Combined Federal and BC Rates for the year ended:	ACTIVE INCOME UP TO \$500,000	NO SMALL BUSINESS INCOME	NON-ACTIVE INVESTMENT INCOME	
	December 31, 2012	13.50	25.00	44.67
	January 31, 2013.....	13.50	25.00	44.67
February 28, 2013.....	13.50	25.00	44.67	
March 31, 2013.....	13.50	25.00	44.67	
April 30, 2013.....	13.50	25.08	44.75	
May 31, 2013.....	13.50	25.17	44.83	
June 30, 2013.....	13.50	25.25	44.92	
July 31, 2013.....	13.50	25.34	45.00	
August 31, 2013.....	13.50	25.42	45.09	
September 30, 2013...	13.50	25.50	45.17	
October 31, 2013.....	13.50	25.59	45.25	
November 30, 2013....	13.50	25.67	45.34	
December 31, 2013....	13.50	25.75	45.42	

PRESCRIBED INTEREST RATES

	RECEIVER GENERAL PAYMENTS		ALL OTHER PURPOSES
	TO	FROM	
2012 - Q1,Q2,Q3,Q4	5%	3%	1%
2013 - Q1 ,Q2,Q3	5%	3%	1%
2013 - Q4	6%	4%	2%
2014 - Q1	5%	3%	1%

HARMONIZED SALES TAX RATES

15% HST in Nova Scotia.
 14% HST in Prince Edward Island
 13% HST in Ontario, New Brunswick and Newfoundland & Labrador.
 5% GST in BC and all other provinces and the territories.

EPR Canada Group Inc. is a national group of progressive public accounting firms. The combined resources of EPR Canada Member Firms form a dynamic and successful source of accounting and management consulting services, one of the largest such public accounting service groups in Canada. With offices in all regions of the nation, EPR Canada Member Firms have professionals with the knowledge and expertise to respond to client needs, locally, provincially and nationally. Complementing our national scope EPR Canada Member Firms, through strong International affiliations, have access to a wide spectrum of accounting, taxation and management consulting resources in the United States with CPA-USA Network (www.cpa-usanetwork.org) and throughout the rest of the world through IEC (www.iecnet.net).

Our Professional Services Include:

Financial Statements:

Audits
 Reviews
 Compilations

Taxation:

Corporate Income Taxes
 Personal Income Taxes
 Trust & Estate Taxes
 GST/HST/PST
 SR&ED
 Non-Resident

Advisory Services:

Business Acquisitions
 Business Valuation
 Corporate Reorganizations
 Business Succession
 Financial Restructuring
 Business Plans
 Budget Preparation
 Will and Estate Planning
 Personal Tax Planning
 Feasibility Studies
 Acquisitions / Dispositions



CERTIFIED GENERAL ACCOUNTANTS

MAPLE RIDGE

22377 Dewdney Trunk Road, Maple Ridge, BC V2X 3J4
 Telephone: (604) 467-5561 Fax: (604) 467-1219

Local Partners

PATRICK SMITH, CPA, CGA psmith@eprcga.com
 BETTY JOHANSEN, CPA, CGA bjohansen@eprcga.com
 KATHI HALPIN, CPA, CGA khalpin@eprcga.com

LANGLEY

21542 48th Avenue, Langley, BC V3A 3M5
 Telephone: (604) 534-1441 Fax: (604) 534-1491

Local Partners

PAUL WALKER, CPA, CGA pwalker@eprcga.com
 CHRISTINE KISS, CPA, CGA ckiss@eprcga.com

WHITE ROCK

104 – 1656 Martin Drive, South Surrey, BC V4A 6E7
 Telephone: (604) 536-7778 Fax: (604) 536-7745

Local Partner

GLENN PARKS, CPA, CGA gparks@eprcga.com

Website: www.eprcga.com

An Independent Member Firm of the EPR Canada Group Inc.



Certified General Accountants

QUICK TAX
 2014

2013 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS		
Amount of credits:	FEDERAL AMOUNT	TOTAL Fed/BC CREDIT
Basic personal credit (\$10,276 BC)	\$11,038	\$2,176
Age credit (Born 1948 or earlier; 65 and over)	1 6,854	1,252
Spousal/Partner and eligible dependants credit	2 11,038	2,104
Infirm dependants aged 18 or older	2 4,490	892
Caregiver credit	2 4,490	892
Family caregiver credit	3 2,040	306
Amount for children born 1996 or later - per child	4 2,234	335
Canada employment amount (maximum)	5 1,117	168
Pension income (maximum) (BC max = \$1,000)	5 2,000	351
Disability credit	7,697	1,529
Education and textbook amounts, full-time / month	6	80
Education and textbook amounts, part-time / month	6	24
Credits as a percentage of:		
CPP contributions and EI premiums	7	20.06%
Public transit passes (Federal credit only)	8	15.00%
Children's fitness / arts	9	20.06%
Adoption expenses	10	20.06%
Tuition and eligible student loan interest	11	20.06%
Medical expenses (in excess of limitations)	12	20.06%
Charitable donations - first \$200	13	20.06%
- remainder		43.70%

- The Age credit begins to reduce when the taxpayer's net income reaches \$34,562 / \$32,911 and is fully reduced at \$80,255 / \$62,384 (Federal / BC).
- The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are \$0 / \$886 for Spouse or Common-Law Partner; \$6,548 / \$6,872 for Infirm Dependant; and \$15,334 / \$14,600 for Caregiver Credit.
- Additional \$2,040 credit added to Spousal/Infirm/Caregiver credit amounts for when the dependant has physical/mental infirmity.
- Federal credit available for children under 18 (born 1996 or later).
- Credits are lesser of qualifying income amounts and Federal maximums.
- In addition to tuition fees, a full-time student may also claim \$465 / \$200 per month enrolled; a part-time student may claim \$140 / \$60 per month.
- Canada Pension Plan contribution is 4.95% of pensionable earnings. Basic exemption of \$3,500; Maximum CPP pensionable earnings are \$51,100. EI contribution rate is 1.88%. Maximum insurable earnings are \$47,400.
- You may be able to claim weekly, monthly or annual transit passes which permit unlimited travel within Canada for you, your spouse or your children.
- You may claim up to a maximum of \$500 per child, fees paid to specified fitness and cultural programs during 2013 for children up to 16 years old.
- You may claim a credit for eligible adoption expenses related to the adoption of a child who is under the age of 18 up to a maximum of \$11,669.
- Tuition fees and educational credits are transferable to a spouse, parent or grandparent. The maximum transfer is \$5,000 less the student's net income over \$11,038 / \$10,276. The student may carry forward unused amounts.
- Medical expenses are first reduced by \$2,152 / \$2,050 (Federal / BC) or 3% of Net Income, whichever is less, in order to calculate allowable amount.
- Charitable donations may not exceed 75% of net income except in the event of death (100%). Excess amounts may be carried forward for 5 years.
- The following amounts may be transferred from a spouse, to the extent that they are not needed to reduce his or her federal income tax to zero: age amount, pension amount, disability amount, amount for eligible children, tuition fees and education amount.
- OAS clawback begins at \$70,954 and is fully recovered at \$114,814.
- Working Income Tax Benefit (BC) For Singles: Income between \$4,750 and \$19,573; Max benefit (\$1,230) at \$12,301; For Family: Income between \$4,750 and \$28,062. Max benefit (\$1,952) at \$16,579.

Split numbers represent Federal / BC amounts

EPR QUICK TAX

INDIVIDUAL MARGINAL RATES - 2013				
TAXABLE INCOME	Income	Eligible	Dividends Regular	Regular
\$ 11,038 - \$ 18,181	15.00%	0.00%	0.00%	0.00%
\$ 18,182 - \$ 37,568	20.06%	0.00%	4.16%	
\$ 37,569 - \$ 43,561	22.70%	0.00%	7.46%	
\$ 43,562 - \$ 75,138	29.70%	6.46%	16.21%	
\$ 75,139 - \$ 86,268	32.50%	10.32%	19.71%	
\$ 86,269 - \$ 87,123	34.29%	12.79%	21.95%	
\$ 87,124 - \$ 104,754	38.29%	18.31%	26.95%	
\$ 104,755 - \$ 135,054	40.70%	21.64%	29.96%	
\$ 135,055 AND OVER	43.70%	25.78%	33.71%	

2013 TAXABLE INCOME WITH BASIC EXEMPTION					
TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	4,046	80,000	16,860
11,000	-	36,000	4,420	82,500	17,673
12,000	-	38,000	4,805	85,000	18,485
13,000	20	40,000	5,232	90,000	20,293
14,000	159	42,000	5,658	95,000	22,208
15,000	299	44,000	6,116	100,000	24,122
16,000	439	46,000	6,682	105,000	26,043
17,000	579	48,000	7,251	110,000	28,078
18,000	718	50,000	7,825	115,000	30,113
19,000	860	52,000	8,408	120,000	32,148
20,000	1,079	54,000	9,002	125,000	34,183
21,000	1,298	56,000	9,596	130,000	36,218
22,000	1,517	58,000	10,190	140,000	40,436
23,000	1,735	60,000	10,784	150,000	44,806
24,000	1,954	62,000	11,378	175,000	55,731
25,000	2,173	64,000	11,972	200,000	66,656
26,000	2,392	66,000	12,566	225,000	77,581
27,000	2,611	68,000	13,160	250,000	88,506
28,000	2,830	70,000	13,754	300,000	110,356
29,000	3,049	72,500	14,497	500,000	197,756
30,000	3,268	75,000	15,239	750,000	307,006
32,000	3,672	77,500	16,048	1,000,000	416,256

* Tax computations reflect general employment income with applicable credits for basic personal exemption, Canada employment amount, CPP and EI credits. Other credits may apply.

DIVIDEND INCOME WITH DIVIDEND TAX CREDIT					
ACTUAL DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND	ACTUAL DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND
20,000	-	-	100,000	14,085	7,443
30,000	103	-	125,000	22,210	12,298
40,000	638	-	150,000	30,637	18,743
50,000	1,887	111	200,000	47,492	31,632
60,000	3,508	1,435	250,000	64,346	44,522
70,000	5,513	2,988	500,000	148,617	108,968
80,000	8,208	4,483	750,000	232,888	173,415
90,000	11,089	5,978	1,000,000	317,159	237,862

*Tax calculations are based on applicable gross-up amounts and include basic exemption only.

2013 / 2014 MAJOR CHANGES

- The BC Corporate Income Tax rate increased April 1, 2013 from 10% to 11% resulting in graduated T2 rates for 2013.
- Additional 25% Donation Credit available for 2013 when no donations in past 5 years. New credits 45.06% on first \$200, 68.7% on \$201-\$1,000 and 43.7% on the remainder.
- The TFSA limit for 2013 and 2014 is increased to \$5,500.
- New BC Tax Bracket for 2014 income over \$150,000: Income (45.8%) Eligible Div (28.68%) Regular Div (37.98%).
- Marginal Tax rates for Regular Dividends paid after 2013 will increase at an average of 2.56% (increases range from 3.45% at the lowest tax bracket to 1.80% at the highest tax bracket).
- Lifetime Capital Gains Exemption on Qualifying SBC Shares, farm or fishing property to increase in 2014 to \$800,000.
- Investment tax credit for mineral exploration has been extended to flow-through share agreements entered into before April 1, 2014.

GOVERNMENT / CRA CONTACT

CRA - Individual Taxes 1-800-959-8281
 CRA - Business Services 1-800-959-5525
 HRDC - CPP/OAS/GIS 1-800-277-9914
 PST Hotline 1-877-388-4440

PLANNING AND FILING DEADLINES IN 2014

- February 28:** Last day to issue T4's, T4A's and T5's.
- March 3:** Last day to make personal and spousal RRSP contributions applicable to the 2013 taxation year.
- March 17, June 16, September 15 & December 15:** Quarterly installments for taxpayers who are required to remit quarterly.
- April 30:** File Personal Income Tax Returns for 2013 and remit balance due, if any, to CRA.
- June 16:** Due date for Personal Tax Returns of individuals with self-employed business income, or spouses/common-law partners with self-employed business income. (Payment of tax balance still due by April 30).
- December 31:** Deadline for RRSP contributions in the year a taxpayer turns 71. This is also the deadline for converting RRSPs into RRIFs or Life Annuities in a taxpayer's 71st year.
- Minimum RRIF amounts to be withdrawn in subsequent years:

RRIF MIN WITHDRAWAL RATES FOR AGE AT DEC 31					
Age	%	Age	%	Age	%
71	7.38	77	8.15	83	9.58
72	7.48	78	8.33	84	9.93
73	7.59	79	8.53	85	10.33
74	7.71	80	8.75	86	10.79
75	7.85	81	8.99	87	11.83
76	7.99	82	9.27	88	11.96
				94+	20.00

*Under 71 = 1/(90-Age attained by individual at beginning of year)

The information in this booklet is general in nature; it discusses tax rates and planning matter in a broad sense. Consult your local EPR office in order to receive specific advice appropriate to your individual situation.