

2018 AUTOMOBILE DEDUCTION LIMITS

Effective January 1, 2018, 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 kilometre allowances increased to \$0.55 (\$0.58-2019) for the first 5,000 kilometres driven and \$0.49 (\$0.52-2019) for each additional kilometre.

2018 / 2017 AVERAGE EXCHANGE RATES

COUNTRY	CURRENCY	2018	2017
United States	Dollar	1.2957	1.2986
European Union	Euro	1.5302	1.4650
United Kingdom	Pound Sterling	1.7299	1.6720
Japan	Yen	0.0117	0.0116

2019 / 2018 PAYROLL DEDUCTIONS

		2019	2018
CPP	Max Pensionable Earnings	\$57,400.00	\$ 55,900.00
	Basic Annual Exemption	\$ 3,500.00	\$ 3,500.00
	Contribution Rate	5.10%	4.95%
	Max Employee Contribution	\$ 2,748.90	\$ 2,593.80
EI	Max Annual Insurance Earnings	\$53,100.00	\$ 51,700.00
	Premium Rate	1.62%	1.66%
	Max Employee Annual Premium	\$ 860.22	\$ 858.22

CORPORATE TAX RATES

Combined Federal and BC Rates for the year ended:	ACTIVE INCOME UP TO \$500,000	NO SMALL BUSINESS DEDUCTION INCOME	NON-ACTIVE INVESTMENT INCOME	
	December 31, 2017.....	12.62	26.00	49.67
	January 31, 2018.....	12.54	26.09	49.75
February 28, 2018.....	12.46	26.16	49.83	
March 31, 2018.....	12.38	26.25	49.91	
April 30, 2018.....	12.34	26.33	50.00	
May 31, 2018.....	12.29	26.41	50.08	
June 30, 2018.....	12.25	26.50	50.16	
July 31, 2018.....	12.21	26.58	50.25	
August 31, 2018.....	12.17	26.67	50.33	
September 30, 2018...	12.13	26.75	50.41	
October 31, 2018.....	12.08	26.83	50.50	
November 30, 2018....	12.04	26.92	50.58	
December 31, 2018....	12.00	27.00	50.67	

PRESCRIBED INTEREST RATES

		RECEIVER GENERAL PAYMENTS		ALL OTHER PURPOSES
		TO	FROM	
2016 -	ALL QTRS	5%	3%	1%
2017 -	ALL QTRS	5%	3%	1%
2018 -	Q1	5%	3%	1%
2018 -	Q2,Q3,Q4	6%	4%	2%
2019 -	Q1	6%	4%	2%

GOODS & SERVICES / HARMONIZED SALES TAX RATES

15% HST in Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland & Labrador
 13% HST in Ontario
 14.975% QST in Quebec
 5% GST in BC and all other provinces and the territories

Our Mission: We are committed to continually gaining a deeper insight and understanding of our clients and their needs. We are dedicated to supporting and assisting each of our clients achieve success in their business purposes. We strive to offer and deliver services of quality and excellence, services designed to enhance client performance and value.

Technology, compliance, and specialization create ongoing challenges for everyone in our profession worldwide. At EPR, we understand the tremendous resources necessary to maintain the highest possible standards of client service.

Our firm is member of AGN International, a global association of separate and independent accounting and advisory businesses.

AGN International is composed of 5 regions. Within each region and worldwide, member firms collaborate to meet clients' needs, and improve client service by understanding each other's markets and sharing experience and knowledge.

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Our Professional Services Include:**Financial Statements:**

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 Compilations

Taxation:

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

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



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QUICK TAX
 2019

2018 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS			
Amount of credits:	FEDERAL AMOUNT	TOTAL	
		Fed/BC CREDIT	
Basic personal credit (\$10,412 BC)	\$11,809		\$2,298
Age credit (Born 1952 or earlier; 65 and over)	1 7,333		1,336
Spousal/Partner and eligible dependants credit	2 11,809		2,223
Canada Caregiver credit	2,3 6,986		1,278
Canada Caregiver credit - child under 18	3 2,182		327
Canada employment amount (maximum)	4 1,195		179
Pension income (maximum) (BC max = \$1,000)	4 2,000		351
Disability credit	8,235		1,630
Education and textbook amounts, full-time per month	5 0		10
Education and textbook amounts, part-time per month	5 0		3
Credits as a percentage of:			
CPP contributions and EI premiums	6		20.06%
Adoption expenses	7		20.06%
Tuition and eligible student loan interest	8		20.06%
Medical expenses (in excess of limitations)	9		20.06%
Charitable donations - first \$200	10		20.06%
- remainder			45.80%

- The Age credit begins to reduce when the taxpayer's net income reaches \$36,976 / \$34,757 and is fully reduced at \$84,863 / \$65,884 (Federal / BC).
- The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are \$0 / \$892 for Spouse or Common-Law Partner; and \$16,405/ \$15,419 for Canada Caregiver Credit.
- A credit up to a maximum of \$6,986 may be claimed for an infirm spouse, eligible dependant over 18, and certain adult relatives. The credit is limited to \$2,182 for infirm children under 18 years of age.
- Credits are the lesser of qualifying income amounts and Federal maximums.
- In addition to tuition fees, a provincial credit is available to full-time students for \$200 per month enrolled; a part-time student may claim \$60 per month.
- Canada Pension Plan contribution is 4.95% of pensionable earnings. Basic exemption of \$3,500; Maximum CPP pensionable earnings are \$55,900. EI contribution rate is 1.66%. Maximum
- 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 \$15,905.
- Tuition fees and the provincial education amount are transferable to eligible individuals. The maximum transfer is \$5,000 less the student's net income over \$11,809 / \$10,412. The student may carry forward unused amounts.
- Medical expenses are first reduced by \$2,302 / \$2,164 (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 income amount, disability amount, Canada caregiver amount for infirm children under 18 years of age and tuition amount.
- Working Income Tax Benefit (BC) For Singles: Income between \$4,750 and \$20,918; Max benefit (\$1,218) at \$13,160; For Family: Income between \$4,750 and \$30,043. Max benefit (\$1,932) at
- OAS clawback begins at \$75,910 and is fully recovered at \$123,386.

Split numbers represent Federal / BC amounts

EPR QUICK TAX

INDIVIDUAL MARGINAL RATES - 2018			
TAXABLE INCOME	Dividends		
	Income	Eligible	Regular
\$ 11,810 - \$ 19,686	15.00%	0.00%	3.36%
\$ 19,687 - \$ 39,676	20.06%	0.00%	9.22%
\$ 39,677 - \$ 46,605	22.70%	0.00%	12.29%
\$ 46,606 - \$ 79,353	28.20%	4.39%	18.67%
\$ 79,354 - \$ 91,107	31.00%	8.25%	21.92%
\$ 91,108 - \$ 93,208	32.79%	10.72%	23.99%
\$ 93,209 - \$ 110,630	38.29%	18.31%	30.37%
\$ 110,631 - \$ 144,489	40.70%	21.64%	33.17%
\$ 144,490 - \$ 150,000	43.70%	25.78%	36.65%
\$150,001 - \$205,842	45.80%	28.68%	39.08%
\$ 205,843 AND OVER	49.80%	34.20%	43.72%

2018 TAXABLE INCOME WITH BASIC EXEMPTION					
TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	3,927	80,000	15,798
11,000	-	36,000	4,302	82,500	16,573
12,000	-	38,000	4,676	85,000	17,348
13,000	-	40,000	5,060	90,000	18,898
14,000	37	42,000	5,487	95,000	20,615
15,000	177	44,000	5,915	100,000	22,530
16,000	317	46,000	6,342	105,000	24,444
17,000	457	48,000	6,847	110,000	26,359
18,000	597	50,000	7,384	115,000	28,378
19,000	737	52,000	7,923	120,000	30,413
20,000	877	54,000	8,467	125,000	32,448
21,000	1,069	56,000	9,012	130,000	34,483
22,000	1,292	58,000	9,576	140,000	38,553
23,000	1,515	60,000	10,140	150,000	42,788
24,000	1,738	62,000	10,704	175,000	54,238
25,000	1,961	64,000	11,268	200,000	65,688
26,000	2,184	66,000	11,832	225,000	77,905
27,000	2,407	68,000	12,396	250,000	90,355
28,000	2,630	70,000	12,960	300,000	115,255
29,000	2,852	72,500	13,665	500,000	214,855
30,000	3,075	75,000	14,370	750,000	339,355
32,000	3,521	77,500	15,075	1,000,000	463,855

*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					
DIVIDEND	REGULAR	ELIGIBLE	ACTUAL	REGULAR	ELIGIBLE
	DIVIDEND	DIVIDEND		DIVIDEND	DIVIDEND
20,000	-	-	100,000	15,620	7,747
30,000	514	-	125,000	23,929	11,687
40,000	1,573	-	150,000	33,596	18,022
50,000	3,429	-	200,000	54,188	35,120
60,000	5,296	1,574	250,000	76,053	52,219
70,000	7,215	3,262	500,000	185,379	137,710
80,000	9,438	4,757	750,000	294,706	223,202
90,000	12,453	6,252	1,000,000	404,032	308,694

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

2018/2019 CHANGES

Effective 2018

- the BC Children's Fitness and Arts Tax Credits have been eliminated.
- the BC Caregiver Tax Credit replaced the Infirm Dependant and In-Home Care of Relative Tax Credit.
- Tax On Split Income (TOSI) rules have been expanded to affect adults receiving taxable dividends from private corporations and trusts unless specific exemptions apply. Please contact us to discuss further.

Effective 2019

- the limit on tax-exempt allowances will increase to \$ 0.58 for the first 5,000 kilometres driven and \$ 0.52 for each additional kilometre.
- the taxable benefit for personal use of an automobile where the employer pays the operating expenses will be increased to \$0.28.
- the CPP rate increased to 5.1% with the maximum pensionable earnings of \$57,400.
- the 2019 RRSP contribution limit of \$ 26,500 is reached with earned income of \$ 147,222 (2018 \$ 26,230 and \$ 145,722).
- the 2019 TFSA contribution limit is \$6,000. Any withdrawals made during the year are added back to contribution room in the following year.

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 2019

February 28: Last day to issue T4's, T4A's and T5's.

March 1: Last day to make personal and spousal RRSP contributions applicable to the 2018 taxation year.

March 15, June 15, September 15 & December 15: Quarterly installments for taxpayers who are required to remit quarterly.

April 30: File Personal Income Tax Returns for 2018 and remit balance due, if any, to CRA.

June 15: Due date for Personal Tax Returns of individuals or spouses/common-law partners of individuals 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.

RRIF MIN WITHDRAWAL RATES FOR AGE AT DEC 31

Age	%	Age	%	Age	%	Age	%	
71	5.28	77	6.17	83	7.71	89	10.99	
72	5.40	78	6.36	84	8.08	90	11.92	
73	5.53	79	6.58	85	8.51	91	13.06	
74	5.67	80	6.82	86	8.99	92	14.49	
75	5.82	81	7.08	87	9.55	93	16.34	
76	5.98	82	7.38	88	10.21	94	18.79	
* Under 71 + 1/(90-Age attained at beginning of year)							95+	20.00

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.