

Marginal Personal Tax Rates on Various Income Types in BC, Canada

For the Taxation Year 2005

Brackets assume that only the basic personal credit is available.

Income Range			Salary & Interest	Capital Gains	Dividends**	
\$ -	to	\$ 8,148	0.00%	0.00%	0.00%	
\$ 8,149	to	\$ 14,626	16.00%	8.00%	3.33%	
\$ 14,627	to	\$ 16,000	22.05%	11.03%	4.52%	
\$ 16,001	to	\$ 26,000	25.65%	12.83%	9.02%	
\$ 26,001	to	\$ 33,061	22.05%	11.03%	4.52%	
\$ 33,062	to	\$ 35,595	25.15%	12.58%	8.40%	
\$ 35,596	to	\$ 66,123	31.15%	15.58%	15.90%	
\$ 66,124	to	\$ 71,190	33.70%	16.85%	19.08%	
\$ 71,191	to	\$ 75,917	37.70%	18.85%	24.08%	
\$ 75,918	to	\$ 92,185	39.70%	19.85%	26.58%	
\$ 92,186	to	\$ 115,739	40.70%	20.35%	27.83%	
\$ 115,740		and up	43.70%	21.85%	31.58%	
Top combined						
			2004	43.70%	21.85%	31.58%
			2003	43.70%	21.85%	31.58%

** If all income is less than \$30,616 in Canadian dividends only, then there is no tax payable.

This material is general in nature and should not be relied upon to replace the requirement of specific professional advice. Please contact me prior to acting on the basis of any information included in this report.

Important Dates / Timelines for filing of your 2005 Tax Return

December 2005:	<ul style="list-style-type: none"> • Update automobile record • Contribute to RESPs • Convert your RRSP to a RRIF, if you have turned 69 in 2005, otherwise, your entire RRSP being considered taxable • Make on last top-up contribution to your RRSP, if you have turned 69 in 2005 • Make sure that all donations are made by December 31, 2005 in order to realize the tax benefits on your 2005 return • Make final payments to claim a tax deduction, e.g. alimony payments, child-care expenses, interest on money borrowed to earn investment income and investment counseling fees • Review your investment portfolio to determine any equities for which you want to lock in the losses before December 31, 2005
January 2006:	<ul style="list-style-type: none"> • Have employer complete T2200 if planning to deduct employment expenses • Gather your personal tax information
February 2006:	<ul style="list-style-type: none"> • File T4s and T4 Summary by February 28, 2006 • Make 2005 RRSP contribution by February 28, 2006 • 2005 RRSP maximum annual contribution is \$16,500
March 2006:	<ul style="list-style-type: none"> • Arrange an appointment with us in early or middle of March
April 2006:	<ul style="list-style-type: none"> • Best to contact our office before April 7, 2006 to ensure returns file in a timely manner • May 1, 2006 is the filing deadline for personal tax return if you have tax payable or not carrying on a business in 2005

我們搬了!

We're moving!

New address, same phone no.

Kevin K. Yip, CGA

EFFECTIVE FEBRUARY 1, 2006, our new address will be:

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