

**2009 Corporate Income Tax Rates
Canadian Controlled Private Corporations (CCPC)**

	Active Business Income		Manufacturing Income		Investment Income	Other Income
	** Up to \$500,000 %	More than \$500,000 Up to \$1,500,000 %	Up to \$500,000 %	More than \$500,000 Up to \$1,500,000 %	%	%
Federal Tax	11.00	19.00	19.00	19.00	34.70	19.00
Provincial Tax	5.50	14.00	12.00	12.00	14.00	14.00
Surtax		4.25		3.25		
	<u>16.50</u>	<u>37.25</u>	<u>31.00</u>	<u>34.25</u>	<u>48.70</u>	<u>33.00</u>

** Includes Small Business Deduction (SBD)

Notes:

- 1 A Canadian Controlled Private Corporation (CCPC) is a corporation which is not controlled by non-residents and / or public corporations. Therefore, a Canadian private corporation that is controlled 50% by Canadian residents and 50% by non-residents, is a CCPC.
- 2 The purpose of small business deduction is to provide, through a tax rate reduction, capital to small businesses. Historically, small businesses have the greatest difficulty raising capital. By minimizing the impact of taxes, profits are available for reinvestment in the business. The small business deduction is available to a CCPC with income from an active business.

Notice to Readers:

In preparing the above table great care has been taken to ensure accuracy; however, readers are strongly advised to consult a professional before relying on the above table.

2009 Personal Income Tax Rates for Ontario

Annual Taxable Income		Ordinary	Capital	Eligible	Non-Eligible
Over	Up To	Income	Gains	Dividends	Dividends
\$	\$	%	%	%	%
0	36,848	21.50	10.53	(7.71)	3.88
36,848	40,726	24.15	12.08	(3.21)	7.11
40,726	64,882	31.15	15.58	6.94	15.86
64,882	73,698	32.98	16.49	7.44	16.86
73,698	76,440	35.39	17.70	10.94	19.88
76,440	81,452	39.41	19.70	12.91	22.59
81,452	126,264	43.41	21.70	18.71	27.59
126,264		46.41	23.20	23.06	31.34

Notes:

- 1 Eligible dividends include those received from a public Canadian corporation and certain private, resident corporations that must pay Canadian tax at the general corporation rate. Negative rates for lower taxable income amounts represent tax credits or refunds.
- 2 Non-eligible dividends include those received from Canadian Controlled Private Corporations (CCPC) that are not subject to the general corporate tax rate.

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