

Changes for 2018/19 in BC

- "TOSI" - Tax on Split Income - effective January 1, 2018 new TOSI rules have been introduced to affect adults receiving taxable income from private corporations, other than for very specific exemptions. Family income splitting has been severely impacted and punitive taxes may apply.
 - Passive investment income earned in private corporations may affect the amount of income taxed at the Small Business Limit
 - BC Employers Health Tax (BCEHT) becomes effective mid to late 2019 depending on total combined payroll amounts
 - BC Speculation and Vacancy taxes introduced in 2018 with first returns and payments due in 2019
- Expanded explanations of these changes are available on our published bulletins. Available at www.raincoastadvisors.com

Planning and Filing Dates

- Payroll remittances due by 15th of the following month
- Monthly remittances of \$25,000 and more will have more frequent payment dates
- PST filing and remittance at end of month following
- GST filing and remittance due at end of month following for monthly and quarterly filers
- Annual GST filing and remittance due three months after end of period
- Quarterly installments for personal income tax - March 15, June 15, September 15, December 15
- T4's, T4A's, T5's filing deadline Feb. 28
- RRSP contributions March 1, 2019 for the 2018 tax year (December 31 in the year you turn 71)
- RRSP's must be converted to RRIF's or Life annuities by December 31 in the year you turn 71
- Personal income tax returns must be filed by April 30
- Personal income tax returns for self employed individuals due June 15 (taxes due by April 30)

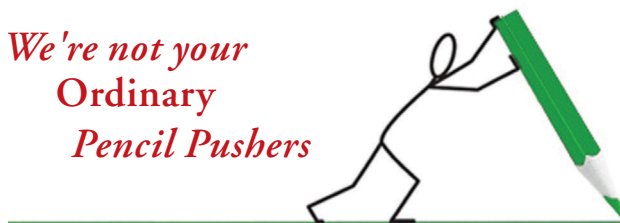
- January 7 - Registration opens for BCEHT
- February - BC Speculation and Vacancy Tax declaration forms to be mailed out
- February 28 - Tax information slips T4, T4A, T5
- March 1 - Last day to contribute to RRSP's applicable for previous tax year
- March 15 - First quarterly personal tax installment
- March 31 - BC Speculation and Vacancy Tax declaration filing due date
- March 31 - Trust information slips T3
- April 30 - Filing and payment date for personal income tax returns
- May 15 - Final date for BCEHT registration for employers with payroll exceeding \$600,000
- June 15 - Second quarterly personal tax installment
- June 15 - Filing date for personal tax returns for self employed individuals
- June 15 - First quarterly installment for BCEHT for large employers (payroll over \$600,000)
- July 2 - BC Speculation and Vacancy Tax payment due
- September 15 - Third quarterly personal tax installment
- September 15 - Second quarterly installment for BCEHT for large employers (payroll over \$600,000)
- December 15 - Fourth quarterly personal tax installment
- December 15 - Third quarterly installment for BCEHT for large employers (payroll over \$600,000)
- December 31 - Last day to contribute to RRSPs for individuals who turn 71 during the current year
- December 31 - Final date for BCEHT registration for employers with payroll over \$500,000 but under \$600,000

*For more tax tools and resources,
please visit our website:*

www.raincoastadvisors.com



*We're not your
Ordinary
Pencil Pushers*



In fact, we are extra-ordinary Pencil Pushers and we invite you to find out why.

**Raincoast Business Advisors –
Turning Vision into Value!**

You are the entrepreneur. We build on your unique strengths by adding our financial experience to help you achieve your goals. A business built on a solid plan with systems to manage and facilitate growth will result in value. Value is one of our key measures of success. We enjoy working with visionaries who want to build better business.

Reporting on historical financial statements and filing tax returns are important, but we believe there is so much more to do to enhance your financial future. Let's utilize your data to understand, plan and respond to the ever changing business environment.

Together we can help you set goals towards creating an innovative and solid vision for your business. Let's look forward together.

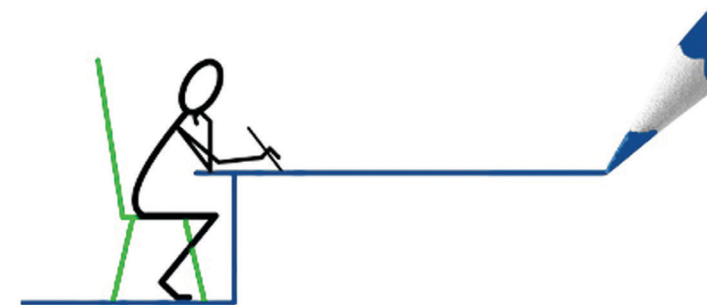
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Income Tax Quick Reference Guide 2019



Personal Tax Credits and other amounts for 2018			
Tax rate applied to credits	Fed	BC	Combined
	15.00%	5.06%	20.06%
Basic Personal	11,809	10,412	2,298
* Age - (threshold \$36,976; \$0 @ \$85,863)	7,333	4,669	1,336
* Spouse (reduced by net income - \$0 @ \$11,809)	11,809	8,915	2,222
* Eligible Dependents (reduced by net income - \$0 @ \$11,809)	11,809	5,915	2,071
* Spouse or Eligible Dependant if infirm (reduced by net income)	13,991	8,586	2,533
* Caregiver dependants age 18 or older or over	6,986	4,556	1,278
Caregiver for children under 18	2,182		327
CPP - max	2,593	2,593	520
EI - max	858	858	172
Volunteer Firefighters / Armed Forces	3,000		450
Canada Employment	1,195		179
Public Transit Pass Federal only up to June 30	15%		15%
Homebuyers amount	5,000		
Adoption expenses (maximum \$15,905)	15,905	15,905	3,191
Pension - max	2,000	1,000	351
Disability	8,235	7,809	1,630
* Supplement for children with disabilities	4,804	4,556	951
Interest on student loans	0%	0%	0%
Tuition (maximum transfer \$5,000)	15%	5.06%	20.06%
* Medical expenses (total minus 2,302 or 3% of net income)	15%	5.06%	20.06%
* Donations (first \$200 @ 20.06%, remainder @ 43.7%)	29%	14.70%	43.70%
GST Credit - 2019			
Adult	284		
Child	149		
Single Supplement	149		
Family income threshold	36,976		
Child Benefit program			
Children under 6	6,496		
Children aged 6 to 17	5,481		
reduced by 7% of income over \$30,000			
Family income threshold	30,450	(0 @ 96,425 1 child)	
Child Disability Benefit	2,771		
Family income threshold	65,975		

Unused tax credits by your spouse for age, pension, disability, eligible children, tuition & education - may be transferred and claimed by your spouse

OAS clawback begins at \$75,910 and is fully recovered at \$122,000 of total net income

* Note - credit is subject to income level or other amounts and may be reduced to zero.

Individual Marginal Rates 2018				
Taxable Income	Interest & income	Capital Gains	Canadian Dividends	
			Eligible	Non-Eligible
First \$40,707	20.06%	10.03%	0.00%	10.43%
over \$40,707 up to \$47,630	22.70%	11.35%	0.00%	13.47%
over \$47,630 up to \$81,416	28.20%	14.10%	1.63%	19.80%
over \$81,416 up to \$93,476	31.00%	15.50%	5.49%	23.02%
over \$93,476 up to \$95,259	32.79%	16.40%	7.96%	25.07%
over \$95,259 up to \$113,506	38.29%	19.15%	15.55%	31.40%
over \$113,506 up to \$147,667	40.70%	20.35%	18.88%	34.17%
over \$147,667 up to \$153,900	43.70%	21.85%	23.02%	37.62%
over \$153,900 up to \$210,371	45.80%	22.90%	25.92%	40.04%
over \$210,371	49.80%	24.90%	31.44%	44.64%

Marginal rate for dividends is based on actual dividends received (not grossed up)
Marginal rate for capital gains is based on total capital gains (not 50% taxable amount)

2018 Tax on Taxable Income Quick Chart - Rounded
(Federal & BC with basic personal exemption only)
(Dividends are non-eligible)

Taxable Income	Tax if Salary	Avg Rate	Tax if Dividends	Avg Rate
10,000	(1,094)		(75)	
15,000	(827)		(27)	
20,000	733	3.7%	-	0.0%
25,000	1,961	7.8%	203	0.8%
30,000	3,075	10.3%	514	1.7%
35,000	4,114	11.8%	957	2.7%
40,000	5,059	12.6%	1,572	3.9%
45,000	6,127	13.6%	2,493	5.5%
50,000	7,382	14.8%	3,427	6.9%
60,000	10,144	16.9%	5,294	8.8%
70,000	12,964	18.5%	7,213	10.3%
80,000	15,802	19.8%	9,436	11.8%
90,000	18,902	21.0%	12,453	13.8%
100,000	22,536	22.5%	15,621	15.6%
110,000	26,365	24.0%	18,938	17.2%
120,000	30,420	25.4%	22,256	18.5%
130,000	34,490	26.5%	25,780	19.8%
140,000	38,560	27.5%	29,689	21.2%
150,000	42,795	28.5%	33,598	22.4%
160,000	47,376	29.6%	37,507	23.4%
180,000	56,536	31.4%	45,442	25.2%
200,000	65,696	32.8%	54,188	27.1%
220,000	75,421	34.3%	62,934	28.6%
240,000	85,381	35.6%	71,680	29.9%
260,000	95,341	36.7%	80,426	30.9%
280,000	105,301	37.6%	89,172	31.8%
300,000	115,261	38.4%	97,918	32.6%
350,000	140,161	40.0%	119,784	34.2%
400,000	165,061	41.3%	141,649	35.4%
450,000	189,961	42.2%	163,514	36.3%
500,000	214,861	43.0%	185,379	37.1%
550,000	239,761	43.6%	207,245	37.7%
600,000	264,661	44.1%	229,110	38.2%
650,000	289,561	44.5%	250,975	38.6%
700,000	314,461	44.9%	272,840	39.0%
750,000	339,361	45.2%	294,706	39.3%
800,000	364,261	45.5%	316,571	39.6%
850,000	389,161	45.8%	338,436	39.8%
900,000	414,061	46.0%	360,302	40.0%
950,000	438,961	46.2%	382,167	40.2%
1,000,000	463,861	46.4%	404,032	40.4%

This data is provided for informational purposes only.
Quick tax calculation chart - Federal and British Columbia
(considers basic personal exemption only)

Automobile Deduction Limits	2019	2018
Ceiling on cost of passenger vehicles	\$30,000 plus taxes	\$30,000 plus taxes
Ceiling on deductible leasing costs	\$800 plus taxes	\$800 plus taxes
Maximum tax exempt km allowances	first 5,000km @ \$0.58	first 5,000km @ \$0.55
	balance of km @ \$0.52	balance of km @ \$0.49
Maximum allowable loan interest	\$300/month	\$300/month
Standby charge benefit	owned vehicle - 2% per month of original cost	
	leased vehicle - 2/3 of monthly lease cost	
Operating cost benefit	\$0.28/km	\$0.26/km

Payroll Deductions		2019	2018
CPP	Maximum pensionable earnings	\$57,400	\$55,900
	Basic annual exemption	\$3,500	\$3,500
	Contribution rate	5.10%	4.95%
	Maximum contribution	\$2,748.90	\$2,593.80
EI	Maximum annual insurable earnings	\$53,100	\$51,700
	Premium rate	1.62%	1.66%
	Maximum premium	employee \$860.22 employer \$1204.31	\$858.32 \$1107.67

RRSP	2019	2018
Maximum earned income to determine RRSP limit	\$147,222	\$144,500
Maximum increase to contribution limit - 18% of earned income	\$26,500	\$26,010

Corporate Tax Rates for Small Business		2019	2018
Combined Federal and BC rates on income	Up to 500,000	11.00%	12.00%
	Over 500,000	26.00%	27.00%
	Personal Services Business	44.00%	39.00%
	Investment income	49.70%	49.70%

RRIF Minimum Withdrawal Rates for age as at Dec. 31							
Age	%	Age	%	Age	%	Age	%
71	5.28	77	6.17	83	7.71	89	0.98
72	5.4	78	6.36	84	8.08	90	11.92
73	5.53	79	6.58	85	8.51	91	13.06
74	5.6	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
						95+	20