

## Corporation Tax Rate Chart

<b>Federal</b>	<b>General M &amp; P Income</b>	<b>Active Business Income (to \$200,000)</b>	<b>Active Business Income (\$200,000 to \$300,000)</b>	<b>Interest Income</b>
General Rate	38%	38%	38%	38%
Less Federal Abatement	(10)	(10)	(10)	(10)
=	28.0	28.0	28.0	28.0
Surtax at 4%	1.1	1.1	1.1	1.1
=	29.1	29.1	29.1	29.1
Tax Rate Deductions	(7.0)	(16.0)	(7.0)	-
=	24.1	13.1	22.1	35.8

Investment revenue, such as capital gains, rents, royalties and interest revenue, is refundable at a rate of 26.67% on every dollar of taxable dividends paid by the company.

Dividend revenue received by a non-connected corporation is fully refundable at a rate of 33.33% for every dollar of taxable dividends paid by the company.

<b>Provincial</b>				
Ontario	11.0	5.5	5.5	12.5

### Ontario Tax Rates:

January 2002 - 5.5% on \$320,000 of active business income

January 2004 - 5.0% on \$360,000 of active business income

January 2005 - 4.0% on \$400,000 of active business income