



Ross, Pope & Company

Chartered Accountants

Quick Reference Guide For Employers For 2008

Labour Standards

[Employment Standards Ontario Ministry of Labour](http://www.employmentstandards.gov.on.ca)



Federal & Ontario

Minimum Wage Feb 1/07 Mar 31/08

- Hourly Rate	\$8.00/hr	\$8.75/hr
- Under Age 18	\$7.50/hr	\$8.20/hr
- Home Workers	\$8.80/hr	\$9.63/hr
- Liquor server	\$6.95/hr	\$7.60/hr

- Under Age of 18 applies to students under 18 years of age working during a school holiday or working no more than 28 hours per week during the school year.

Minimum Daily Pay – Call In

- 3hrs

Minimum Vacation with Pay

- 2 weeks

Minimum Vacation Pay During First Year and on Termination

- 4% of annual earnings

Overtime Pay

- Time + ½ over 44hrs/week
(Certain jobs are exempt from overtime provisions.)

Notice of Termination by Employer

- After 3 months but less than 1 year 1 wk
- After 1 year but less than 3 years 2 wks
- After 3 years 1/wk/yr worked
(to a maximum of 8 wks)

Statutory Holidays

- Family Day (new in 2008), New Years Day, Good Friday, Victoria Day, Canada Day, Labour Day, Thanksgiving Day, Christmas Day, and Boxing Day

Employer Health Tax

Total Ontario Annual Remuneration	Rate
- Less than or equal to \$400,000	nil%
- More than \$400,000	1.95%

Workplace Safety & Insurance Board

<http://www.wsib.on.ca>

Maximum earnings ceiling
2008 - \$73,300

Canada Pension Plan

Year's Maximum Pensionable Earnings	\$44,900
Annual Basic Exemption	\$3,500
Contribution Rate	4.95%
Maximum Contribution	\$2,049.30

Employment Insurance

Years' Maximum Insurable Earnings	\$41,100
Contribution	1.73%
Maximum Contribution	\$711.03



Reporting Requirements

Separate Federal and Provincial Tax Tables

- must calculate Federal and Provincial tax bases on tables provided by Canada Revenue Agency
- the combined total of the Federal and Provincial tax deducted will be entered on the remittance form
- new TD1 forms – one for Federal and one for Provincial which may be found at the end of the Payroll Deductions Tables book
- Payroll Deductions Online Calculator
<http://www.cra-arc.gc.ca/eservices/tax/business/pdoc-e.html>

Payroll Remittances

- 15th of the following month, unless a larger employer (average remittances > \$15,000 must file semi-monthly on the 10th and 25th, average remittance > \$50,000 must file weekly on the 3rd day after the remitting periods as determined by Canada Revenue Agency)
- An employer can remit quarterly if his average monthly withholding amount is less than \$1,000 in either the first or the second preceding calendar year, if he has a perfect compliance history in the previous 12 months **and** if he has no outstanding GST/HST returns or T4 information returns for the previous 12 months. This \$1,000 threshold is increased to \$3,000 beginning in 2008.

Annual T4 Summary and Supplementaries

- Last day of February of the following year

Annual T5 Statement of Income and Supplementaries

- Last day of February of the following year

Workplace Safety and Insurance Board

- Generally by the end of the following month, although certain smaller businesses may be permitted, with permission to report less frequently
- Annual Return to be filed by March 15th of the following year



2008 Federal Personal Tax Credits*Table of Net Claim Codes*

Net Claim Amount	Claim Code
No claim amount allowed	0
Minimum - \$9,600	1
\$9,600.01 - \$11,524	2
\$11,524.01 - \$13,448	3
\$13,448.01 - \$15,372	4
\$15,372.01 - \$17,296	5
\$17,296.01 - \$19,220	6
\$19,220.01 - \$21,144	7
\$21,144.01 - \$23,068	8
\$23,068.01 - \$24,992	9
\$24,992.01 - \$26,916	10
\$26,916.01 and over	X
No tax withholding required	E

2008 Provincial Personal Tax Credits*Table of Net Claim Codes*

Net Claim Amount	Claim Code
No claim amount allowed	0
Minimum - \$8,681	1
\$8,681.01 - \$10,551	2
\$10,551.01 - \$12,421	3
\$12,421.01 - \$14,291	4
\$14,291.01 - \$16,161	5
\$16,161.01 - \$18,031	6
\$18,031.01 - \$19,901	7
\$19,901.01 - \$21,771	8
\$21,771.01 - \$23,641	9
\$23,641.01 - \$25,511	10
\$25,511.01 and over	X
No tax withholding required	E



Employee Benefits and Allowances

The following are a few of the benefits and allowances provided by employers to employees and the tax treatment of each.

Item	Taxable	CPP	EI
1) Employees personal use of employer provided automobile	Yes	Yes	No
2) Reasonable automobile allowance for use of employee vehicle (i.e. Based on reasonable rate per km, for business km's driven)	No	No	No
3) Payment or reimbursement of professional membership dues if a condition of employment	No	No	No*
4) Special occasion gift or non-cash reward to an employee of \$500 or less	No**	No**	No**
5) Club memberships where the employee is the one who primarily benefits	Yes	Yes	No*
6) Group term life insurance policies with premium paid by employer	Yes	Yes	No*
7) Dental and health care premiums paid by employer	No	No	No
8) Free or subsidized board and lodging not at a remote location	Yes	Yes	No*
9) Long and short-term disability premiums paid by employer to a group plan	No	No	No
10) Registered Retirement Savings Plan contribution by employer	Yes	Yes	Yes
11) Retiring allowances (to be reported on a T4A supplementary)	Yes	No	No

* If any of the above is paid in cash to the employee then the amount would be subject to Employment Insurance.

** This does not apply to cash or near cash gifts. Cash or near cash gifts will be considered taxable, pensionable and insurable. Near cash gifts include gift certificates, gold nuggets and any items easily converted to cash.

