



Ross, Pope & Company LLP

Chartered Accountants

Canadian-controlled private corporation tax rates for 2009

FEDERAL	General M & P Income %	Active Business Income (to \$500,000) %	Active Business Income (in excess of \$500,000) %	Investment Income %
General rate	38.0	38.0	38.0	38.0
Less: Federal abatement	(10.0)	(10.0)	(10.0)	(10.0)
	28.0	28.0	28.0	28.0
Refundable tax on investment income				6.7
	28.0	28.0	28.0	34.7
Tax rate deductions	(9.0)	(17.0)	(9.0)	-
	19.0	11.0	19.0	34.7 (1)
PROVINCIAL				
Ontario	14.0	5.5	14.0	14.0
COMBINED TAX RATE	33.0	16.5	33.0	48.7

(1) This tax paid on investment income such as capital gains, rents, royalties and interest income is potentially refundable at a rate of 26.67% of investment income.

Dividend revenue received from a non-connected corporation is subject to a tax of 33.33% which is also potentially refundable.

Dividend refunds to the corporation from the above are refundable at a rate of 33.33% for every dollar of taxable dividends paid by the company.