



2007 Personal Tax Facts



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Tax Rates – British Columbia

This table estimates your combined federal/BC tax liability for 2007. Only the basic personal federal and provincial tax credits are included in the calculations.

Taxable Income (\$) From To		Tax on Bottom of Range (\$)	Marginal Tax Rate (%)			
			Regular Income	Large Corp Dividends ¹	Small Corp Dividends ²	Capital Gains
—	8,929	—	0.00	0.00	0.00	0.00
8,930	9,027	—	15.50	-5.03	2.71	7.75
9,028	34,397	15	21.55	-13.66	3.90	10.78
34,398	37,178	5,483	24.65	-9.16	7.77	12.33
37,179	68,794	6,168	31.15	0.26	15.90	15.58
68,795	74,357	16,017	33.70	3.96	19.08	16.85
74,358	78,984	17,891	37.70	9.76	24.08	18.85
78,985	95,909	19,636	39.70	12.66	26.58	19.85
95,910	120,887	26,355	40.70	14.11	27.83	20.35
120,888	and over	36,521	43.70	18.46	31.58	21.85

1. Rates apply to dividends eligible for enhanced dividend tax credit.

2. Rates apply to dividends eligible for dividend tax credit.

Equivalent After-Tax Yields for Interest, Dividends and Capital Gains

This table compares the after-tax yield of dividends, capital gains and interest income that are taxed at the top marginal tax rate of 43.70%. The yield on dividends reflects the federal and BC dividend tax credit.

Pre-tax Yield (%)	After-tax Yields (%)			
	Large Corp Dividends	Small Corp Dividends	Capital Gains	Interest
4	3.26	2.74	3.13	2.25
6	4.89	4.10	4.69	3.38
8	6.52	5.47	6.25	4.50
10	8.15	6.84	7.82	5.63
12	9.78	8.21	9.38	6.76

RRSP Contribution/Content Limits

Year	Dollar Limit ¹ (\$)	Income Level ² (\$)
2007	19,000	105,556
2008	20,000	111,111
2009	21,000	116,667
2010	22,000	122,222

1. The RRSP contribution limit for a year is the lesser of the dollar limit noted above and 18% of the prior year's earned income, less any pension adjustment for the prior year and any past service pension adjustment for the current year.

2. Earned income needed in the prior year for maximum contribution.

Dividend Income

For 2007, a resident of BC with no other income may receive dividends eligible for the enhanced dividend tax credit of up to \$66,462 free of personal tax.

For 2007, a resident of BC with no other income may receive dividends eligible for the dividend tax credit of up to \$31,850 free of personal tax.

Old Age Security Repayment

Individuals with net income above \$63,511 must repay part or all of their OAS payments. The full OAS payment is eliminated when net income reaches \$102,865.