

## TAX INFORMATION FOR 2012

Here are the deductions at source rates for 2012 and 2011 for Employment Insurance, Quebec Parental Insurance Plan, Quebec Pension Plan, Quebec Health Services Fund and Commission des normes du travail. These rates will help the user plan more efficiently for the current taxation year and help to prepare T4 and Relevé 1 slips for 2011.

	2012	2011
<b>Quebec employees:</b>		
Contribution rate to Employment Insurance (EI)	\$1.47 per \$100.00 of earnings	\$1.41 per \$100.00 of earnings
Employer's portion of EI	1.4 x employee's portion	1.4 x employee's portion
Maximum annual insurable earnings of EI	\$45,900.00	\$44,200.00
Maximum annual premium to EI	\$674.73	\$623.22
Contribution to Quebec Parental Insurance Plan (QPIP)	\$0.559 per \$100.00 of earnings	\$0.537 per \$100.00 of earnings
Employer's portion of QPIP	\$0.782 per \$100.00 of earnings	\$0.752 per \$100.00 of earnings
Maximum annual insurable earnings	\$66,000.00	\$64,000.00
Maximum annual premium to QPIP	\$368.94	\$343.68
Employee's Quebec Pension Plan (QPP) maximum annual contribution	\$2,341.65	\$2,217.60
Employer's QPP maximum annual contribution	\$2,341.65	\$2,217.60
Maximum pensionable earnings – QPP	\$50,100.00	\$48,300.00
Basic exemption – QPP	\$3,500.00	\$3,500.00
Employee's contribution rate to the QPP	5.025% of pensionable earnings	4.95% of pensionable earnings
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Quebec Health Services Fund (HSF) <b>(employers only)</b>	2.7% of total payroll <sup>1</sup>	2.7% of total payroll <sup>1</sup>

<sup>1</sup> **Important:** The employer's contribution rate to the HSF will vary between 2.70% (total payroll ≤ \$1,000,000) and 4.26% (total payroll ≥ \$5,000,000), depending on the **total payroll of the employer and any associated employers on a worldwide basis.**

	2012	2011
<b>Commission des normes du travail (CNT) (employers only)</b>	0.08% of total payroll	0.08% of total payroll
Maximum annual earnings subject to the CNT	\$66,000.00	\$64,000.00
Employer's maximum contribution to the CNT	\$52.80	\$51.20
<b>All Canadian employees (except Quebec):</b>		
Contribution rate to Employment Insurance (EI)	\$1.83 per \$100.00 of earnings	\$1.78 per \$100.00 of earnings
Employer's portion of EI	1.4 x employee's portion	1.4 x employee's portion
Maximum annual insurable earnings of EI	\$45,900.00	\$44,200.00
Maximum annual premium to EI	\$839.97	\$786.76
Taxable ordinary dividend	125% of actual dividend	125% of actual dividend
Dividend tax credit – Federal	16.667% of actual dividend	16.667% of actual dividend
Dividend tax credit – Quebec	10% of actual dividend	10% of actual dividend
Taxable eligible dividend	138% of actual dividend	141% of actual dividend
Eligible dividend tax credit – Federal	20.727% of actual dividend	23.17% of actual dividend
Eligible dividend tax credit – Quebec	16.442% of actual dividend	16.779% of actual dividend

The matters highlighted in this tax memo are presented in broad general terms and, of course, cannot be applied without consideration of all circumstances. The firm will be pleased to discuss with recipients the possible effects of these matters in specific situations.

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