



CPA et conseillers en gestion d'entreprises  
CPAs & Business Advisors

FL Fuller Landau SENCRL/LLP

# TAX TARGET™

December 2015

## TAX INFORMATION FOR 2016



Here are the deductions at source rates for 2016 and 2015 for Employment Insurance, Quebec Parental Insurance Plan, Quebec Pension Plan, Canada Pension Plan, Quebec Health Services Fund, Quebec Health Contribution, 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 2015.

|   | 2016                               | 2015                             |                                    |             |
|---|------------------------------------|----------------------------------|------------------------------------|-------------|
| Contribution rate to Employment Insurance (EI) (Quebec) | \$1.52 per \$100.00 of earnings    | \$1.54 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                 | \$50,800.00                        | \$49,500.00                      |                                    |             |
| Maximum annual premium to EI                            | \$772.16                           | \$762.30                         |                                    |             |
| Maximum annual employer premium to EI                   | \$1,081.02                         | \$1,067.22                       |                                    |             |
| Contribution to Quebec Parental Insurance Plan (QPIP)   | \$0.548 per \$100.00 of earnings   | \$0.559 per \$100.00 of earnings |                                    |             |
| Employer's portion of QPIP                              | \$0.767 per \$100.00 of earnings   | \$0.782 per \$100.00 of earnings |                                    |             |
| Maximum annual insurable earnings                       | \$71,500.00                        | \$70,000.00                      |                                    |             |
| Maximum annual premium to QPIP                          | \$391.82                           | \$391.30                         |                                    |             |
| Maximum annual employer premium to QPIP                 | \$548.41                           | \$547.40                         |                                    |             |
| <b>QPP / CPP:</b>                                       | <b>QPP</b>                         | <b>CPP</b>                       | <b>QPP</b>                         | <b>CPP</b>  |
| Employee's and employer's maximum annual contribution   | \$2,737.05                         | \$2,544.30                       | \$2,630.25                         | \$2,479.95  |
| Maximum pensionable earnings                            | \$54,900.00                        | \$54,900.00                      | \$53,600.00                        | \$53,600.00 |
| Basic exemption   | \$3,500.00                         | \$3,500.00                       | \$3,500.00                         | \$3,500.00  |
| Employee's and employer's contribution rate to the QPP  | 5.325% of pensionable earnings     |                                  | 5.25% of pensionable earnings      |             |
| Employee's and employer's contribution rate to the CPP  | 4.95% of pensionable earnings      |                                  | 4.95% of pensionable earnings      |             |
| Quebec Health Services Fund (HSF) (employers only)      | 2.7% of total payroll <sup>1</sup> |                                  | 2.7% of total payroll <sup>1</sup> |             |

<sup>1</sup> **Important:** As of January 1, 2015, the employer's HSF contribution rate for small and medium-sized businesses in the manufacturing sector will be reduced to vary between 1.6% (total payroll ≤ \$1,000,000) and 4.26% (total payroll ≥ \$5,000,000). For other employers, the HSF contribution rate will vary between 2.7% and 4.26% depending on the **total payroll of the employer, and any associated employer, on a worldwide basis.**

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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.

## 2016

## 2015

### Quebec Health Contribution:

|                                    |   |     |
|------------------------------------|---|-----|
| Revenue under \$18,370             |   | \$0 |
| Revenue from \$18,370 to \$40,820  | Whichever is less:<br>\$100; or<br>5% x (revenue - \$18,370)              |     |
| Revenue from \$40,820 to \$132,650 | Whichever is less:<br>\$200; or<br>\$100 + [5% x (revenue - \$40,820)]    |     |
| Revenue over \$132,650             | Whichever is less:<br>\$1,000; or<br>\$200 + [4% x (revenue - \$132,650)] |     |
| Revenue under \$18,570             |   | \$0 |
| Revenue from \$18,570 to \$41,625  | Whichever is less:<br>\$100; or<br>5% x (revenue - \$18,570)              |     |
| Revenue from \$41,625 to \$134,095 | Whichever is less:<br>\$200; or<br>\$100 + [5% x (revenue - \$41,625)]    |     |
| Revenue over \$134,095             | Whichever is less:<br>\$1,000; or<br>\$200 + [4% x (revenue - \$134,095)] |     |

|   |                        |                        |
|---|------------------------|------------------------|
| Commission des normes du travail (CNT) (employers only) | 0.08% of total payroll | 0.08% of total payroll |
| Maximum annual earnings subject to the CNT              | \$71,500.00            | \$70,000.00            |
| Employer's maximum contribution to the CNT              | \$57.20                | \$56.00                |

### All Canadian employees (except Quebec):

|  |                                 |                                 |
|--|---------------------------------|---------------------------------|
| Contribution rate to Employment Insurance (EI) | \$1.88 per \$100.00 of earnings | \$1.88 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        | \$50,800.00                     | \$49,500.00                     |
| Maximum annual premium to EI                   | \$955.04                        | \$930.60                        |
| Maximum annual employer premium to EI          | \$1,337.06                      | \$1,302.84                      |

|  |                             |                            |
|--|-----------------------------|----------------------------|
| Taxable ordinary dividend              | 117% of actual dividend     | 118% of actual dividend    |
| Dividend tax credit - Federal          | 12.3104% of actual dividend | 13% of actual dividend     |
| Dividend tax credit - Quebec           | 8.249% of actual dividend   | 8.319% of actual dividend  |
| Taxable eligible dividend              | 138% of actual dividend     | 138% of actual dividend    |
| Eligible dividend tax credit - Federal | 20.727% of actual dividend  | 20.727% of actual dividend |
| Eligible dividend tax credit - Quebec  | 16.422% of actual dividend  | 16.422% of actual dividend |

FOR ADDITIONAL INFORMATION, PLEASE CONTACT A MEMBER OF OUR TAX DEPARTMENT:

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