

<i>Status</i>	<i>Income</i>	<i>Income Tax</i>	<i>Old Age Security Tax</i>
	\$	\$	\$
Single taxpayer—no dependants.....	1,200	9	4
	1,500	37	16
	2,000	83	36
	2,500	147	58
	3,000	215	76
	5,000	555	120
	10,000	1,754	120
	20,000	5,580	120
	50,000	20,713	120
	100,000	50,603	120
Married taxpayer—no dependants.....	2,200	9	4
	2,500	37	16
	3,000	83	36
	5,000	375	116
	10,000	1,470	120
	20,000	5,148	120
	50,000	20,163	120
	100,000	49,953	120
Married taxpayer—two children eligible for family allowances.....	2,800	9	4
	3,000	23	12
	5,000	277	92
	10,000	1,320	120
	20,000	4,889	120
	50,000	19,833	120
	100,000	49,563	120

The income taxes shown above are the combined federal and provincial taxes in all provinces where the provincial tax is the same as the federal abatement (i.e., in all provinces except Quebec, Manitoba and Saskatchewan). In Quebec the provincial tax approximates the federal abatement; in Manitoba and Saskatchewan the provincial tax exceeds the abatement by 5 percentage points.

Corporation Income Tax

The Income Tax Act levies a tax upon the income from everywhere in the world of corporations resident in Canada and upon the income attributable to operations in Canada of non-resident corporations carrying on business in Canada. In computing their income, corporations may deduct operating expenses including municipal real estate taxes, reserves for doubtful debts, bad debts, and interest on borrowed money. They may not deduct provincial income taxes other than provincial taxes on income derived from mining operations. (For this purpose "income from mining operations" is specially defined.)

Regulations covering capital cost allowances (depreciation) permit taxpayers to deduct over a period of years the actual cost of all depreciable property. The yearly deductions of normal capital cost allowances are computed on the diminishing balance principle. (Taxpayers engaged in farming and fishing may choose between this and the straight-line method.) Published regulations establish a number of classes of property and maximum rates. There is provision for recapture of any amount allowed in excess of the ultimate net capital cost of any asset.

Accelerated depreciation is available to taxpayers in certain circumstances and for a limited period of time. Straight-line depreciation at a rate not exceeding 50 p.c. is granted in respect of new machinery and equipment that would otherwise fall in Class 8 of the Income Tax Regulations acquired in the period June 14, 1963 to Dec. 31, 1966 for use in manufacturing or processing businesses by individuals resident in Canada or by companies resident in Canada that have a degree of Canadian ownership. A company that has a