

## 20.24 Personal income tax payable on various levels of income, 1974 (dollars)

Status	Income <sup>1</sup>	Basic federal tax	Federal tax cut <sup>2</sup>	Federal income tax <sup>3</sup>	Provincial income tax <sup>4</sup>
Single taxpayer — no dependents	1,706	—	—	—	—
	2,000	16	16	—	5
	2,500	79	79	—	24
	3,000	167	100	67	51
	4,000	352	100	252	107
	5,000	544	100	444	166
	8,000	1,187	100	1,087	362
	10,000	1,660	100	1,560	506
	20,000	4,706	235	4,471	1,435
	50,000	16,363	500	15,863	4,991
100,000	39,226	500	38,726	11,964	
Married taxpayer — no dependents	1,706	—	—	—	—
	2,000	—	—	—	—
	2,500	—	—	—	—
	3,000	—	—	—	—
	4,000	73	73	—	22
	5,000	252	100	152	77
	8,000	860	100	760	262
	10,000	1,304	100	1,204	398
	20,000	4,184	209	3,975	1,276
	50,000	15,722	500	15,222	4,795
100,000	38,525	500	38,025	11,950	
Married taxpayer — two children under age 16	1,706	—	—	—	—
	2,000	—	—	—	—
	2,500	—	—	—	—
	3,000	—	—	—	—
	4,000	—	—	—	—
	5,000	132	100	32	40
	8,000	726	100	626	221
	10,000	1,157	100	1,057	353
	20,000	3,960	198	3,762	1,208
	50,000	15,446	500	14,946	4,711
100,000	38,224	500	37,724	11,658	

<sup>1</sup>It is assumed that all income is from salary or wages and all taxpayers take the standard deduction of \$100 and the employment expense deduction. No account has been taken of other deductions such as for child care expenses, unemployment insurance contributions or the additional old age deduction.

<sup>2</sup>Tax saving attributable to the 5% minimum \$100, maximum \$500 tax cut applicable to 1973 and subsequent years.

<sup>3</sup>Federal tax is for income earned in any province except Quebec. Excluded are the proposals from the May 6, 1974 budget.

<sup>4</sup>The provincial income tax is calculated at 30.5% of basic federal tax otherwise payable. Some provinces impose tax at a rate higher than 30.5%.

## 20.25 Special excise taxes levied as at Dec. 31, 1973

Item	Tax
Cigarettes	3¢ per 5 cigs.
Cigars	17½% ad valorem
Pipe tobacco, cut tobacco, snuff	90¢ per lb.
Jewellery, including articles of ivory, amber, shell, precious or semi-precious stones, clocks, watches, goldsmiths' and silversmiths' products, except gold-plated or silver-plated ware for the preparation or serving of food or drink <sup>1</sup>	10% ad valorem
Lighters	10¢ per lighter
Playing cards	20¢ per pack
Slot machines — coin, disc or token-operated games or amusement devices	10% ad valorem
Matches	10% ad valorem
Tobacco, pipes, cigar and cigarette holders and cigarette rolling devices	10% ad valorem
Wines <sup>2</sup>	
Wines of all kinds containing not more than 7% absolute alcohol by volume	25¢ per gal
Non-sparkling wines containing more than 7% absolute alcohol by volume but not more than 40% proof spirit	50¢ per gal
Sparkling wines	\$2.50 per gal
Wines (additional excise taxes) <sup>3</sup>	
Wines of all kinds containing not more than 7% absolute alcohol by volume	2½¢ per gal
Wines of all kinds containing more than 7% absolute alcohol by volume	5¢ per gal
Insurance premiums paid to British or foreign companies not authorized to transact business in Canada or to non-resident agents of authorized British or foreign companies	10% of net premium for property surety, fidelity and liability insurance. (Most other kinds of insurance are exempt.)

All the foregoing items, except insurance premiums, are also subject to the general sales tax of 12%. Cigarettes, cigars and tobacco are subject to additional taxes under the Excise Act (referred to as excise duties).

<sup>1</sup>Beginning Feb. 19, 1973 clocks and watches valued at less than \$50 are not subject to the 10% special excise tax.

<sup>2</sup>These taxes apply only to wines manufactured in Canada. The customs tariff on wines includes a levy on imported wines to correspond to the taxes on domestic production.

<sup>3</sup>These taxes apply to both domestic and imported wines.