

## BC Budget Summary of Tax Measures 2015

### Personal Income Tax

#### **Tax Rates**

The BC Budget will not renew the temporary two-year tax increase for those that earn more than \$150,000. These were scheduled after 2015. The personal income rates for 2015 and 2016 years are as follows:

Type of Income	2015 Combined Federal/BC Top Marginal Rate	2016 Combined Federal/BC Top Marginal Rate
<b>Regular income</b>	<b>45.8%</b>	<b>43.7%</b>
<b>Capital gains</b>	<b>22.9%</b>	<b>21.9%</b>
<b>Eligible dividends</b>	<b>28.7%</b>	<b>25.8%</b>
<b>Regular dividends</b>	<b>38.0%</b>	<b>35.5%</b>

Note: The 2015 Federal Budget has not yet been released so additional changes to tax rates may result.

#### **Medical Service Plan (MSP) Premiums**

MSP premiums will increase by approximately 4% effective January 1, 2016.

#### **Home Owner Grant Phase-out Maintained**

The homeowner grant phase-out threshold is maintained at \$1,100,000 for the 2015 taxation year. The grant is reduced by \$5 for every \$1,000 of assessed value in excess of the new threshold of \$1,100,000.

#### **BC Mining Flow-Through Share Tax Credit**

As previously announced, the BC mining flow-through share tax credit is being extended to the end of 2015.

#### **BC Training Tax Credits**

As previously announced, the BC training tax credits are extended for an additional year to the end of 2017.

#### **BC Children's Fitness Equipment Tax Credit**

A new tax credit is available to allow families to claim a tax credit up to \$250 per child for equipment purchased for a child. This credit is effective for the 2015 taxation year. Parents will not be required to keep receipts for equipment purchases.

**BC Education Coaching Tax Credit**

A new tax credit is available to teachers and teaching assistants that perform more than 10 hours of volunteer extracurricular coaching activities. The tax credit is \$500 and is available until the 2017 tax year.

**Child Support Payments**

Child support payments will be exempted from income assistance calculations effective September 1, 2015.

**Corporate Income Tax**

**Tax Rates**

The BC Budget made no changes to the corporate tax rates. The corporate income rates remain at the following for 2015:

Type of Income	BC Rate	Combined Federal/BC Rate
<b>General</b>	<b>11.0%</b>	<b>26.0%</b>
<b>Small business (on the first \$500,000 of active business income)</b>	<b>2.5%</b>	<b>13.5%</b>

**Additional Information**

Please visit the Ministry of Finance website for more information at:  
<http://bcbudget.gov.bc.ca/2015/default.htm>

Your Johnsen Archer LLP adviser can help you assess the effect of the tax changes in this year's BC budget on your personal finances or business affairs, and point out ways to take advantage of their benefits or ease their impact.

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