



## 2008 Handy Financial Planning Facts

### Commonly used planning numbers

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The following is a summary of some common financial planning related information that you can use as a handy reference. Any values noted below are for 2008.

<b>RETIREMENT</b>											
Maximum CPP/QPP benefit at age 65	\$884.58 per month										
Maximum CPP/QPP benefit at age 60	\$619.21 per month										
Maximum CPP contribution employer & employee	\$2,049.30 each annually										
Maximum CPP contribution self-employed	\$4,098.60 annually										
YMPE – Yearly Maximum Pensionable Earnings	\$44,900										
Maximum OAS benefit for Q1	\$502.31 per month										
OAS clawback rate	\$0.15 for every \$1 of Net Income above \$64,718; maximum OAS eliminated at a Net Income of approximately \$104,903										
CANSIM rate	4.22% (minimum rate for provinces is still 6%).										
RRSP - Maximum annual deduction limit	\$20,000 (for the 2008 tax year)										
RRSP - Withholding Tax on withdrawals by a resident of (Quebec) / Canada	(21%) / 10% for amounts less than \$5,000 (26%) / 20% for amounts of \$5,000 - \$15,000 (31%) / 30% for amounts over \$15,000										
<b>EDUCATION</b>											
Maximum annual RESP contribution	Unlimited annual up to lifetime maximum of \$50,000 per beneficiary.										
Maximum annual RESP contribution for maximum CESG eligibility	\$5,000 per beneficiary to get \$1,000 of CESG. Annual CESG = \$500/year/beneficiary.										
<b>TAX</b>											
EI - maximum annual premium	\$711 (\$571.30 in Quebec due to separate maternity and parental benefits)										
EI - insured earnings	\$41,100										
Basic personal tax exemption	\$9,600										
Federal tax brackets and rates based on taxable income	<table border="1"> <thead> <tr> <th>Taxable Income</th> <th>Federal rate</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$37,885</td> <td>15%</td> </tr> <tr> <td>\$37,886 - \$75,769</td> <td>22%</td> </tr> <tr> <td>\$75,770 - \$123,184</td> <td>26%</td> </tr> <tr> <td>\$123,185 – and over</td> <td>29%</td> </tr> </tbody> </table>	Taxable Income	Federal rate	\$0 - \$37,885	15%	\$37,886 - \$75,769	22%	\$75,770 - \$123,184	26%	\$123,185 – and over	29%
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Eligible Dividends (most public companies)	Gross Up 45%; Taxable amount is 145% Federal Tax Credit 18.9655% of taxable amount										
Other than Eligible Dividends	Gross Up 25%; Taxable Amount is 125% Federal Tax Credit 13.3333% of taxable amount										
Tax Tables by province	Located on Advisor.net: <a href="http://advisor.net.rbc.com/category/1,1080.FP-TAY,00.html">http://advisor.net.rbc.com/category/1,1080.FP-TAY,00.html</a>										
A personal tax calculator website	<a href="http://www.ey.com/global/content.nsf/Canada/Tax-Calculators-Overview">http://www.ey.com/global/content.nsf/Canada/Tax-Calculators-Overview</a>										

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<b>GOVERNMENT LINKS</b>	
Canada Revenue Agency website	<a href="http://www.cra-arc.gc.ca/menu-e.html">http://www.cra-arc.gc.ca/menu-e.html</a>
Canada Revenue Agency General Help Line	1-800-959-8281
Phone number for CPP/OAS queries	1-800-277-9914
Phone number for QPP queries	Regie de Rentes 1-800-463-5185 <a href="http://www.rrq.gouv.qc.ca/fr/services/nous_joindre">http://www.rrq.gouv.qc.ca/fr/services/nous_joindre</a>

If you have any questions or require clarification of any of the issues discussed in this document, do not hesitate to discuss these with your advisor.

**Note: The above information is based on the current and proposed tax law in effect as of the date of this article. The article is for information purposes only and should not be construed as offering tax or legal advice. Individuals should consult with a qualified tax and legal advisors before taking any action based upon the information contained in this article.**

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