

CORPRATE TAX RATES

		<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
SBD Active to \$200,000	Fed	12.00	12.00	12.00	12.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	6.00	5.50	5.50	5.50	5.50
	Total	19.12	18.62	18.62	18.62	18.62
SBD Active \$200K to \$225K	Fed	21.00	12.00	12.00	12.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	-	-	-	-	-
	Total	22.12	13.12	13.12	13.12	13.12
SBD Active \$225K to \$250K	Fed	21.00	21.00	12.00	12.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	-	-	-	-	-
	Total	22.12	22.12	13.12	13.12	13.12
SBD Active \$250K to \$275K	Fed	21.00	21.00	21.00	12.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	-	-	-	-	-
	Total	22.12	22.12	22.12	13.12	13.12
SBD Active \$275K to \$280K	Fed	21.00	21.00	21.00	21.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	-	-	-	-	-
	Total	22.12	22.12	22.12	22.12	13.12
SBD Active \$280K to \$300K	Fed	21.00	21.00	21.00	21.00	12.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	-	-	-	-	-
	Total	22.12	22.12	22.12	22.12	13.12
SBD Active \$300K to \$320K	Fed	12.50	23.00	21.00	21.00	21.00
	Fed surtax	38.62	36.62	36.12	13.12	13.12
	Ont	-	-	-	-	-
	Total	51.12	59.62	57.12	34.12	34.12

SBD Active \$320K to \$400K	Fed	12.50	23.00	21.00	21.00	21.00
	Fed surtax	38.62	36.62	36.12	13.12	13.12
	Ont	-	-	-	-	-
	Total	51.12	59.62	57.12	34.12	34.12
M & P Income (not eligible for SBD)	Fed	21.00	21.00	21.00	21.00	21.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	11.00	11.00	12.00	12.00	12.00
	Total	33.12	33.12	34.12	34.12	34.12
Active Income (not eligible for SBD)	Fed	25.00	23.00	21.00	21.00	21.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Ont	12.50	12.50	14.00	14.00	14.00
	Total	38.62	36.62	36.12	36.12	36.12
Investment income of CCPC	Fed	28.00	28.00	28.00	28.00	28.00
	Fed surtax	1.12	1.12	1.12	1.12	1.12
	Refundable	6.67	6.67	6.67	6.67	6.67
	Ont	-	-	-	-	-
	Total	35.79	35.79	35.79	35.79	35.79
	<i>RDTOH</i>	<i>26.67%</i>	<i>26.67%</i>	<i>26.67%</i>	<i>26.67%</i>	<i>26.67%</i>

Note:

This schedule does not take into account the effect of the claw back for the SBD tax rates. The Ontario claw back now applies where taxable income falls between \$300,000 and \$800,000 in 2003, and between \$400,000 and \$1,128,519 in 2004 and thereafter. The Ontario surtax tax rates are 4.67%.