

Federal tax rates for 2006 are:

15% on the first \$36,378 of taxable income;
 22% on the next \$36,378 of taxable income;
 26% on the next \$45,529 of taxable income; and
 29% of taxable income over \$118,285.

The chart below reproduces the first calculation that has to be made on *Page 1 of Schedule 1* of the tax package to calculate net federal

Federal tax on taxable income manual calculation chart

	Use this column if your taxable income is \$36,378 or less	Use this column if your taxable income is more than \$36,378, but not more than \$72,756	Use this column if your taxable income is more than \$72,756, but not more than \$118,285	Use this column if your taxable income is more than \$118,285	
Enter your taxable income from line 260 of your return					1
Base amount	– 0	– 36,378	– 72,756	– 118,285	2
Line 1 minus line 2 (this amount cannot be negative)	=	=	=	=	3
Federal tax rate	× 15%	× 22%	× 26%	× 29%	4
Multiply the amount on line 3 by the tax rate on line 4	=	=	=	=	5
Tax on the amount from line 2	+ 0	+ 5,457	+ 13,460	+ 25,297	6
Add lines 5 and 6	=	=	=	=	7

The calculation continues on *Page 2 of Schedule 1* to determine net federal tax.

Provincial/Territorial tax rates for 2006

Under the current tax on income method, tax for all provinces (except Quebec) and territories is calculated the same way as federal tax.

Form 428 is used to calculate this provincial or territorial tax. Provincial or territorial specific non-refundable tax credits are also calculated on Form 428.

For complete details, see the *Provincial or Territorial information and forms* in your 2006 tax package.

Provincial / Territorial tax rates (combined chart)

Provinces / Territories	Rate(s)
Newfoundland and Labrador	10.57% on the first \$29,590 of taxable income, +
	16.16% on the next \$29,590, +
	18.02% on the amount over \$59,180
Prince Edward Island	9.8% on the first \$30,754 of taxable income, +
	13.8% on the next \$30,755, +
	16.7% on the amount over \$61,509
Nova Scotia	8.79% on the first \$29,590 of taxable income, +
	14.95% on the next \$29,590, +
	16.67% on the next \$33,820 +
	17.5% on the amount over \$93,000
New Brunswick	9.68% on the first \$33,450 of taxable income, +
	14.82% on the next \$33,452, +
	16.52% on the next \$41,866, +
	17.84% on the amount over \$108,768
Ontario	6.05% on the first \$34,758 of taxable income, +
	9.15% on the next \$34,759, +
	11.16% on the amount over \$69,517
Manitoba	10.9% on the first \$30,544 of taxable income, +
	13.5% on the next \$34,456, +
	17.4% on the amount over \$65,000
Saskatchewan	11% on the first \$37,579 of taxable income, +
	13% on the next \$69,788, +
	15% on the amount over \$107,367
Alberta	10% of taxable income
British Columbia	6.05% on the first \$33,755 of taxable income, +
	9.15% on the next \$33,756, +
	11.7% on the next \$10,000, +
	13.7% on the next \$16,610, +
	14.7% on the amount over \$94,121
Yukon	7.04% on the first \$36,378 of taxable income, +
	9.68% on the next \$36,378, +
	11.44% on the next \$45,529, +
	12.76% on the amount over \$118,285
Northwest Territories	5.9% on the first \$34,555 of taxable income, +
	8.6% on the next \$34,555, +
	12.2% on the next \$43,248, +
	14.05% on the amount over \$112,358
Nunavut	4% on the first \$36,378 of taxable income, +
	7% on the next \$36,378, +
	9% on the next \$45,529, +
	11.5% on the amount over \$118,285