

Tax Changes and Deadlines for the 2010 Tax Year

A number of tax changes will take effect on January 1, 2010, most of them affecting individual taxpayers. The more significant changes are listed below.

RRSP deduction limit increases to \$22,000

The RRSP contribution limit for the 2010 tax year (for which the deadline is March 1, 2010) will increase to \$22,000. In order to make the maximum contribution for 2010, it will be necessary to have earned income for the 2009 taxation year of \$122,222.

Individual tax instalment deadlines for 2010

Millions of individual taxpayers pay income tax by quarterly instalments, which are usually due on the 15th day of each of March, June, September, and December. As each of those dates in 2010 falls on a regular business day, the 15th of each of those months will be the actual payment deadline.

Reduction in federal corporate tax rates

The general corporate tax rate is reduced, effective January 1, 2010, to 18%. There is no change in any other federal corporate tax for 2010.

The information presented is only of a general nature, may omit many details and special rules, is current only as of its published date, and accordingly cannot be regarded as legal or tax advice. Please contact our office for more information on this subject and how it pertains to your specific tax or financial situation.