

Taxable Income...

Benefits are deducted before federal/provincial tax is calculated. [Union dues and pension]

*union dues
pension*

Taxable income = Gross Pay - Before Tax Deductions

- Using gross pay:
look it up on table
- Find CPP deduction
 - Find EI deduction

- Using Taxable income:
** table*
- Find NB tax
 - Find Federal tax

Net Pay

STEPS: Calculate...

1. "Before tax Deductions" *Pension
Union Dues*
2. Taxable income (gross - before tax deductions)
3. Federal Tax *Look in Table (Taxable income)*
4. Provincial tax
5. CPP *Based on your gross pay*
6. EI
7. NET PAY

1. Jessica works for the "Fresh Scent Flower Company" and earns \$11.50 /hr. She earns time-and-a-half for overtime on all hours worked over 8 hours per day and double time on Saturdays. What is her gross pay for a week in which she works the following hours?

Mon	Tues	Wed	Thurs	Fri	Sat
8 h	6 h	12 h	10 h	8 h	6 h
R-8	R-6	R-8 O-4	R-8 O-2	R-8	S-6

regular → 11.50/hr x 38 hours = \$437
 overtime → 11.50/hr x 1.5 = \$17.25/hr
 Saturdays → 11.50/hr x 2 = \$23/hr

$17.25 \times 6 = 103.50$
 $23 \times 6 = 138$
 Total Gross = \$674.60

2. Elizabeth is the manager of Empire Theatres in Miramichi. She works 40 hours a week, earns an hourly wage of \$23.15 and gets paid weekly. Elizabeth pays union dues of \$10.80, \$118 into her pension, \$24.48 medical, \$11.75 parking and \$2.50 for her uniform. Complete the table and calculate her net pay using claim code 2.

Gross = 40hr x 23.15/hr = \$926.00

GROSS PAY	926.00
Union Dues/Pension	128.50
Taxable Income	797.50
Federal Tax	72.50
Provincial Tax	54.15
CPP	42.51
EI	17.41
Other Deductions	38.73
NET PAY	\$572.20

Other than union/pension taxes, CPP, EI

926 - 128.50 = 797.50
 797.50 - 72.50 = 725.00
 725.00 - 54.15 = 670.85
 670.85 - 42.51 = 628.34
 628.34 - 17.41 = 610.93
 610.93 - 38.73 = 572.20

Tables for HW #3

New Brunswick provincial tax deductions
 Effective January 1, 2016
 Weekly (52 pay periods a year)
 Also look up the tax deductions in the federal table

Federal tax deductions
 Effective January 1, 2016
 Weekly (52 pay periods a year)
 Also look up the tax deductions in the provincial table

Pay	CC 0	CC 1	CC 2	CC 3	CC 4	CC 5	CC 6
1026 - 1038	150.40	117.30	114.15	107.80	101.50	95.15	88.85
1038 - 1050	152.75	119.65	116.50	110.20	103.85	97.55	91.20
1050 - 1062	155.15	122.05	118.85	112.55	106.25	99.90	93.60
1062 - 1074	157.60	124.50	121.35	115.00	108.70	102.35	96.05
1074 - 1086	160.05	126.95	123.80	117.45	111.15	104.80	98.50
1086 - 1098	162.50	129.40	126.25	119.95	113.60	107.30	100.95
1098 - 1110	164.95	131.85	128.70	122.40	116.05	109.75	103.40
1110 - 1122	167.45	134.35	131.15	124.85	118.55	112.20	105.90
1122 - 1134	169.90	136.80	133.65	127.30	121.00	114.65	108.35
1134 - 1146	172.35	139.25	136.10	129.75	123.45	117.10	110.80
1146 - 1158	174.80	141.70	138.55	132.25	125.90	119.60	113.25
1158 - 1170	177.25	144.15	141.00	134.70	128.35	122.05	115.70
1170 - 1182	179.75	146.65	143.45	137.15	130.80	124.50	118.15
1182 - 1194	182.20	149.10	145.95	139.60	133.25	126.95	120.60
1194 - 1206	184.65	151.55	148.45	142.05	135.70	129.40	123.10
1206 - 1218	187.10	154.00	150.95	144.50	138.15	131.85	125.55

Canada Pension Plan Contribution
 Weekly (52 pay periods a year)

Pay	From	To	CPP
1075.89	-	1085.88	50.17
1085.89	-	1095.88	50.67
1095.89	-	1105.88	51.16
1105.89	-	1115.88	51.66
1115.89	-	1125.88	52.15
1125.89	-	1135.88	52.65
1135.89	-	1145.88	53.14
1145.89	-	1155.88	53.64
1155.89	-	1165.88	54.13
1165.89	-	1175.88	54.63
1175.89	-	1185.88	55.12
1185.89	-	1195.88	55.62
1195.89	-	1205.88	56.11
1205.89	-	1215.88	56.61

Pay	From	Less than	CC 0	CC 1	CC 2	CC 3	CC 4
967 - 979	98.05	79.90	77.90	73.85	69		
979 - 991	99.80	81.60	79.60	75.55	71		
991 - 1003	101.50	83.35	81.30	77.30	73		
1003 - 1015	103.20	85.05	83.05	79.00	75		
1015 - 1027	104.95	86.80	84.75	80.75	76		
1027 - 1039	106.65	88.50	86.50	82.45	78		
1039 - 1051	108.40	90.20	88.20	84.20	80		
1051 - 1063	110.10	91.95	89.95	85.90	81		
1063 - 1075	111.90	93.75	91.70	87.70	83		
1075 - 1087	113.65	95.50	93.50	89.45	85		
1087 - 1099	115.45	97.30	95.25	91.25	87		
1099 - 1111	117.25	99.05	97.05	93.00	89		
1111 - 1123	119.00	100.85	98.85	94.80	90		
1123 - 1135	120.80	102.60	100.60	96.55	92		
1135 - 1147	122.55	104.40	102.40	98.35	94		
1147 - 1159	124.35	106.20	104.15	100.15	96		
1159 - 1171	126.10	107.95	105.95	101.90	97		
1171 - 1183	127.90	109.75	107.70	103.70	99		
1183 - 1195	129.70	111.50	109.50	105.45	101		
1195 - 1207	131.45	113.30	111.25	107.25	103		
1207 - 1219	133.25	115.05	113.05	109.00	105		

EI	From	To	EI
1197.08	-	1197.60	22.51
1197.61	-	1198.13	22.52
1198.14	-	1198.67	22.53
1198.68	-	1199.20	22.54
1199.21	-	1199.73	22.55
1199.74	-	1200.26	22.56
1200.27	-	1200.79	22.57
1200.80	-	1201.32	22.58
1201.33	-	1201.86	22.59

\$134.70
 \$101.90
 \$56.11
 \$22.56

Jeffrey Smith
467114 Job title: Travel Agent
Address: Napan

Rate
1200/wk

Gross Earnings
\$1200

Claim Code 3

BTD \$12.20
union dues \$12.20
pension \$25.15
total \$37.35

{ F 134.70
E 101.90
CPP 56.11
EI 22.56
Total \$315.27

Summary

Gross
\$1200

Taxable
\$1162.65

total taxes
CPP.
\$315.27

~~Total Deductions~~
\$352.62

Net Pay
\$847.38

Attachments

Tables - Fed_Prov Tax and CPP_EI July 2015.pdf

Assignment - Earning an Income Dec. 2015.doc

NB Tax 2013.pdf

2.4 Build Your Skills Detailed Solutions.pdf