

THE MCKAY REPORT



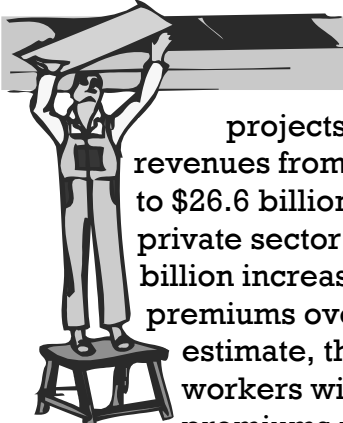
The Hon. John McKay, P.C., M.P.
Scarborough-Guildwood

Volume 18 Issue 2

DON'T WORRY ABOUT PAYING EXTRA TAXES, UNLESS YOU ARE IN ONE OF THESE FIVE GROUPS

Budget 2010 says "The (Federal) Government will not raise taxes" (pg. 156). That's reassuring, unless you happen to fall within one of the following five groups who will see their taxes increase this year:

1) Canadians who have a job: Budget 2010 confirms the government's plan to lift the

 freeze of EI premiums in 2011 (p. 51). While the government projects a jump in EI premium revenues from \$16.6 billion this year to \$26.6 billion in 2014-15 (p. 176), private sector forecasts predict a \$13 billion increase in employee EI premiums over five years. By one estimate, this means Canadians workers will see their EI premiums rise by \$1,264 for the average two income family.

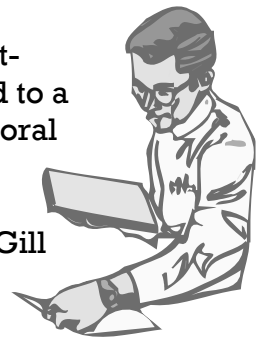
2) Canadians who employ Canadians: The same \$13 billion increase in EI premiums will increase taxes for a small business with 10 employees by \$8,884 and kill 220,000 jobs.



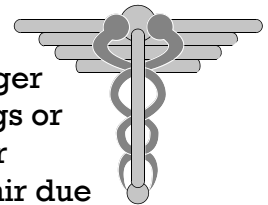
3) Canadians who fly on airplanes: The Conservatives are increasing the Air Travellers Security Charge by an additional \$2.58-\$8.91 each way, depending on the destination, to pay for full-body security scanners (pg. 111).



4) Canadians who are post-doctoral researchers: By limiting eligibility for the Education Tax Credit and scholarship exemption to post-secondary programs that lead to a degree or diploma, post-doctoral fellows will now have to pay taxes on their research scholarships (pg 349). At McGill University, where the average fellowship is worth \$38,000, this means a \$4,100 tax increase.



5) Canadians who are bald: By excluding cosmetic procedures from the medical expenses tax credit, Canadians can no longer claim a tax credit on their wigs or hair transplants (pg. 102). For people who have lost their hair due to chemotherapy, this can be a serious blow to their self-esteem during recovery.



JOHN MCKAY CONSTITUENCY OFFICE

3785 Kingston Road Unit 10 Toronto, ON M1J 3H4
Tel: 416-283-1226 Fax: 416-283-7935
Email: jmckay@johnmckaymp.on.ca
Office hours: 10am to 4pm Mon to Fri

JOHN MCKAY LEGISLATIVE OFFICE

Room 549-D, Centre Block House of Commons
Ottawa, ON K1A 0A6
Tel: 613-992-1447 Fax: 613-992-8968
Email: mckayj@parl.gc.ca
Website: www.johnmckaymp.on.ca

