



Call Today for a Free Consultation!

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ACCOUNTANTS FOR YOUR NEEDS.

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2009 Personal Tax Rates (Both Federal & B.C)

Taxable Income	Marginal Tax Rates
\$0 to \$35,716	20.06%
\$35,716 to \$40,726	22.70%
\$40,726 to \$71,433	29.70%
\$71,433 to \$81,452	32.50%
\$81,452 to \$82,014	36.50%
\$82,014 to \$99,588	38.29%
\$99,588 to \$126,264	40.70%
Over \$126,264	43.70%

Combined Federal & B.C Tax Rates for Investment Income – CCPC.

- Rental/Interest : **45.66%** (26 2/3% of taxes paid is refundable when dividends are paid)
- Capital Gains: **22.80%** (13 1/3% of taxes is refundable when dividends are paid)

Corporate Tax Rates in BC (Small Business)

These are the tax rates to various kinds of income and corporations:

Business Income	2009 (1)	2010
Under \$300,000	13.5%	13.5%
Between \$300,000 to 400,000	13.5%	13.5%
Between \$400,000 to 500,000	22%	22%
Over \$500,000 (2)	30.5%	30%
Investment income (1)	45.66%	45.66%

1. The 2009 rates reflect those in effect for a Dec 31, 2009 year end.
2. Subject to enhanced dividend tax credit under "GRIP" rules



Tax Tips for Individuals:

- Splitting Pension Income between spouses.
- Home Renovation Tax Credit & First time home buyers tax credit. (Limited time)
- Home office and Automobile Expenses.
- Claim the Age personal tax credit if you are over 65.
- Reporting a death benefit on a separate trust return and pay less tax than on your personal return.
- Income splitting with your partner and children.
- Investing the child tax benefit payments in your children's names.
- Issuing shares to your partner or children in a family owned business.
- Deducting accounting fees paid to calculate the investment income reported on your tax return.
- Some **child** support payments are **not taxable!**
- Spousal RRSP's are a means of shifting the tax burden from one spouse to the other.
- Cash in RRSP's in amounts less than \$5,000 at any one time to reduce the withholding tax to 10%.
- The first \$3,000 of certain scholarships and bursaries are not taxable.
- Certain lunch programs and after school programs qualify as day care expenses.
- Certain sports schools and camps also qualify as day care and eligible to claim for child care expenses.
- Unpaid funds loaned to a family corporation may qualify as business investment loss.
- **Moving expenses:** This expense can really add up fast...especially when you may be able to claim real estate fees and legal fees on the sale and purchase of a home.
- Caregiver credit is new and you may not know you qualify. If you are the caregiver of a relative who lived with you and who is over 18 and dependent on you because of an infirmity. Their income must be less than a qualifying amount.
- **Interest on student loan:** May be beneficial to save this deduction for a future year when you are taxable or in a higher tax bracket. Maximum carry forward is 5 years.
- **Tuition and Education credit:** Universities outside Canada also qualify. Students can claim moving expenses under certain conditions.
- Often your children do not need their **tuition fees or education amount**. If so they may be able to transfer to you... check it out with your tax preparer.
- Several deductions may be transferred to you from your spouse if these deductions are not needed by them. They include age, pension disability, tuition and education amounts.
- **Medical expenses** may be claimed for any 12 month period ending in the year. It may be more advantageous for example to go from May to April when totalling your medical expenses.
- Don't forget to include **travel health insurance** in your medical expenses.
- Under certain circumstances you may also be able to claim **travel expenses** as part of your **medical expenses**.
- Don't forget about the refundable medical expense supplement.
- Claiming your **donations** every 2nd 3rd 4th or 5th year may be more advantageous to you.

Tax Tips for Businesses:

- Reasonable amount of expenses incurred for the purpose of earning business income can be claimed as business expenses deductible.
- Always keep the receipts that show the amounts paid. Bank & credit card statements are not enough as CRA will not agree.
- For **NEW BUSINESSES** If you're just starting up, a simple way to begin filing is to use an accordion filing folder with at least 12 pockets for every month. Keep everything in the appropriate month. It's not complicated, and it may be the answer for those who don't like to file.
- Home office expenses can be deducted if portion of the home space is used for your principal place of business and is used to meet the clients on regular basis.
- Home office expenses include insurance, interest on house mortgage, property tax, rent, repairs & maintenance, Strata fees and utilities.



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- 50% of reasonable amount of food or entertainment expenses incurred for the purpose of earning business income can be deducted as business expense.
- Indicate on your receipt what they are for (i.e. auto, gas, etc). If the receipts are for meals, make sure to indicate who was at the dinner and what you discussed.
- Auto expenses include Fuel, Insurance, interest on vehicle loan, lease payments, repairs and maintenance.
- Keep a log in your car and always write down your start mileage and where you're going. This will really help at tax time. Note: if you forget, mapquest.com is an excellent resource to calculate mileage
- **TRAVELLING?** Try to mix business with pleasure. A seminar attended or a supplier visited can allow you to write off a portion of your trip.
- Keep your personal and business receipts separate.
- **More importantly** – don't let the data entry accumulate! Bring your receipts to us or your bookkeeper on a weekly, monthly or other timely basis. If you do your own bookkeeping, schedule time every week to do this otherwise it becomes even more time consuming and will increase the cost to do it afterwards.

What We Do

We are a full service professional accounting firm that provides services to individuals, businesses and trusts. We offer a wide range of services from traditional accounting, auditing, taxation, innovative business advice, start-up business consultation, commodity tax compliance, payroll administration, controllership and management services. It is our dedication to personalized service that sets us apart from large and multi-national accounting firms.

AUDITING AND ACCOUNTING SERVICES: We at **Shakamuri & Co Inc.** pride ourselves in not only assisting our clients in the preparation of financial statements of a business operation but also interpreting and communicating them to our clients. We are diligent about maintaining a high standard of work ethic and independence but still present ourselves as a close business advisor to our clients. Our clients are mainly small sized businesses. At times some clients may not have the internal resources available to run their operations in the most effective and efficient manner. This is when we step in to offer the necessary advice and guidance.

Our services in accounting and auditing are all encompassing wherein we offer the audit, review and compilation of financial statements. We also offer ancillary services such as special audits, internal control reviews, bookkeeping, payroll, GST/HST, cash flows and projections.

BUSINESS CONSULTING: Quite frequently events transpire where we are called to perform services that are beyond the regular accounting and auditing functions. Our clients are ever evolving in their business and from time to time need consulting services to help them grow. Their requirements can be a change in the banking facility, analysis of a product line or division, preparation of cash flows and projections.

TAXATION SERVICES: Tax rules are constantly emerging and developing with direct impact on the daily lives of Canadians. There is a constant effort at **Shakamuri & Co Inc.** to keep abreast of the latest pronouncements and legislative changes in tax law. Our staff can provide a complete array of tax planning and compliance services related to corporate and personal income tax, commodity tax rules and regulations, Federal and provincial deduction at source requirements, and trust returns and filings.

Our exposure over the years to a vast array of tax issues has allowed us to properly advise our clients in many areas such as corporate reorganizations, government audits, emigration and immigration, commodity taxation, research and development credits, tax compliance, and utilization of trusts in tax planning.

Today's businessperson is in a constant battle trying to increase cash flows by maximizing earnings and minimizing income taxes. We will review your particular situation and take proactive action to help you achieve your goals.

ESTATE PLANNING: With the complex tax system we have in Canada it is increasingly more evident that a thorough organization of an individual's wealth can substantially reduce costs and problems after death. Proper planning can ensure



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that your wishes are adhered to, your loved ones provided for and tax consequences minimized upon death.

We provide services that will help you plan your estate. The introduction to various types of estate planning vehicles can alleviate tax costs at death. Utilization of trusts can offer significant flexibility and tax savings. These are only but a few aspects which we can incorporate into an individual's estate plan to help retain his or her wealth.

MANAGEMENT & ADVISORY SERVICES: Our qualified professional staff has most experience can help you with your daily business operations, finances and different business strategies which could be critical for your future growth. Our staff has strong background assisting our clients with different business sectors including manufacturing, services and others.

CRA AUDIT & APPEALS: Our professionally qualified staff can help you in taxation appeals. We will represent on behalf of our clients in filing notice of objection and negotiation with Canada Revenue Agency regarding interest, penalties and other assessments.

Why Choose Us

SHAKAMURI & CO INC. HAS THE RESOURCE, KNOWLEDGE AND EXPERIENCE TO HANDLE COMPLEX TAX ISSUES AND CONCERNS.

Tax planning and preparation is more than just numbers and filing your taxes within due dates. Accurate tax planning is an integral part of our services to help your financial planning for future. Whether you are an employee or employer and whether you are planning for your future or future of your family, we can help you keep more of your money by providing effective and timely tax strategies. Our goal is to help our clients succeed by providing the level of service that matches or exceeds their expectations.

Looking for a accounting firm you can trust? See if our values help determine why you should choose us...

QUALITY: We will not compromise quality. It is always more difficult and expensive to correct problems in the future. We will not provide solutions that meet only short-term needs but sacrifice your long-term goals.

LOYALTY: We are constantly looking out for the best interest of our customers, even after the invoice. For example, if we come across information that will help you or your business, you can expect us to pass it along.

DEDICATION: We believe a customer is not an interruption of our workday; it's the purpose of it and we are dedicated to being a committed member of your team.

HONESTY: We believe in turning away business if your request is outside our capabilities. Our goal is to deliver solutions profitably for both of us.

VALUE: Our competitive rates are likely lower than the hourly rate that you earn in your job or business. If you value your time, then you will value our accounting services that will help to ease the stress in your life.

INTEGRITY: We do what we say what we do. We are not afraid to admit that we may not have an answer to a problem, nor are we afraid to tell you about your risks.

CONSISTENCY: You can expect the same 110% dedication regardless of task scope or business size.

CONVENIENCE: Depending on your situation, accounting or tax filing can be a very simple or very complicated process. No matter what the complexity level we can help you make the process of running your financial affairs and filing your taxes simple and easy.

RESULTS: We strive to provide the information you need to make decisions – when you need it. Our team is always looking for ways to help you succeed.

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