

<u>Province</u>	<u>Rate of tax on taxable profits</u>
Newfoundland	11%
Prince Edward Island	10%
Nova Scotia	10%
New Brunswick	10%
Quebec	12%
Ontario	12%
Manitoba	11%
Saskatchewan	11%
Alberta	10%
British Columbia	10%

Note: All provinces except Ontario and Quebec have signed agreements for the collection of their income taxes by the Federal Government. Five of the ten provinces levy corporate income taxes at rates in excess of the abatement allowed by the Federal Government. This abatement is equal to 10 per cent of corporate profits.

#### Alcoholic Beverages

Generally speaking, the sale of spirits in all provinces is made through provincial agencies operating as boards or commissions that exercise monopolistic control over this commodity. The provincial mark-up over the manufacturer's price is the effective means of taxation. Beer and wine may be sold by retailers or government stores depending on the province, but in all cases these sales contribute to provincial revenues.

#### Retail Sales Taxes

Nine provinces impose sales taxes on goods purchased by consumers or users. Some of these provincial levies also cover certain services. The provincial sales taxes are collected by retail vendors acting as agents of the provinces. The provinces imposing sales tax and the rate of their levy are as follows:

Newfoundland	6%
Prince Edward Island	5%
Nova Scotia	5%
New Brunswick	6%
Quebec	8%
Ontario	5%
Manitoba	5%
Saskatchewan	4%
British Columbia	5%