

Facts for Business about the Ontario Budget

The 2009 Ontario Budget introduces a single sales tax to replace the GST and PST—the single most important step we can take in creating more investment and new jobs in Ontario.

With this change businesses will be able to claim tax credits on all business-related purchases, from pens and paper to heavy equipment. And the budget includes more than \$1 billion in tax cuts for businesses—especially small businesses.

Here are some facts businesses should know about the Budget:

Lower Business Taxes

- ✓ Cutting the small business Corporate Income Tax rate by 18% starting next year and the general rate by over 14%
- ✓ Eliminating the small business deduction surtax—the only province in Canada to do so
- ✓ Exempting more businesses from the Corporate Minimum Tax
- ✓ Paralleling the federal small supplier threshold for the single sales tax
- ✓ Businesses would be eligible for input tax credits on business-related purchases, from pens and paper to heavy equipment

Assistance for Business

- ✓ One-time transitional assistance of about \$400 million to help small businesses convert to the new single sales tax system
- ✓ Enhanced refundable tax credits for small businesses that hire apprentices and co-op students
- ✓ Extending the refundable Ontario Innovation Tax Credit to more small and medium-sized businesses
- ✓ A temporary 100 per cent accelerated capital cost allowance for buying eligible computers and software.
- ✓ The switch to a single sales tax is expected to save businesses over \$500 million a year in paperwork alone

To find out more, visit www.ontario.ca/taxsavings, or contact my office:
Leona Dombrowsky, MPP 81 Millennium Parkway, Unit 3 **Phone:** 1-877-536-6248