

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**BLM 4-2**

## Practice Using an Online Income Tax Calculator

Use the CRA payroll deductions calculator to help calculate taxes.

- Go to the CRA payroll deductions online calculator.
- Select **Ontario** and then select **Weekly (52 pay periods a year)**.
- Click on **Salary / Bonus / Retroactive / Pension calculation**.
- Click on **Determine Gross Income** and enter \$750.
- Click **OK**. Then, click **Calculate**.

1. Use the information to complete part a) of the table. Round all answers to the nearest dollar.

Gross Weekly Income	Taxable Income	Claim Code	Total Tax Deducted	Gross Annual Income	Total Annual Tax Deducted
a) \$750	\$750	1			
b) \$750					
c) \$750					
d)					

- Click **Back** and then click **Determine taxable income**.
- Enter \$50 for Contributions to a registered pension plan and \$25 for Union dues.
- Click **OK**. Then, click **Calculate**.

2. Use the information to complete part b) of the table.

3. a) Union dues are a tax deduction / tax credit. (Circle one.)

- b) What effect did the contribution to the pension plan have on taxable income?

- Click **Back**.
- From the pull-down menus for Total claim amount for federal TD1 and for Total claim amount for provincial TD1, select **Claim Code 4** for each. Then, click **Calculate**.



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(continued)

4. Use the information to complete part c) of the table.
5. Name 2 items that would move someone from Claim Code 1 to Claim Code 4.  
  
\_\_\_\_\_
6. Complete part d) of the table using the information for someone in your family.

