



SPSD/M 

Release 14.1 Update

This guide is designed to provide SPSPD/M users with new information relating to the release of Version 14.1 algorithms and software.



Statistics
Canada

Statistique
Canada

Canada

WARNING

This software is complex. It is designed to be easy to use. However, the institutions and programs it models are themselves complex. **It is thus possible to make subtle mistakes that may result in significant estimation errors.**

To make the best use of the SPSPD/M, please read the available documentation. Then if you have any problems or you are unsure of the simulation approach or results, please phone us at (613) 951-3774.

Table of Contents

Overview	2
Relationship to Existing Documentation	2
Summary of Major Changes	2
Legislative Changes Modeled	3
Federal Changes	3
Provincial Changes	4
COMTAX	6
User's Guide	8
Tools User's Guide	8
Programmer's Guide	8
Commodity Tax User's Guide	8
Algorithm Guide	8
Overview of algorithm changes	8
Changes by function	10
Parameter Guide	18
Control Parameters	18
Adjustment Parameters	18
Tax/Transfer Parameters	18
Modified Parameters	18
New Parameters	19
Deleted Parameters	64
Variable Guide	66
Modified Variables	66
New Variables	67
Growth and Validation Guide	68
Weight file updates	68
Growth updates	68
Online Documentation	68

Overview

This document outlines the modifications that the SPSD/M has undergone subsequent to the version 14.0 release. This current release is called version 14.1 and users will note that the chapter headings in this Addendum correspond to guides in the manuals.

This version of the SPSD/M is only compatible with Windows XP/2000. Users of other operating systems should contact Statistics Canada at (613) 951-3774 to find out if an unsupported version can be created for their operating system.

Users experiencing difficulties updating their black-box or glass-box applications to version 14.1 should contact Statistics Canada at (613) 951-3774.

If you are a new SPSD/M user, you should look at the *Introduction and Overview* Manual first, since much of the material here will be incomprehensible without some familiarity with SPSD/M concepts.

RELATIONSHIP TO EXISTING DOCUMENTATION

This Addendum is a guide to the changes in SPSD/M software between 14.0 and 14.1. This Addendum is intended to be used in conjunction with the other SPSD/M Guides included as part of the 14.1 release. The information in this Addendum supersedes the information in the documentation released with version 14.0.

It is worth noting that the examples in the *Introduction and Overview* will still function. However the screen images and the exact results may vary.

SUMMARY OF MAJOR CHANGES

DATABASE and GROWTH

The most recent economic growth projections from Finance Canada are incorporated into the parameter files.

TAX/TRANSFER ALGORITHMS AND PARAMETERS

The 2006 federal and provincial budgets, presented in the spring of 2006, have been incorporated into the SPSM algorithms and parameter files.

The Textbook Tax Credit for 2006 and subsequent taxation years has been implemented.

The Canada Employment Credit for 2006 and subsequent taxation years has been implemented.

Changes to the treatment of dividend income in the calculation of taxable dividends and the dividend tax credits have been implemented.

The Universal Child Care Benefit has been implemented and subsequent adjustments to income concepts used in benefit programs and tax credits have been applied.

The proposed Nova Scotia non-refundable tax credit related to the federal Universal Child Care Benefit has been implemented.

Provincial flags have been implemented to exclude the federal Universal Child Care Benefits from provincial income tested tax credits and transfer programs.

Federal and provincial programs that are based on a July-June schedule can now be

calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

The Ontario Home Electricity Relief program has been implemented.

The goods and services tax (GST) was reduced by 1 percentage point.

LEGISLATIVE CHANGES MODELED

The changes in tax transfer legislation that have been incorporated into the SPSPD/M 14.1 are detailed in this section.

Federal Changes

- The Textbook Tax Credit for 2006 and subsequent taxation years has been implemented.
- The Canada Employment Credit for 2006 and subsequent taxation years has been implemented.
- Changes to the treatment of dividends have been implemented. Taxable dividends are now separated into dividends deemed to be from large and small corporations with corresponding gross up rates and tax credit rates.
- The Universal Child Care Benefit for 2006 and subsequent years has been implemented.
- The change to the age eligibility for the Federal Child Tax Benefit Supplement for children under the age of 7, with the introduction of the Universal Child Care Benefit, has been implemented.
- The non-refundable tax credit rate and the first tax bracket for taxable income less than \$36,378 is set to 15.25% for 2006.
- The basic personal amount for 2006 will be equal to \$8,839. This includes an indexed portion used to calculate the basic personal amount for subsequent years, set at \$8,639 plus a non-indexed top up of \$200.
- The spouse or common-law partner amount and the equivalent amount for a wholly dependent relative be \$7,505, except that for the purpose of determining each of those amounts for the 2007 taxation year, this amount be read as \$7,335 (indexed) for the 2006 taxation year plus a non-indexed top up of \$170.
- The net income threshold for each of the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be \$751, except that for the purpose of determining each of those amounts for 2007, the net income threshold for those amounts is read as \$734 (indexed) for the 2006 taxation year plus a non-indexed \$17.

- For 2007, the non-refundable tax credit rate and the first tax bracket is 15.5% for taxable income equal or less than \$36,378 (as indexed for the 2007 and subsequent taxation years).
- For 2007, the basic personal amount to be determined by adding \$100 to the amount otherwise determined as \$8,639 indexed to 2007.
- For 2007, the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative be determined by adding \$85 to the amount be of \$7,335 indexed for the 2007 taxation year.
- For 2007, the net income threshold for each of the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be determined by adding \$8.50 to the amount of \$734 (indexed for the 2007 taxation year).
- For 2008, the basic personal amount to be determined by adding \$200 to the indexed 2007 amount.
- For 2008, the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be determined by adding \$170 to the indexed amount for 2007.
- For 2008, the net income threshold for each of the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be determined by adding \$17 to the indexed amount for 2007.
- For 2009, the basic personal amount to be determined by adding \$600 to the indexed 2008 amount.
- For 2009, the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be determined by adding \$510 to the indexed amount for 2008.
- For 2009, the net income threshold for each of the spouse or common-law partner amount and the equivalent amount for a wholly dependent relative will be determined by adding \$51 to the indexed amount for 2008.

Provincial Changes

Newfoundland

- An additional dividend tax credit rate was added for taxable dividends from large corporations.

Nova Scotia

- An additional dividend tax credit rate was added for taxable dividends from large corporations.

- The proposed non-refundable tax credit related to the federal Universal Child Care Benefit has been added.
- The basic personal amount will increase by \$250 to \$7,481 in 2007.
- The basic personal amount will increase by \$250 to \$7,731 in 2008.
- The basic personal amount will increase by \$250 to \$7,981 in 2009.
- The basic personal amount will increase by \$250 to \$8,231 in 2010.
- Starting in 2007, the non-refundable tax credits will have the same equivalent percentage increase as the basic personal exemption (3.46% for 2007). The non-refundable tax credits affected include the spouse/common-law partner amount, dependent, pension income, disability, caregiver, age and infirm/dependents age 18 or older.

New Brunswick

- An additional dividend tax credit rate was added for taxable dividends from large corporations.

Quebec

- A separate dividend gross-up rate and dividend tax credit rate was added for taxable dividends from large corporations.
- The value of the federal Universal Child Care Benefit is subtracted from income used in the income test for Quebec benefit programs and tax credits.

Ontario

- Increases to the NCBS can now flow through to SA recipients.
- An additional dividend tax credit rate was added for taxable dividends from large corporations.
- The Ontario Home Electricity Relief program was added. It will provide a one-time payment to assist low-income individuals and families. Single people may receive up to \$60, and families may receive up to \$120.

Manitoba

- The age limit for the Cost-of-Living tax credit has been implemented.
- An additional dividend tax credit rate was added for taxable dividends from large corporations.
- The federal Universal Child Care Benefit payments have been excluded from the

income tests used to determine Manitoba tax credits and transfer programs.

Saskatchewan

- An additional dividend tax credit rate was added for taxable dividends from large corporations.

Alberta

- The Alberta Seniors Benefit for residents of long-term and designated assisted living facilities will increase to a maximum annual benefit rose to \$9,660, effective January 1, 2006.
- An additional dividend tax credit rate was added for taxable dividends from large corporations.

British Columbia

- An additional dividend tax credit rate was added for taxable dividends from large corporations.

COMTAX

Version 14.1 of the SPSPD/M includes Input–Output data up to and including 2001. Subsequent year estimates are based upon economic data up to and including 2005 and legislative amendments mainly from the 2006 Federal and Provincial budgets.

Federal

- The reduction of the goods and services tax (GST) by 1 percentage point.
- The abolishment of the excise tax on jewellery
- The increase in tobacco excise duties to offset the impact of the goods and services tax (GST) rate reduction.
- The increase in alcohol excise duties to offset the impact of the goods and services tax (GST) rate reduction.
- The reduction of excise duties on certain wine and beer to support vintners and small- and medium-sized brewers.

Newfoundland

- An increase in the tobacco tax rate by one cent per cigarette (now 18 cents) and by five cents per gram of fine-cut tobacco (now 30 cents/gram).

Nova Scotia

- The elimination of the motive fuel tax on the biodiesel portion of the diesel blend that is produced in Nova Scotia.
- The rebate on the provincial portion of the harmonized sales tax (HST), on all forms of home heating costs and electricity.

New Brunswick

- The rebate on the provincial portion of the harmonized sales tax (HST), on all forms of home heating costs and electricity.

Quebec

- The refund, of up to \$1,000 of the Quebec sales tax (QST) paid on the purchase of the most fuel efficient hybrid vehicles.
- The refund of the fuel tax paid on the purchase of biodiesel fuel.
- The full reimbursement of the fuel tax for public carriers.

Ontario

- The increase in tobacco taxes from 11.725 cents to 12.35 cents per cigarette and from 11.725 cents to 12.35 cents per gram of cut tobacco.
- The doubling of the maximum retail sales tax (RST) rebate for qualifying hybrid electric vehicles from \$1000 to \$2000.
- The extension of the retail sales tax (RST) exemption for destination marketing fees for one more year.
- The inclusion of ethanol under the definition of gasoline, and therefore, will be taxed the same way.

Manitoba

- The exemptions under gasoline and motive fuel tax, for commercial logging operations, have been expanded to include off-highway uses of fuel.

British Columbia

- The elimination of provincial sales tax (PST) on labour charges for maintaining or modifying computer software.
- The increase of the provincial sales tax (PST) surtax threshold for passenger vehicles to \$55,000 from \$49,000.
- The expansion of eligible uses of coloured fuel.

User's Guide

In rare cases, using the split function with expressions could cause a runtime error. This has been fixed.

When running the model in Classic SPSM mode, an introductory display has been reintroduced.

Tools User's Guide

There were 5 update factors added to the pupdate utility used to grow parameters in *.mpr files.

CPIRR Consumer Price Index deflator to estimate income for 2 years previous

CPILAG Consumer Price Index – CPI from previous year

CPIALLAG Consumer Price Index – Alberta CPI from previous year

CPISALAG Consumer Price Index – Saskatchewan CPI from previous year

CPIM3LAG Consumer Price Index over 3% from previous year

Programmer's Guide

There were no changes in this release.

Please **call** the SPSM hotline at (613) 951-3774 if you have any questions about using SPSM in glass-box mode.

Commodity Tax User's Guide

There were no changes in this release.

Algorithm Guide

The following section titled “Overview of algorithm changes” provides a list of the major changes organized by level of government and tax/transfer program. The following sections present the changes organized by the C++ language functions which were required to implement the programs. (A change in tax/transfer legislation may require changes to multiple functions.)

OVERVIEW OF ALGORITHM CHANGES

Federal

The Textbook Tax Credit, as announced by the federal government in their Federal Budget 2006, was added. This program provides a non-refundable textbook tax credit starting in the

2006 taxation year. The textbook tax credit amount will be \$65 for each month of full-time studies and \$20 for each month of part-time studies at the post-secondary level. The unused portion of the textbook tax credit can be transferred to a spouse, common-law partner or parent.

The Canada Employment Credit, as announced by the federal government in their Federal Budget 2006, was added. This credit provides employees with a non-refundable tax credit starting in the 2006 taxation year, equal to the lesser of their employment income and the maximum amount of the Canada Employment Credit, \$250 for 2006. This credit amount is increased to \$1,000 for 2007 and indexed thereafter.

Changes to the treatment of dividends from large corporations have been implemented. Dividends are now separated into dividends deemed to be from large and small corporations with corresponding gross-up rates and tax credit rates.

The Universal Child Care Benefit was implemented. The change to the child eligibility for the Federal Child Tax Benefit Supplement for children under age 7 with the introduction of the Universal Child Care Benefit has also been added. The value of the Universal Child Care Benefit is added to total income for taxation purposes and reduced from the income used in federal income-tested programs and credits.

The Federal Child Tax Benefit and Supplement can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

The Federal Sales Tax Credit and the Goods and Services Tax Credit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

Provincial

A flow through of a portion of the NCBS was introduced in Ontario.

A separate parameter has been added to the calculation of provincial tax credits regarding the treatment of taxable dividends from large corporations. In addition, Quebec also has a separate gross up rate for the calculation of taxable dividends from large corporations.

The provincial child benefit programs can now be calculated for the calendar year. These include the Newfoundland and Labrador Child Benefit and Mother-Baby Nutrition Supplement, the New Brunswick Child Tax Benefit, the Nova Scotia Child Benefit, the Ontario Child Care Supplement for Working Families, the Saskatchewan Child Benefit, the Alberta Family Employment Tax Credit and the British Columbia Family Bonus and Earned

Income Benefit. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

The federal Universal Child Care Benefit amount is added to Quebec total income for taxation purposes and subtracted from income used in any Quebec income-tested programs and credits.

Provincial flags have been added to exclude the federal Universal Child Care Benefit from the income tests used to determine provincial tax credits and transfer programs.

The proposed Nova Scotia non-refundable tax credit for the federal Universal Child Care Benefit has been implemented.

The Ontario Home Electricity Relief program has been implemented.

CHANGES BY FUNCTION

cceopt zero CCE for young kids if optimal

The federal Universal Child Care Benefit, GIS, SPA and British Columbia Seniors Supplement have been added to the optimization code to be used in the calculation of EI benefits as well as the repayment of EI and OAS benefits.

famod Compute family allowance

The federal Universal Child Care Benefit has been implemented. When UCCBFLAG is activated, all families will receive UCCBAMT for each child under the age of 6.

gist Compute Provincial GIS top-ups for elderly

The Alberta Seniors Benefit can now be calculated for the calendar year, when ASBCYFLG is activated. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (AUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine the Alberta Seniors Benefit.

The British Columbia Seniors Supplement now has its own variable (imbcss). This program is part of social assistance benefits that should be reported on the tax form. The value of the supplement is now included in the income tests which include social assistance.

memo1 Compute memo items for reporting

The Alberta shelter allowance (imashelt) is no longer included in the provincial family programs as it is already included in social assistance (imisa).

The federal Universal Child Care Benefit (imuccb) has been added to federal transfer income (imftran).

Workers' compensation benefits (idiworkc) was removed from federal other government income (imfoth) to provincial other government income (impoth).

The British Columbia Seniors Supplement (imbcss) has been added to imicnet and imictot.

samod **Compute social assistance or guarantees**

Ontario now permits some portion of the NCBS to flow through to people who receive social assistance.

A bug with the Alberta flow through of the NCBS was corrected.

txalta **Compute provincial taxes for Alberta**

A new parameter (ADTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The Alberta Family Employment Tax Credit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (AUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter AAXPI was removed since the age tax credit is always phased in when ATXFLG is activated.

The parameter AFETCPI was added to the Alberta Family Employment Tax Credit program to represent the phase in rate of this July-June program that began in January 1997.

txbc **Compute provincial taxes for British Columbia**

A new parameter (BDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The British Columbia Family Bonus and Earned Income Benefits can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (CUCCBITF) to allow users to exclude the federal Universal Child

Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter CAXPI was removed since the age tax credit is always phased in when CTXFLG is activated.

The parameter BCFBPI was removed since the July to June programs starting in July are no longer using a phase in rate.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

A bug with the British Columbia Sales Tax Credit has been fixed. There is now a separate parameter for the sales tax credit amount for dependents.

A flag was added to the British Columbia political tax credit calculation to allow it to be refundable up to 1999 and non-refundable thereafter.

The one-time British Columbia supplemental tax credit for 2000 was added.

txcalc Calculate federal income tax

The Textbook Tax Credit (imtxttxc) was added to the non-refundable tax credits calculation including the transfer of any unused portion to a spouse, common-law partner or parent.

The Canada Employment Credit (imemptxc) was added to the non-refundable tax credits calculation. The credit is not transferable.

A new parameter (MEDRTD) was added to the Refundable Medical Expense Supplement, representing the family net income turndown level.

A new parameter (FDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The value of the Universal Child Care Benefit (imuccb) is subtracted from income test used for the Refundable Medical Expense Supplement. It is also subtracted from dependant's net income used in income tested programs.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txccea Compute child care expense allowance

The Child Care Expense Allowance overall limit (CCEALIM) was removed as it is no longer required by the model.

The value of the Universal Child Care Benefit (imuccb) is subtracted from the income test used for the Child Care Expenses.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txctc Compute child tax credit

The Federal Child Tax Benefit and Supplement can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A flag (FCBUCCB) has been added to the Child Tax Benefit supplement for children under 7. Beginning in July 2006 with the introduction of the Universal Child Care Benefit program, only children aged 6 will be eligible for the Child Tax Benefit supplement for young children since they will not be covered under the UCCB.

The parameter FCBPI was added to the Federal Child Tax Benefit program to represent the phase in rate of this July-June program that began in January 1993.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txfstc Compute federal sales tax credit

The Federal Sales Tax Credit and the Goods and Services Tax Credit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

The value of the Universal Child Care Benefit (imuccb) is subtracted from the income test used for the Sales/Goods and Services Tax Credit.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txhstr Compute family-related deductions or credits

The value of the Universal Child Care Benefit (imuccb) is subtracted from net income in the calculation of dependant's net income to be used for federal income-tested programs.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txinet Compute net income

The treatment of dividends has been changed to reflect the Federal Government's announcement of increasing the gross up rate for dividends from large corporations.

Dividends are now split into small and large corporation dividends, as determined by the proportion deemed to be from large corporations (DIVPLC), with separate gross up rates for the calculation of taxable dividend income.

The value of the Universal Child Care Benefit (imuccb) is added to total income (imitot) for taxation purposes. It is also subtracted from the income test used in the calculation of OAS repayment.

The parameter OASTBPI was removed since the OAS tax back is completely phased in by 1991.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txitax Compute taxable income and individual tax credits

The Textbook Tax Credit (imtxtxc) is calculated as TEXTPMFT multiplied by the number of eligible months of full-time study (ideducfm) plus TEXTPMPT multiplied by the number of months of part-time study (ideducpm). The result is also multiplied by the federal non-refundable tax credit rate (FNTCR).

The Canada Employment Credit (imemptxc) is calculated as the lesser of employment income (idiemp) and the maximum Canada Employment Credit (EMPTXC), multiplied by the federal non-refundable tax credit rate (FNTCR).

The value of the Universal Child Care Benefit (imuccb) is subtracted from net income in the calculation of age tax credit reduction.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

txman Compute provincial taxes for Manitoba

The Cost-of-Living Tax Credit now includes a minimum age criteria to determine eligibility. Individuals who have not met the minimum age criteria may still be eligible for the cost-of-living tax credit if they have a spouse/common-law partner, children or are eligible for the education property tax credit.

A new parameter (MDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

A new flag was added (MUCCBITF) to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter MAXPI was removed since the age tax credit is always phased in when MTXFLG is activated.

txnb **Compute provincial taxes for New Brunswick**

A new parameter (BDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The New Brunswick Child Tax Benefit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (BUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter BAXPI was removed since the age tax credit is always phased in when BTXFLG is activated.

txnfld **Compute provincial taxes for Newfoundland**

A new parameter (NDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The Newfoundland and Labrador Child Benefit and Mother-Baby Nutrition Supplement can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (NUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter NAXPI was removed since the age tax credit is always phased in when NTXFLG is activated.

The parameters NCBPI, NMBNSPI and NMBMSEPI were removed since the July to June programs starting in July are no longer using a phase in rate.

The unused Newfoundland and Labrador low-income tax reduction can now be transferred to a spouse, as per tax forms.

txns **Compute provincial taxes for Nova Scotia**

A new parameter (VDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The Nova Scotia Child Benefit can now be calculated for the calendar year. A second set of

parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (VUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The proposed non-refundable tax credit for the federal Universal Child Care Benefit has been implemented. It is turned on by the flag VUCCBTC. If activated, the person claiming the UCCB payments is granted a non-refundable tax credit for the amount of UCCB payments received times the Nova Scotia non-refundable tax credit rate. The value of the credit is saved in `impucctc`.

The parameter VAXPI was removed since the age tax credit is always phased in when VTXFLG is activated.

txont Compute provincial taxes for Ontario

A new parameter (ODTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The Ontario Child Care Supplement for Working Families can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (OUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter OAXPI was removed since the age tax credit is always phased in when OTXFLG is activated.

The Ontario Home Electricity Relief Program has been added. It will provide a one-time payment to assist low-income individuals and families which is based on family type and net income. Single people may receive up to \$60, and families may receive up to \$120.

txpei Compute provincial taxes for P.E.I.

A new parameter (PDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

A new flag was added (PUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter PAXPI was removed since the age tax credit is always phased in when PTXFLG is activated.

txqcalc Calculate income tax (Quebec)

A new parameter (QDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The value of the Universal Child Care Benefit (imuccb) is subtracted from the income used in the calculation of Quebec tax credits.

txqccea Compute child care expense allowance (Quebec)

The value of the Universal Child Care Benefit (imuccb) is subtracted from the income used in the calculation of the Quebec child care expense allowance.

The parameters QCCEAC1, QCCEAC2 and QCCEAC3 were removed as they are no longer required after 1991.

txqhstr Compute family-related deductions or credits (Quebec)

The value of the Universal Child Care Benefit (imuccb) is subtracted from the dependant's net income (imqdepni). It is also removed from the income test used to determine the Quebec living alone tax credit.

txqinet Compute net income (Quebec)

The treatment of dividends has been changed to reflect the Federal Government's announcement of increasing the gross up rate for dividends from large corporations. Dividends are now split into small and large corporation dividends, as determined by the proportion deemed to be from large corporations (DIVPLC), with separate gross up rates for the calculation of taxable dividend income.

The value of the Universal Child Care Benefit (imuccb) is added to Quebec total income (imqitot) for taxation purposes.

The clergy residence deduction has been added to the Quebec deductions from total income (imqdedft).

txqitax Compute taxable income and individual credits (Quebec)

The value of the Universal Child Care Benefit (imuccb) is subtracted from net income in the calculation of Quebec provincial tax credits.

txsask Compute provincial taxes for Saskatchewan

A new parameter (SDTCRLC) was added to the calculation of the dividend tax credit. This parameter contains the tax credit rate for taxable dividends from large corporations.

The Saskatchewan Child Benefit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

The Saskatchewan Sales Tax Credit can now be calculated for the calendar year. A second set of parameters have been added that represent the values for the July-June program to be used for the first half of the calendar year. The original parameters which represent the program values beginning in July of the target year are used to calculate the second half of the calendar year.

A new flag was added (SUCCBITF) to allow users to exclude the federal Universal Child Care Benefit payments from the income tests used to determine provincial tax credits and transfer programs.

The parameter SAXPI was removed since the age tax credit is always phased in when STXFLG is activated.

ui Compute UI benefits

The value of the Universal Child Care Benefit (imuccb) is subtracted from net income in the calculation of employment insurance benefits.

The British Columbia Seniors Supplement (imbcss) has been added to income tests where social assistance is included.

Parameter Guide

This section describes new parameters as well as conceptual changes that have occurred to SPSM parameters. Parameters which have been deleted, or whose interpretations have changed, are identified in this section by a preceding asterisk.

CONTROL PARAMETERS

There were no new or parameters added or parameters deleted since the last release.

ADJUSTMENT PARAMETERS

There were no new or parameters added or parameters deleted since the last release.

TAX/TRANSFER PARAMETERS

Modified Parameters

FSTCL: Federal sales tax credit reduction level

The level of family net income above which the total family Federal Sales Tax Credit is reduced.

Note that non-taxable Social Assistance income is included in the calculation of net income

for this reduction. Social Assistance income includes federal and provincial Social Assistance, the Guaranteed Income Supplement, Spouses Allowance and income from Provincial GIS supplementation programs. The Federal Universal Child Care Benefit (imucb) is not included in the calculation of net income for this reduction.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the second half of the year, using the program design from July. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the flag is turned off, the benefit programs are based on the program values set for July of that year and this parameter will be used since it represents the program design for July.

CSTC: British Columbia stc amount

This is the individual maximum entitlement under the BC sales tax credit which is claimed with respect to the head and spouse, if applicable, within a nuclear family.

CTCOPT: Child tax credit option

When CTCOPT is set to 1, the Federal Child Tax Credit is calculated. When the value is 2, the Federal Integrated Child Tax Benefit proposed in the 1993 Federal Budget is calculated. When the value is 3, both programs are calculated during the cross-over year.

New Parameters

ACBC1P: Alberta Child benefit per child aged 0 - 6 for 1st half of year

In Alberta, the federal Child Tax Benefit program entitlements are based on the age of the child. This is the annual amount paid on behalf of children 0-6.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also ACBC2P, ACBC3P and ACBC4P.

ACBC2P: Alberta Child benefit per child aged 7 - 11 for 1st half of year

In Alberta, the federal Child Tax Benefit program entitlements are based on the age of the child. This is the annual entitlement on behalf of children aged 7-11.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the

current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also ACBC1P, ACBC3P and ACBC4P.

ACBC3P: Alberta Child benefit per child aged 12 - 15 for 1st half of year

In Alberta, the federal Child Tax Benefit program entitlements are based on the age of the child. This is the annual entitlement on behalf of children aged 12-15.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also ACBC1P, ACBC2P and ACBC4P.

ACBC4P: Alberta Child benefit per child aged 16 - 17 for 1st half of year

In Alberta, the federal Child Tax Benefit program entitlements are based on the age of the child. This is the annual entitlement on behalf of children aged 16-17.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also ACBC1P, ACBC2P and ACBC3P.

ADTCRLC: Alberta Dividend Tax Credit Rate from large corporations

The Alberta dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (ATXFLG = 1).

AFETCAPCP: Alberta Family Employment Tax Credit Amount Per Child for 1st half of year

This parameter represents the maximum amount per child in the family, based on the number of children. The parameter AFETCNCP contains the maximum number of children eligible for the credit. These amounts are used to determine maximum family benefits for the Alberta Employment Tax Credit program (imiafetc).

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the

year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCBRP: Alberta Family Employment Tax Credit Benefit Rate for 1st half of year

This parameter represents the proportion of family employment income by which the Alberta family employment tax credit (imiafetc) will be increased when family employment income exceeds the (AFETCCIP) cut-in level.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCCIP: Alberta Family Employment Tax Credit Benefit Cut-in Level for 1st half of year

The level of family employment income below which no Alberta family employment tax credit (imiafetc) is payable.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCNCP: Alberta Family Employment Tax Credit Maximum Number of Children for 1st half of year

The maximum number of children in a family for whom the Alberta Employment Tax Credit amount based on the number of children (AFETCAPCP) may be claimed.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCPI: Alberta Family Employment Tax Credit phase-in

The value of this parameter is always multiplied by the calculated amount of the Alberta Family Employment Tax Credit (imiafetc). The parameter was designed to simulate the partial year benefits due to the commencement of this July to June program in January 1997.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the second half of the year, using the program design from July. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the flag is turned off, the benefit programs are based on the program values set for July of that year and this parameter will be used since it represents the program design for July.

AFETCPIP: Alberta Family Employment Tax Credit phase-in for 2nd half of year

The value of this parameter is always multiplied by the calculated amount of the Alberta Family Employment Tax Credit (imiafetc). The parameter was designed to simulate the partial year benefits due to the commencement of this July to June program in January 1997.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCRRP: Alberta Family Employment Tax Credit Reduction Rate for 1st half of year

This parameter represents the proportion of family net income which will be used to reduce the Alberta family employment tax credit (imiafetc) when family net income exceeds the (AFETCTDP) turn down level.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

AFETCTDP: Alberta Family Employment Tax Credit Turndown Level for 1st half of year

The level of family net income above which the Alberta family employment tax credit (imiafetc) is reduced at the rate (AFETCRRP).

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

ASBBASICP: Alberta seniors benefit annual basic benefit for 1st half of year

This parameter represents the basic annual benefit of Alberta's seniors for the years in which the Alberta Seniors Benefit system is active. This transfer payment scheme replaced the

earlier Alberta Assured Income Plan. The resulting modelled benefit to Alberta seniors is stored in the imiasb variable.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBBOASP: Alberta seniors benefit basic OAS from previous year

Old Age Security maximum annual payment in dollars. This is calculated as the sum of the monthly maximum rates.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBCYFLG: Alberta seniors benefit calendar year calculation flag

This flag activates the calculation of the Alberta Seniors Benefit for the calendar year. When this flag is set to 1, the benefit will be calculated separately for the first and second halves of the year. The parameters used for the first half of the year represent the values for the July (previous year) to June (target year) program, while the parameters for the second half represent the values for the July (target year) to June (subsequent year) program. The resulting benefit will be equal to half of each calculation.

When this flag is set to 0, the benefit is based on the program values set for July of that year.

ASBEMPP: Alberta seniors benefit employment inclusion rate for 1st half of year

This parameter represents the proportion of employment income which can be deducted from total income when calculating the non-deductible income for the Alberta Seniors Benefit.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBNOASP: Alberta seniors benefit reduction if no OAS for 1st half of year

This parameter represents the proportion of total Alberta Seniors Benefit which a person who is not eligible for OAS is entitled to receive. It is an array parameter and depends on the tenure and marital status. The order is as follows:

- 0 = single senior who is renting
- 1 = single senior who owns a home
- 2 = senior married to a non senior who is renting
- 3 = senior married to a non senior who owns a home
- 4 = married senior couple who rent
- 5 = married senior couple who owns their home

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBNSSP: Alberta seniors benefit non-senior spouse supplement for 1st half of year

This parameter represents the additional benefit received by a couple under the Alberta Senior's Benefit program if only one of the parties is 65 years of age or older. The modelled benefit is stored in the imiasb variable.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBRENT: Alberta seniors benefit renter supplement for 1st half of year

This parameter represents the additional benefit received by an elderly individual or couple under the Alberta Senior's Benefit program who are renting their principal residence. The modelled benefit is stored in the imiasb variable.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBRRP: Alberta seniors benefit reduction rate for 1st half of year [senior type]

This parameter represents the phase out rate of the Alberta Seniors Benefit program. All non-deductible income greater than \$0 is phased out using this rate which depends on tenure and marital status. The order of the array is as follows:

- 0 = single senior who is renting
- 1 = single senior who owns a home
- 2 = senior married to a non senior who is renting
- 3 = senior married to a non senior who owns a home
- 4 = married senior couple who rent
- 5 = married senior couple who owns their home

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBSABP: Alberta seniors benefit supplemental accommodation benefit for 1st half of year

This parameter represents the supplemental accommodation annual benefit for Alberta's seniors who reside in long term care facilities. The Alberta Seniors Benefit Supplemental Accommodation Benefit is given to institutionalized elderly (idieflag=1) who are eligible for the base amount of the Alberta Seniors Benefit. The supplemental benefit is reduced by ASBSABRRP times non-deductible income. The resulting modelled benefit to Alberta seniors is added to imiasb.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBSABRRP: Alberta seniors benefit supplemental accommodation reduction rate for 1st half of year

This parameter represents the phase out rate for the Alberta Seniors Benefit Supplemental Accommodation Benefit. The Alberta Seniors Benefit Supplemental Accommodation Benefit is given to institutionalized elderly (idieflag=1) who are eligible for the base amount of the Alberta Seniors Benefit. The supplemental benefit (ASBSABP) is reduced by ASBSABRRP times non-deductible income. The resulting modelled benefit to Alberta seniors is added to imiasb.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to

half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBSSOPTP: Alberta seniors benefit 1 senior couple option for 1st half of year

When this parameter is equal to 1, seniors who are married to non-seniors are treated separately in the Alberta Seniors Benefit program. When it is equal to 2, these seniors are treated in the same manner as a two senior couple.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

ASBSSP: Alberta seniors benefit senior spouse supplement for 1st half of year

This parameter represents the additional benefit received by a couple under the Alberta Senior's Benefit program if both parties are 65 years of age or older. The modelled benefit is stored in the imiasb variable.

When ASBCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the ASBCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

AUCCBITF: Alberta Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Alberta tax credits and transfer programs.

BCBEIS1P: B.C. Earned Income Benefit for first child for 1st half of year

This parameter represents the amount received for the first child in a family from the British Columbia Earned Income Benefit for low-income working families.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBEIS2P: B.C. Earned Income Benefit for second child for 1st half of year

This parameter represents the amount received for the second child in a family from the British Columbia Earned Income Benefit for low-income working families.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBEIS3P: B.C. Earned Income Benefit for each additional child for 1st half of year

This parameter represents the amount received for the third and additional children in a family from the British Columbia Earned Income Benefit for low-income working families.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBEITDP: B.C. Earned Income Benefit Turndown for 1st half of year

The level of family net income (head + spouse) above which the British Columbia Basic Family Bonus and the Earned Income Benefit are reduced at the rate of BCBERR1P, BCBERR2P or BCBERR3P depending on the number of children in the family.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBEMXP: B.C. Earned Income Benefit Income Reduction for 1st half of year

When BCEIBFLGP is equal to 1, the British Columbia Earned Income Benefit (imibceib) is calculated depending on the number of children in the family. For families with lower incomes, the benefit starts to be phased in at BCEIBPIP, and reaches its maximum at incomes of BCBEMXP. The slope of the phase in is therefore calculated as the maximum working income supplement a family can receive divided by (BCBEMXP – BCEIBPIP).

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBERR1P: B.C. EIB reduction rate for families with 1 child for 1st half of year

For families with one child, this parameter represents the rate at which the British Columbia

Basic Family Bonus (imibcfb) and Earned Income Benefit (imibceib) will be reduced by when family net income exceeds the (BCBEITDP) turn down level.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBERR2P: B.C. EIB reduction rate for families with 2 children for 1st half of year

For families with two children, this parameter represents the rate at which the British Columbia Basic Family Bonus (imibcfb) and Earned Income Benefit (imibceib) will be reduced by when family net income exceeds the (BCBEITDP) turn down level.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCBERR3P: B.C. EIB reduction rate for families with 3+ children for 1st half of year

For families with three or more children, this parameter represents the rate at which the British Columbia Basic Family Bonus (imibcfb) and Earned Income Benefit (imibceib) will be reduced by when family net income exceeds the (BCBEITDP) turn down level.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCEIBFLGP: Activate B.C. Earned Income Benefit Program for 1st half of year

When BCEIBFLGP is assigned a value of 1, the calculation of the British Columbia Earned Income Benefit (imibceib), which depends on the presence of children in the family, is activated. For families with lower incomes, the benefit starts to be phased in at BCEIBPIP, and reaches its maximum at incomes of BCBEMXP. The slope of the phase in is therefore calculated as the maximum working income supplement a family can receive divided by (BCBEMXP – BCEIBPIP).

With a value of 0, calculation of the British Columbia Earned Income Benefit is suppressed.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the

year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCEIBPIP: B.C. Earned Income Benefit Income Phase In for 1st half of year

The level of employment income below which no earning supplement is payable to families with children under the British Columbia Earned Income Benefit (imibceib).

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCFBBASP: B.C. Family Bonus amount per child for 1st half of year

This is the basic amount of the B.C. Family Bonus (imibcfb) allowed per child per year.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCFBIFSP: Activate B.C. Family Bonus to include Federal NCS for 1st half of year

When this parameter is assigned a value of 1, the British Columbia Basic Family Bonus (imibcfb) is decreased by an amount related to the National Child Supplement. This amount is calculated using the following parameters: BCFBNCS1P, BCFBNCS2P, BCFBNCS3P, BCFBNCSRR1P, BCFBNCSRR2P, BCFBNCSRR3P, and BCFBNCSTDP.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCFBNCS1P: B.C. Family Bonus National Child Supplement for first child for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the basic value of the amount related to the NCBS.

When FCBENCAL is activated, July to June programs are calculated on a calendar year

basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCSTDP, BCFBNCSRR1P.

BCFBNCS2P: B.C. Family Bonus National Child Supplement for second child for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the basic value of the amount related to the NCBS allowed for the second child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCSTDP, BCFBNCSRR2P.

BCFBNCS3P: B.C. Family Bonus National Child Supplement for each additional child for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the basic value of the amount related to the NCBS allowed for the third and subsequent child.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the second half of the year, using the program design from July. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the flag is turned off, the benefit programs are based on the program values set for July of that year and this parameter will be used since it represents the program design for July.

See also BCFBNCSTDP, BCFBNCSRR3P.

BCFBNCSRR1P: B.C. Family Bonus NCS reduction rate for families with 1 child for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the income reduction rate to be applied to the calculated amount related to the NCBS when family net income exceeds BCFBNCSTDP, for families with one child.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year

basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCS1P.

BCFBNCSRR2P: B.C. Family Bonus NCS reduction rate for families with 2 children for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the income reduction rate to be applied to the calculated amount related to the NCBS when family net income exceeds BCFBNCSTDP, for families with two children.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCS2P.

BCFBNCSRR3P: B.C. Family Bonus NCS reduction rate for families with 3+ children for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the income reduction rate to be applied to the calculated amount related to the NCBS when family net income exceeds BCFBNCSTDP, for families with three or more children.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCS3P.

BCFBNCSTDP: B.C. Family Bonus National Child Supplement Turndown for 1st half of year

When BCFBIFSP is flagged on, the Basic B.C. Family Bonus is reduced by an amount related to the National Child Benefit Supplement (NCBS). This parameter represents the family net income turndown level used to calculate the amount related to the NCBS. When family net income exceeds this amount, the calculated bonus is reduced by BCFBNCSRR1P for families with one child, BCFBNCSRR2P for families with two children and by

BCFBNCSRR3P for families with three or more children.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also BCFBNCS1P, BCFBNCS2P, and BCFBNCS3P.

BCFBRRP: B.C. Family Bonus multiple child reduction rate for 1st half of year

The rate at which nuclear family net income (head plus spouse) above the threshold BCFBTDP reduces the B.C. Family Bonus (imibcfb) for families with two or more children.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCFBRRSP: B.C. Family Bonus single child reduction rate for 1st half of year

The rate at which family net income (head plus spouse) above the threshold BCFBTDP reduces the B.C. Family Bonus (imibcfb) for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BCFBTDP: B.C. Family Bonus turndown for 1st half of year

The level of family net income (head plus spouse) above which the British Columbia Family Bonus (imibcfb) begins to be paid at a lower rate. If family income exceeds this amount, the Family Bonus will be reduced by a proportion (BCFBRRP) of net income for families with two or more children or by (BCFBRRSP) for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

BDTCRLC: N.B> Dividend Tax Credit Rate from large corporations

The New Brunswick dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (BTXFLG = 1).

BUCCBITF: N.B. Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for New Brunswick tax credits and transfer programs.

CDTCRLC: B.C. Dividend Tax Credit Rate from large corporations

The British Columbia dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (CTXFLG = 1).

CPTCREF: British Columbia political tax credit refundable flag

When this flag parameter is set to 1, the British Columbia political contribution tax credit is a refundable credit. When set to 0, the credit is non-refundable and is used to reduce taxes owing.

CSTCKID: British Columbia stc amount for children

This is the maximum entitlement under the BC sales tax credit which is claimed for each dependent child within a nuclear family.

CSUPCR: British Columbia supplemental tax credit

This parameter represents the value of the British Columbia supplemental tax credit used in 2000 only. All filers with a basic personal amount are given this amount as part of the non-refundable tax credits. Those filers with a married or equivalent to married tax credit amount are also granted this amount in 2000.

CUCCBITF: B.C. Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for British Columbia tax credits and transfer programs.

DIVPLC: Percentage of Dividends from large corporations

Dividends from large corporations may have different gross-up rates and tax credit rates as compared to dividends from small Canadian corporations. As the SPSP currently contains only one variable for dividend income, we provide this parameter which allots a proportion of total dividends (idivid) to large corporations. This is a proxy since some people may receive only dividends from large corporations whereas others will only receive dividends from small corporations. However, until such time as the SPSP contains separate variables for both sources of dividends, this parameter can be used to divide dividends into those from large versus small corporations. The appropriate gross up rate (FDGUR for small corporations and FDGURLC for large corporations) is then applied to these split amounts in order to derive taxable dividends (imisdivt and imildivt).

EMPTXC: Canada Employment Credit

This parameter contains the maximum dollar amount for the Canada Employment Credit (imemptxc). Individuals with employment income (idiemp) can claim this non-refundable tax credit as the lesser of this amount and their employment income.

FCBBASP: Basic child benefit (per child) for 1st half of year

This is the basic amount of the Integrated Child Tax Benefit allowed per child per year.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBECIP: Child benefits earning supplement cut-in level for 1st half of year

The level of employment income below which no earning supplement is payable to families with children under the Integrated Child Tax Benefit.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEIEP: Flag for WIS dependent on number of children for 1st half of year

This parameter controls whether the original earned income supplement (also known as the working income supplement) is used, or whether the enriched version, with different amounts depending on the number of children in the family, is used. When FCBEIEP is set to 0, the original earned income supplement is used. When it is set to 1, the enriched working income supplement proposed in the 1997 budget is calculated.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEIS1P: WIS/NCBS for first child for 1st half of year

This parameter represents the amount received for the first child in a family from the National Child Benefit Supplement (or the Earned Income Supplement in 1997).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEIS2P: WIS/NCBS for second child for 1st half of year

This parameter represents the amount received for the second child in a family from the National Child Benefit Supplement (or the Earned Income Supplement in 1997).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEIS3P: WIS/NCBS for each additional child for 1st half of year

This parameter represents the amount received for the third and additional children in a family from the National Child Benefit Supplement (or the Earned Income Supplement in 1997).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEISP: Child benefits earned income supplement for 1st half of year

This parameter represents the amount of the federal earned-income supplement which increases the Federal Child Benefit for low-income working families. When FCBEIEP is set to 1, the benefit depends on the number of children. FCBEISP is replaced by FCBEIS1P, FCBEIS2P, and FCBEIS3P.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBEMXP: Earnings where WIS phase-in is at maximum for 1st half of year

When FCBEIEP is equal to 1, the Working Income supplement depends on the number of children in the family. For families with lower incomes, the benefit starts to be phased in at

FCBECIP, and reaches its maximum at incomes of FCBEMXP. The slope of the phase in is therefore calculated as the maximum working income supplement a family can receive divided by (FCBEMXP – FCBECIP).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBENCAL: Child tax benefit calculation for the calendar year activation flag

This flag activates the calculation of the federal child tax benefit for the calendar year. When this flag is set to 1, the benefit will be calculated separately for the first and second halves of the year. The parameters used for the first half of the year represent the values for the July (previous year) to June (target year) program, while the parameters for the second half represent the values for the July (target year) to June (subsequent year) program. The resulting benefit will be equal to half of each calculation. This flag also activates the calculation of provincial child benefit programs for the calendar year.

When this flag is set to 0, the federal child tax benefit and provincial child benefit programs will be based on the program values set for July of that year.

FCBERRP: Child benefits earning supplement reduction rate for 1st half of year

This parameter represents the rate at which the earned income supplement (FCBEISP) will be reduced by when family net income exceeds the (FCBETDP) turn down level. When FCBEIEP is set to 1, the reduction rate depends on the number of children and FCBERR1P, FCBERR2P, and FCBERR3P replace FCBERRP.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBERR1P: WIS/NCBS reduction rate for families with 1 child for 1st half of year

For families with one child, this parameter represents the rate at which the National Child Benefit Supplement or the Earned Income Supplement (imfcbene) is reduced when family net income exceeds the (FCBETDP) turn down level. This rate is only applied when FCBEIEP is equal to 1. Otherwise, the FCBERRP rate is applied.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the

current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBERR2P: WIS/NCBS reduction rate for families with 2 children for 1st half of year

For families with two children, this parameter represents the rate at which the National Child Benefit Supplement or the earned income supplement (imfcbene) will be reduced by when family net income exceeds the (FCBETDP) turn down level. This rate is only applied when FCBEIEP is equal to 1. Otherwise, the FCBERRP rate is applied.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBERR3P: WIS/NCBS reduction rate for families with 3+ children for 1st half of year

For families with three or more children, this parameter represents the rate at which the National Child Benefit supplement or the earned income supplement (imfcbene) will be reduced by when family net income exceeds the (FCBETDP) turn down level. This rate is only applied when FCBEIEP is equal to 1. Otherwise, the FCBERRP rate is applied.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBESRP: Child benefits earned income supplement rate for 1st half of year

This parameter represents the rate at which the earned income supplement (FCBEISP) will be increased when family net income exceeds the (FCBECIP) cut-in level. When FCBEIEP is set to 1, this parameter is replaced by FCBEMXP since the rate of increase will depend on the number of children in the household.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBETDP: WIS/NCBS turndown level for 1st half of year

The level of family net income above which the National Child Benefit Supplement or the Earned Income Supplement is reduced at the rate (FCBERRP) or (FCBERR1P, FCBERR2P, and FCBERR3P when the supplement depends on the number of children).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBLRGP: Supplement for 3rd and subsequent kids for 1st half of year

This parameter is the amount of the annual supplement to families with three children and each subsequent child under the Integrated Child Tax Benefit.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBPI: Federal Child Tax Benefit phase-in rate

The value of this parameter is always multiplied by the calculated amount of the Federal child tax benefit (imfcben). The parameter was designed to simulate the partial year benefits due to the commencement of this July to June program in January 1993.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the second half of the year, using the program design from July. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the flag is turned off, the benefit programs are based on the program values set for July of that year and this parameter will be used since it represents the program design for July.

FCBPIP: Federal Child Tax Benefit phase-in rate for 2nd half of year

The value of this parameter is always multiplied by the calculated amount of the Federal child tax benefit (imfcben). The parameter was designed to simulate the partial year benefits due to the commencement of this July to June program in January 1993.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBRRP: Multi-children family income reduction rate for 1st half of year

The rate at which family net income (head plus spouse) reduces the Federal Child Benefit for families with two or more children.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBRRSP: Single-child family income reduction rate for 1st half of year

The rate at which family net income (head plus spouse) reduces the Federal Child Benefit for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBTDP: Federal child benefits family income turndown for 1st half of year

The level of family net income (head plus spouse) above which the Federal Child Benefit begins to be paid at a lower rate. If family income exceeds this amount, the Child Benefit will be reduced by a proportion (FCBRRP) for families with two or more children or by (FCBRRSP) for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBUCCB: Flag for supplement for children aged 6

This parameter activates the interaction between the Universal Child Care Benefit and the Federal Child Tax Benefit supplement for children under age 7. With the introduction of the UCCB, the Child Tax Benefit supplement for children under age 7 will be revised to include only children aged 6, who would not be covered under the UCCB, for the months of July 2006 to June 2007. The child tax benefit supplement for children under 7 will be completely phased out by July 2007.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the second half of the year, using the program design from July. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's

parameters, representing the second half of the year. When the flag is turned off, the benefit programs are based on the program values set for July of that year and this parameter will be used since it represents the program design for July.

FCBUCCBP: Flag for supplement for children aged 6 for 1st half of year

This parameter activates the interaction between the Universal Child Care Benefit and the Federal Child Tax Benefit supplement for children under age 7. With the introduction of the UCCB, the Child Tax Benefit supplement for children under age 7 will be revised to include only children aged 6, who would not be covered under the UCCB, for the months of July 2006 to June 2007. The child tax benefit supplement for children under 7 will be completely phased out by July 2007.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBYNGP: Supplement for children under age 7 for 1st half of year

This is the supplement given with respect to children under the age of seven as part of the federal Child Tax Benefit (imfcben). The supplement is reduced by a proportion (FCBYNGRP) of child care expenses claimed.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FCBYNGRP: Child care expense reduction rate for 1st half of year

This is the proportion of child care expenses claimed (imccecc) by the family which is used to reduce the supplement for young children portion (FCBYNGP) of the federal Child Tax Benefit (imfcben).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

FDGURLC: Federal Dividend Gross-Up Rate from large corporations

Dividends are split into two taxable amounts which may have different gross up rates, depending on the taxation year. Taxable dividends deemed to be from larger corporations

(imildivt) are calculated as $\text{idivid} * \text{DIVPLC}$ multiplied by this gross-up rate.

FDTCLC: Federal Dividend Tax Credit Rate from large corporations

The federal dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (imfdtxc) includes amounts from both the large and small corporations.

FSTCCP: Federal sales tax credit amount for dependant for 1st half of year

This amount is claimable for the Federal Sales Tax Credit on behalf of each child under the age of 18 years.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

FSTCFP: Federal sales tax credit amount for filer for 1st half of year

This parameter represents the basic Federal Sales Tax Credit claimable for the filer. The total family sales tax credit (on behalf of the head, spouse and dependants) is reduced by a fraction (FSTCRP) of family net income (head and spouse) exceeding the turndown level (FSTCLP).

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

FSTCLP: Federal sales tax credit reduction level for 1st half of year

The level of family net income above which the total family Federal Sales Tax Credit is reduced.

Note that non-taxable Social Assistance income is included in the calculation of net income for this reduction. Social Assistance income includes federal and provincial Social Assistance, the Guaranteed Income Supplement, Spouses Allowance and income from Provincial GIS supplementation programs. The Federal Universal Child Care Benefit (imuccb) is not included in the calculation of net income for this reduction.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is

turned off, this parameter is not used as it represents the value for the previous year.

FSTCRP: Federal sales tax credit reduction rate for 1st half of year

This parameter represents the basic Federal Sales Tax Credit claimable for the filer. The total family sales tax credit (on behalf of the head, spouse and dependants) is reduced by a fraction (FSTCRP) of family net income (head and spouse) exceeding the turndown level (FSTCLP).

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

FSTCSP: Federal sales tax credit amount for spouse for 1st half of year

The basic Federal Sales Tax Credit claimable on behalf of a spouse.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

GSTACP: GST additional credit amount for 1st half of year

The maximum additional amount of sales tax credit received by lone parents and single persons. This increment to the sales tax credit only applies in the years 1991 and beyond.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

GSTARP: GST additional credit rate of net income for 1st half of year

The rate applied to net income to calculate the additional sales tax credit received by single persons and lone parents. This calculation only applies to the years 1991 and beyond. When GSTASPFLAGP is set to 1, then single parents get the full amount (GSTACP).

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is

turned off, this parameter is not used as it represents the value for the previous year.

GSTASPFLAGP: Maximum GST additional credit for single parents flag for 1st half of year

When GSTASPFLAGP is set to 1, then single parents get the full GST additional credit amount (GSTACP). Otherwise the amount is reduced by a rate GSTARP for income over the basic exemption (GSTAXMP).

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

GSTAXMP: GST additional credit exemption for 1st half of year

The amount of basic personal exemption used in the calculation of the GST additional credit for single persons and lone parents. In this calculation, the additional credit is the lesser of GSTACP is reduced by the rate GSTARP for family net income over the basic exemption. When GSTASPFLAGP is set to 1, the maximum credit, GSTACP, is given to single parents.

When GSTCYFLG is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

GSTCYFLG: GST credit calculation for the calendar year activation flag

This flag activates the calculation of the federal goods and services sales tax credit for the calendar year. When this flag is set to 1, the credit will be calculated separately for the first and second halves of the year. The parameters used for the first half of the year represent the values for the July (previous year) to June (target year) program, while the parameters for the second half represent the values for the July (target year) to June (subsequent year) program. The resulting credit will be equal to half of each calculation.

When this flag is set to 0, the credit is based on the program values set for July of that year.

MCMINAGE: Manitoba Cost-of-Living tax credit minimum age

To be eligible for the Manitoba Cost-of-living tax credit, individuals must have reached this age. Persons under this age may still be eligible for this tax credit if they have a spouse/common-law partner, children or can claim the education property tax credit.

MDTCRLC: Manitoba Dividend Tax Credit Rate from large corporations

The Manitoba dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (MTXFLG = 1).

MEDRTD: Refundable Medical Expense Supplement Income Turndown

This parameter represents in income turndown used in the calculation of the refundable medical expense supplement. The supplement (immedref) is reduced by MEDRRR percent of net family income in excess of this amount.

MUCCBITF: Manitoba Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Manitoba tax credits and transfer programs.

NBCBBASP: NB Basic child benefit (per child) for 1st half of year

This is the basic amount of the New Brunswick Child Tax Benefit allowed per child per year.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBECIP: NB Child benefits earning supplement cut-in level for 1st half of year

The level of employment income below which no earning supplement is payable to families with children under the New Brunswick Child Tax Benefit.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBEISP: NB Child benefits earned income supplement for 1st half of year

This parameter represents the maximum family amount of the New Brunswick earned-income supplement which increases the New Brunswick Child Benefit for low-income working families.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBERRP: NB Child benefits earning supplement reduction rate for 1st half of year

This parameter represents the rate at which the New Brunswick earned income supplement (NBCBEISP) portion of the New Brunswick Child Tax Benefit will be reduced by when family net income exceeds the (NBCBETDP) turn down level.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBESRP: NB Child benefits earned income supplement rate for 1st half of year

This parameter represents the rate at which the New Brunswick earned income supplement (NBCBEISP) to the New Brunswick Child Tax Benefit will be increased when family net income exceeds the (NBCBECIP) cut-in level.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBETDP: NB Child benefits earning supplement turndown level for 1st half of year

The level of family net income above which the earning supplement portion of the New Brunswick Child Tax Benefit is reduced at the rate (NBCBERRP).

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBPI1P: NB child benefits phase-in rate for 1st half of year

When the parameter NBCTBFLG is set to one, the value of this parameter always multiplies the calculated amount of the New Brunswick Child tax benefit for the first half of the year. The parameter was designed to simulate the partial year benefits due to the commencement of the program in April 1997.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL

is turned off, this parameter is not used.

NBCBPI2P: NB child benefits phase-in rate for 2nd half of year

When the parameter NBCTBFLG is set to one, the value of this parameter always multiplies the calculated amount of the New Brunswick Child tax benefit for the second half of the year. The parameter was designed to simulate the partial year benefits due to the commencement of the program in April 1997.

When FCBENCAL is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used.

NBCBRRP: NB Multi-children family income reduction rate for 1st half of year

The rate at which family net income (head plus spouse) reduces the New Brunswick Child Benefit for families with two or more children.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBRRSP: NB Single-child family income reduction rate for 1st half of year

The rate at which family net income (head plus spouse) reduces the New Brunswick Child Benefit for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NBCBTDTP: NB child benefits family income turndown for 1st half of year

The level of family net income (head plus spouse) above which the New Brunswick Child Benefit begins to be paid at a lower rate. If family income exceeds this amount, the Child Benefit will be reduced by a proportion (NBCBRRP) for families with two or more children or by (NBCBRRSP) for families with one child.

When FCBENCAL is activated, July to June programs are calculated on a calendar year

basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCB1P: Nfld. child benefit for first child for 1st half of year

This is the maximum amount of Newfoundland and Labrador Child Benefit for the first dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCB2P: Nfld. child benefit for second child for 1st half of year

This is the maximum amount of Newfoundland and Labrador Child Benefit for the second dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCB3P: Nfld. child benefit for third child for 1st half of year

This is the maximum amount of Newfoundland and Labrador Child Benefit for the third dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCB4P: Nfld. child benefit for 4th and subsequent child for 1st half of year

This is the maximum amount of Newfoundland and Labrador Child Benefit for the fourth (or more) dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to

half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCBPOP: Nfld. child benefit family income phase out for 1st half of year

The level of family net income (head plus spouse) above which the Newfoundland and Labrador Child Benefit is completely phased out.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NCBTDP: Nfld. child benefit family income turndown for 1st half of year

The level of family net income (head plus spouse) above which the Newfoundland and Labrador Child Benefit begins to be paid at a lower rate. The benefit is reduced when net family income is greater than this parameter and less than NCBPOP.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

NDTCRLC: NFLD Dividend Tax Credit Rate from large corporations

The Newfoundland dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (NTXFLG = 1).

NMBNSEXTTP: Nfld. Mother-Baby Nutrition Supplement newborn extra benefit for 1st half of year

This parameter contains the amount of the newborn extra benefit as part of the Newfoundland and Labrador Mother-Baby Nutrition Supplement. The newborn extra benefit is to be given to families, who are eligible for the Mother-Baby Nutrition Supplement, at the time of the birth of their child. The Mother-Baby Nutrition Supplement newborn extra benefit begins in July 2004.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL

is turned off, this parameter is not used as it represents the value for the previous year.

NMBNSP: Nfld. Mother-Baby Nutrition Supplement for 1st half of year

This parameter contains the annual amount for the Newfoundland and Labrador Mother-Baby Nutrition Supplement, which is the amount per child under age 1 to be given to families with net incomes less than NCBPO. The Mother-Baby Nutrition Supplement begins in July 2002. The value of the supplement is saved in the variable `imnmbns` and added to `impfp` (provincial family programs).

When `FCBENCAL` is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the `FCBENCAL` is turned off, this parameter is not used as it represents the value for the previous year.

NUCCBITF: NFLD Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (`imuccb`) will be excluded from the income tests used for Newfoundland tax credits and transfer programs.

OCCEAPCTP: Ont. Child Care Expense Credit qualifying percentage for 1st half of year

This is the allowable portion of actual child care expenses which may be claimed. The allowable portion can be claimed up to a maximum of `OCCEAYNGP` per child.

When `FCBENCAL` is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the `FCBENCAL` is turned off, this parameter is not used as it represents the value for the previous year.

See also: `imoccea`

OCCEARRP: Ont. Child Care Expense Credit benefit reduction rate for 1st half of year

The rate at which census family net income (head plus spouse) above the threshold `OCCEATDP` reduces the maximum family benefit under the Ontario refundable child care expense tax credit (`imoccea`).

When `FCBENCAL` is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the `FCBENCAL` is turned off, this parameter is not used as it represents the value for the previous year.

OCCEATDP: Ont. Child Care Expense Credit family income turndown for 1st half of

year

The level of family net income (head plus spouse) above which the refundable Ontario child care expense tax credit (imoccea) begins to be paid at a lower rate. If family income exceeds this amount, the maximum family benefit will be reduced by a proportion (OCCEARRP) of net income.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

OCCEAYNGP: Ont. Child Care Expense Credit allowance per child for 1st half of year

Upper limit of the amount that can be claimed per child under the Ontario refundable child care expense tax credit. This dollar amount is applied to all children up to the age of 6.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also: imoccea

OCWISFLGP: Ont. Child Care Working Income Supplement activation flag for 1st half of year

This parameter controls the activation of the Ontario Child Care Supplement for Working Families introduced in the Ontario Budget of May 1998. When set to 1, benefits under this program will be calculated. The Ontario Budget of May 2000 announced a higher annual maximum for single parents of OCWISSPP.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also: imoccea, OCCEAFLG.

OCWISRRP: Ont. Child Care Working Income Supplement Rate [children] [rr] for 1st half of year

For families with earnings from work, this parameter is used to calculate the maximum Ontario Child Care Supplement for Working Families. The parameter represents the benefit

rate as a proportion which is applied to family earnings above the threshold OCWISTDP. This lookup parameter is indexed by the number of children under the age of 7 in the census family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also: imoccea.

OCWISSPP: Ont. Child Care Working Income Supplement maximum benefit for single parents for 1st half of year

This value is the maximum annual benefit per child for the Ontario Child Care Supplement for Working Families allowed associated with "young" children (under 7) in single parent families.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also: imoccea.

OCWISTDP: Ont. Child Care Working Income Supplement minimum earnings for 1st half of year

For families with earnings from work, this parameter is used in the calculation of the maximum Ontario Child Care Supplement for Working Families. The parameter represents the threshold of family earnings above which maximum benefits are calculated as a proportion (OCWISRRP) of family earnings up to a ceiling of OCCEAYNGP times the number of children under the age of 7 in the census family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also: imoccea.

ODTCRLC: Ontario Dividend Tax Credit Rate from large corporations

The Ontario dividend tax credit for dividends from large corporations is calculated as taxable

dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (OTXFLG = 1).

OHEATFAM: Ontario Home Electricity Relief amount for families

This is the amount a qualifying person who lives with a spouse would receive for the Ontario home electricity relief payment (impheatr) for relief of electricity expenses. Families with net incomes greater than the threshold (OHEATFTD) may get a partial payment. It is calculated when OHEATFLG is turned on.

OHEATFLG: Ontario Home Electricity Relief activation flag

When OHEATFLG is turned on, families and individuals who claimed a property tax credit may be eligible for a one-time Ontario Home Electricity Relief payment. For families, the maximum value of the payment OHEATFAM will go to families with a net income of OHEATFTD or less. If single, the maximum value of the payment is OHEATSNG for those with incomes of OHEATSTD or less. Individuals and families with incomes over the threshold, will have see their relief payments reduced by OHEATRR. The value of the relief payment is held in impheatr.

OHEATFTD: Ontario Home Electricity Relief income turndown for families

This parameter represents the previous year's net income turndown for families who may be eligible for the Ontario home electricity relief payment when OHEATFLG is activated. Families may receive a reduced payment if their income is above this amount.

OHEATMIN: Ontario Home Electricity Relief minimum

This parameter contains the minimum value for the Ontario Home Electricity Relief program when OHEATFLG is set to 1. Individuals and families with partial payments between \$0 and OHEATMIN are given this amount.

OHEATRR: Ontario Home Electricity Relief reduction rate

This parameter contains the reduction rate used to calculate a partial Ontario Home Electricity Relief program when OHEATFLG is set to 1. Eligible families with incomes greater than the turndown level (OHEATFTD) and individuals with incomes greater than the turndown level (OHEATSTD) will receive a partial payment using this reduction rate. Partial payments greater than \$0 cannot be less than the minimum payment OHEATMIN.

OHEATSNG: Ontario Home Electricity Relief amount for individuals

This is the amount a qualifying single person would receive for the Ontario home electricity relief payment (impheatr) for relief of electricity expenses. Individuals with net income greater than the threshold (OHEATSTD) may get a partial payment. It is calculated when OHEATFLG is turned on.

OHEATSTD: Ontario Home Electricity Relief income turndown for individuals

This parameter represents the previous year's net income turndown for individuals who may be eligible for the Ontario home electricity relief payment when OHEATFLG is activated.

ONCBSFT: Ontario social assistance NCBS flow-through amount per child

The province of Ontario claws back the National Child Benefit Supplement from Social Assistance. Starting in 2004, social assistances was also increased by this amount, ONCBSFT, the flow through amount for each eligible child.

The clawback of social assistance in Ontario will be activated when SACLAWFLAG is set to 1 and SACLAWPR provincial vector Ontario flag is also set to 1.

OUCCBITF: Ontario Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Ontario tax credits and transfer programs.

PDTCRLC: P.E.I. Dividend Tax Credit Rate from large corporations

The Prince Edward Island dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (PTXFLG = 1).

PUCCBITF: PEI Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Prince Edward Island tax credits and transfer programs.

PYINCP: Deflator to calculate income from 2 years prior

CPI deflator applied to income to obtain an estimate of income from two years ago. It is used when calculating needs tested programs on a calendar year basis. It is defined as one over the rate of increase in the CPI between the two years.

QCBCFLGP: Quebec Child benefit flag for Quebec calculation methodology for 1st half of year

When this flag is activated, Quebec has a specialized Child Tax Benefit system in place, which takes into account the number and ages of the children. If this flag is set to 0, the federal basic amount per child is used.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

QCBC1P: Quebec Child benefit for 1st child for 1st half of year

In Quebec, the federal Child Tax Benefit program entitlements are based on the number of children and the ages of children. This parameter represents the basic entitlement with

respect to the first (eldest) child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also QCBC2P, QCBC3P and QCBCSP.

QCBC2P: Quebec Child benefit for 2nd child for 1st half of year

In Quebec, the federal Child Tax Benefit program entitlements are based on the number of children and the ages of children. This parameter represents the basic entitlement with respect to the second (second eldest) child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also QCBC1P, QCBC3P and QCBCSP.

QCBC3P: Quebec Child benefit for 3rd child for 1st half of year

In Quebec, the federal Child Tax Benefit program entitlements are based on the number of children and the ages of children. This parameter represents the basic entitlement with respect to the third and subsequent children in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also QCBC1P, QCBC2P and QCBCSP.

QCBCSP: Quebec Child benefit supplement child aged 12 - 17 for 1st half of year

In Quebec, the federal Child Tax Benefit program entitlements are based on the number of children and the ages of children. This parameter represents the supplementary entitlement given with respect to each child between the ages of 12-17.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to

half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

See also QCBC1P, QCBC2P, and QCBC3P.

QDGURLC: Quebec Dividend Gross-Up Rate from large corporations

Dividends are split into two taxable amounts which may have different gross up rates, depending on the taxation year. Taxable dividends deemed to be from larger corporations (imqldivt) are calculated as $\text{idivid} * \text{DIVPLC}$ multiplied by this gross-up rate.

QDTCRLC: Quebec Dividend Tax Credit Rate from large corporations

The Quebec dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imqldivt) times this proportion. The total dividend tax credit (imqdtxc) includes amounts from both the large and small corporations.

SCB1P: Sask Child Benefit max for 1st child for 1st half of year

This is the maximum amount of Saskatchewan Child Benefit for the first dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCB2P: Sask Child Benefit max for 2nd child for 1st half of year

This is the maximum amount of Saskatchewan Child Benefit for the second dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCB3P: Sask Child Benefit max for 3rd and additional child for 1st half of year

This is the maximum amount of Saskatchewan Child Benefit for the third (or more) dependent child in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the

current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCBRR1P: Sask Child Benefit 1st reduction rate [number of kids] for 1st half of year

The Saskatchewan Child Benefit is reduced in two stages. Net family income greater than SCBTD1P and less than SCBTD2P is reduced at a rate of SCBRR1P. This is a vector parameter which depends on the number of children. The benefit is further reduced at a rate of SCBRR2P for income over SCBTD2P.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCBRR2P: Sask Child Benefit 2nd reduction rate [number of kids] for 1st half of year

The Saskatchewan Child Benefit is reduced in two stages. Net family income greater than SCBTD1P and less than SCBTD2P is reduced at a rate of SCBRR1P. The benefit is further reduced at a rate of SCBRR2P for income over SCBTD2P. This rate depends on the number of children in the family.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCBSPAP: Sask Child Benefit Single Parent Amount for 1st half of year

This is the maximum amount of Saskatchewan Child Benefit Single Parent amount. This amount is added to the base amount of the child benefit before the reduction based on family net income is applied. This extra amount was announced in the Saskatchewan 2004 Budget, effective for July 2004.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCBTD1P: Sask Child Benefit 1st turndown for 1st half of year

The Saskatchewan Child Benefit is reduced in two stages. Net family income greater than this parameter and less than SCBTD2P is reduced at a rate of SCBRR1P (which depends on the number of children in the family). The benefit is further reduced at a rate of SCBRR2P

for income over SCBTD2P.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SCBTD2P: Sask Child Benefit 2nd turndown for 1st half of year

This is the second turndown rate for the Saskatchewan Child Benefit. The benefit is first reduced by the amount of net family income greater than SCBTD1P and less than SCBTD2P. The benefit is further reduced at a rate of SCBRR2P for income over SCBTD2P.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

SDTCRLC: Sask. Dividend Tax Credit Rate from large corporations

The Saskatchewan dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (STXFLG = 1).

SSTC1KIDTDP: Sask. sales tax credit child amount turndown if only 1 child for 1st half of year

This represents the income level at which the child component of the Saskatchewan Sales Tax Credit is to be reduced at the rate of SSTCRRP for families with one qualifying child.

The Saskatchewan Sales Tax Credit (imsstc) was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCSPP, and SSTCKIDP.

SSTC2KIDTDP: Sask. sales tax credit child amount turndown if more than 1 child for

1st half of year

This represents the income level at which the child component of the Saskatchewan Sales Tax Credit is to be reduced at the rate of SSTCRRP for families with more than one qualifying child.

The Saskatchewan Sales Tax Credit (imsstc) was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCSPP, and SSTCKIDP.

SSTCBASP: Sask. sales tax credit base amount for 1st half of year

This parameter represents the maximum amount for the adult component of the Saskatchewan Sales Tax Credit (imsstc). The adult component of the Saskatchewan Sales Tax Credit will rise at a rate of SSTCBASPIRP of individual net income up to this maximum. It will be reduced at a rate of SSTCRRP as family net income increases above SSTCBASTDP.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCKIDP, SSTCSPP.

SSTCBASPIRP: Sask. sales tax credit base amount phase in rate for 1st half of year

This parameter represents the income phase in rate for the Saskatchewan Sales Tax Credit base amount for the adult component. The adult component will rise at this rate of individual net income up to a maximum (SSTCBASP). The Saskatchewan Sales Tax Credit is activated when SSTCFLAG is set to 1.

The Saskatchewan Sales Tax Credit (imsstc) was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCSPP, SSTCKIDP.

SSTCBASTDP: Sask. sales tax credit base amount turndown for 1st half of year

This parameter represents the income turndown level for the adult component of the Saskatchewan Sales Tax Credit (imsstc). The Saskatchewan Sales Tax Credit adult component base amount (SSTCBASP) will be reduced by SSTCRRP as family net income increases above this amount.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCKIDP, SSTCSPP

SSTCKIDP: Sask. sales tax credit child amount for 1st half of year

This is the maximum amount of the child component of the Saskatchewan Sales Tax Credit (imsstc). For two-parent families, the maximum child component will be SSTCKIDP + SSTCKIDP. For single parent families, the first child will be eligible for the adult benefit of SSTCSP and the maximum child component will be SSTCKIDP. The child component of the Credit will be reduced at a rate of SSTCRRP as family net income rises over SSTC1KIDTDP for families with one qualifying child. For families with more than one qualifying child, the Credit will be reduced at a rate of SSTCRRP as family net income rises over SSTC2KIDTDP.

The Saskatchewan Sales Tax Credit was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP.

SSTCPI1P: Sask. sales tax credit phase in for 1st half of year

This parameter provides the phase in rate for the Saskatchewan Sales Tax Credit (imsstc) was introduced in the 2000 Saskatchewan Budget. This credit is effective as of April 1, 2000, and is designed to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

This credit is combined with the federal GST credit, therefore it is modeled such that the amounts announced for July of each year are granted for the entire year.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCSPP, and SSTCKIDP.

SSTCPI2P: Sask. sales tax credit phase in for 2nd half of year

This parameter provides the phase in rate for the Saskatchewan Sales Tax Credit (imsstc) was introduced in the 2000 Saskatchewan Budget. This credit is effective as of April 1, 2000, and is designed to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

This credit is combined with the federal GST credit, therefore it is modeled such that the amounts announced for July of each year are granted for the entire year.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCSPP, and SSTCKIDP.

SSTCRRP: Sask. sales tax credit reduction rate for 1st half of year

This parameter represents the rate at which the Saskatchewan Sales Tax Credit (imsstc) amount is to be reduced. The basic adult component (SSTCBASP) will be reduced at this rate when family net income exceeds SSTCBASTDP. The spousal equivalent credit (SSTCSPP) will be reduced at this rate when family net income rises over SSTCSPTDP.

The child component of the Credit will be reduced at this rate as family net income rises over SSTC1KIDTDP for families with one qualifying child. For families with more than one

qualifying child, the Credit will be reduced at this rate as family net income rises over SSTC2KIDTDP.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCKIDP.

SSTCSPP: Sask. sales tax credit spousal amount for 1st half of year

This is the maximum value of the spousal equivalent amount of the Saskatchewan Sales Tax Credit. An individual will be eligible for this amount in additional benefits for a dependent spouse or equivalent. This amount will be reduced at a rate of SSTCRRP as family net income rises over SSTCSPTDP.

In the case of a single parent family, the first child will be eligible for this amount.

The Saskatchewan Sales Tax Credit (imsstc) was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCKIDP.

SSTCSPTDP: Sask. sales tax credit spousal amount turndown for 1st half of year

This parameter represents the income level at which the spouse equivalent component (SSTCSPP) of the Saskatchewan Sales Tax Credit is reduced at the rate of SSTCRRP.

The Saskatchewan Sales Tax Credit (imsstc) was introduced in 2000 to offset the effect of sales taxes on lower income earners. The Saskatchewan Sales Tax Credit will consist of an adult component and a child component. This credit will be fully refundable. The program is activated when SSTCFLAG is set to 1.

When GSTCYFLG is activated, the July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the

current year's parameters, representing the second half of the year. When the GSTCYFLG is turned off, this parameter is not used as it represents the value for the previous year.

See also SSTCBASP, SSTCKIDP.

SUCCBITF: Sask. Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Saskatchewan tax credits and transfer programs.

TEXTPMFT: Textbook Amount per month of full-time studies

Dollar amount for text books multiplied by the number of eligible full-time months of study to determine the textbook tax credit (imtxtxc).

TEXTPMPT: Textbook Amount per month of part-time studies

Dollar amount for text books multiplied by the number of eligible part-time months of study to determine the textbook tax credit (imtxtxc).

UCCBAMT: Universal Child Care Benefit Amount per child < 6

This parameter contains the annual amount for the Federal Universal Child Care Benefit (UCCB) program for each child under age 6. The program was implemented in July 2006. It is activated by UCCBFLAG.

UCCBFLAG: Universal Child Care Benefit Activation Flag

This flag turns on and off the Federal Universal Child Care Benefit (UCCB) program, which is a monthly payment designed to help all families with the cost of child care for children under age 6. The program was implemented in July 2006.

This amount will be taxable for the lower-income spouse. This amount will not be taken into account for the purposes of calculating income-tested benefits delivered through the income tax system. Nor will they reduce Old Age Security or Employment Insurance Benefits, and will not reduce the amount of expenses claimable under the child care expense deduction.

VCBBAS1P: NS child benefit for first child for 1st half of year

This is the amount of the Nova Scotia Child Benefit received for the first child. The benefit is turned on by the flag VCBFLG, and families whose net income is less than VCBTDP are eligible. They receive VCBBAS1P for their first child, VCBBAS2P for their second child, and VCBBAS3P for their third and each additional child. The benefit is assigned to the mother if present.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL

is turned off, this parameter is not used as it represents the value for the previous year.

VCBBAS2P: NS child benefit for second child for 1st half of year

This is the amount of Nova Scotia Child Benefit received for the second child. The benefit is turned on by the flag VCBFLG, and families whose net income is less than VCBTDP are eligible. They receive VCBBAS1P for their first child, VCBBAS2P for their second child, and VCBBAS3P for their third and each additional child. The benefit is assigned to the mother if present.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

VCBBAS3P: NS child benefit for third or additional child for 1st half of year

This is the amount of Nova Scotia Child Benefit received for the third and each additional child. The benefit is turned on by the flag VCBFLG, and families whose net income is less than VCBTDP are eligible. They receive VCBBAS1P for their first child, VCBBAS2P for their second child, and VCBBAS3P for their third and each additional child. The benefit is assigned to the mother if present.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

VCBPOP: NS child benefit family income phase out for 1st half of year

The level of family net income (head plus spouse) above which the Nova Scotia Child Benefit is completely phased out.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

VCBTDP: NS child benefit turndown for 1st half of year

The level of family net income (head plus spouse) above which the Nova Scotia Child Benefit begins to be paid at a lower rate. The benefit is reduced when net family income is greater than this parameter and less than VCBPOP. The benefit is turned on by the flag VCBFLG. They receive VCBBAS1P for their first child, VCBBAS2P for their second child,

and VCBBAS3P for their third and each additional child. The benefit is assigned to the mother if present.

When FCBENCAL is activated, July to June programs are calculated on a calendar year basis. This parameter is used to replicate the July to June program for the first half of the year, using the program design from the previous year. The annual benefit will be equal to half the value calculated for the first half of the year and half the value calculated using the current year's parameters, representing the second half of the year. When the FCBENCAL is turned off, this parameter is not used as it represents the value for the previous year.

VDTCRLC: N.S. Dividend Tax Credit Rate from large corporations

The Nova Scotia dividend tax credit for dividends from large corporations is calculated as taxable dividends from large corporations (imildivt) times this proportion. The total dividend tax credit (impdtxc) includes amounts from both the large and small corporations and is only used when provincial tax on taxable income is turned on (VTXFLG = 1).

VUCCBITF: N.S. Universal Child Care Benefit excluded from income tests flag

When this flag is turned on, the federal Universal Child Care Benefit (imuccb) will be excluded from the income tests used for Nova Scotia tax credits and transfer programs.

VUCCBTC: N.S. Universal Child Care Benefit Tax Credit flag

This flag activates the N.S. non-refundable tax credit for the federal Universal Child Care Benefits program. When set to 1, the tax credit (impucctc) is equal to the value of the UCCB (imuccb) times the provincial non-refundable tax credit rate (VNTCR). This amount is included in imptaxcr and is not transferable.

Deleted Parameters

***AAXPI: Alta Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***BAXPI: N.B. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***BCFBPI: B.C. Family Bonus phase in**

This parameter was removed since it represents the phase in of a July-June program starting in July. The convention now used in the SPSM does not require phase in for July to June programs starting in July.

***CAXPI: B.C. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***CCEALIM: CCEA Overall Limit**

This parameter was removed as it is no longer used in the model.

***MAXPI: Man. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***NAXPI: Nfld Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***NCBPI: Nfld. child benefit program phase in**

This parameter was removed since it represents the phase in of a July-June program starting in July. The convention now used in the SPSM does not require phase in for July to June programs starting in July.

***NMBNSPI: Nfld. Mother-Baby Nutrition Supplement program phase in**

This parameter was removed since it represents the phase in of a July-June program starting in July. The convention now used in the SPSM does not require phase in for July to June programs starting in July.

***NMBNSEPI: Nfld. Mother-Baby Nutrition Supplement newborn benefit phase in**

This parameter was removed since it represents the phase in of a July-June program starting in July. The convention now used in the SPSM does not require phase in for July to June programs starting in July.

***OASTBPI: OAS take-back phase in**

This parameter was removed as it is no longer used in the model.

***OAXPI: Ontario Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***PAXPI: P.E.I. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***QCCEAC1: Quebec CCEA earned income fraction (1 child)**

This parameter was removed as it is no longer used in the model.

***QCCEAC2: Quebec CCEA earned income fraction (2 children)**

This parameter was removed as it is no longer used in the model.

***QCCEAC3: Quebec CCEA earned income fraction (3 children)**

This parameter was removed as it is no longer used in the model.

***SAXPI: Sask. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

***VAXPI: N.S. Age Amount phase in rate for 1994 and beyond**

This parameter was removed as it is no longer used in the model.

Variable Guide

This section includes descriptions of all new variables introduced in version 14.1. Variables which have been deleted, or whose interpretations have changed, are also described and are identified in this section by a preceding asterisk.

Modified Variables

***imfoth: Federal other government income**

Workers compensation benefits (idiworkc) was moved from federal other government income (imfoth) to provincial other government income (impoth).

***imfran: Federal transfer income**

The Universal Child Care Benefit (imuccb) is added to federal transfer income.

***imicnet: Net Income (line 236)**

The Universal Child Care Benefit (imuccb) and the British Columbia Seniors Supplement (imbcss) are included in net income.

***imictot: Total Income (line 150)**

The Universal Child Care Benefit (imuccb) and the British Columbia Seniors Supplement (imbcss) are included in total income.

***imidivt: Dividend income (taxable)**

This variable is now the sum of taxable dividend income from small corporations (imisdivt) and taxable dividend income from large corporations (imildivt).

***imitot: Total Income**

The Universal Child Care Benefit (imuccb) is included in total income.

***imqcceni: Quebec net income for refundable cce credit calculation**

The federal Universal Child Care Benefit (imuccb) is subtracted from this income concept.

***imqdepni: Quebec dependant's net income**

The federal Universal Child Care Benefit (imuccb) is subtracted from this income concept.

***imqei: Quebec eligible income for tax reduction**

The federal Universal Child Care Benefit (imuccb) is subtracted from Quebec net income.

***imqdivt: Quebec taxable dividends**

This variable is now the sum of taxable dividend income from small corporations (imqsdivt) and taxable dividend income from large corporations (imqldivt).

***imqitot: Quebec Total Income**

The federal Universal Child Care Benefit (imuccb) is included in Quebec total income.

***impfp: Provincial family programs**

The Alberta shelter allowance (imashelt) is no longer included in the provincial family programs as it is already included in social assistance (imisa).

***impheatr: Provincial Home Heating Fuel/Energy Rebate**

The Ontario Home Electricity Relief program was added.

***impoth: Provincial other government income**

Workers compensation benefits (idiworkc) was moved from federal other government income (imfoth) to provincial other government income (impoth).

New Variables

imbcss: British Columbia Seniors Supplement

This variable represents the benefits accrued to individuals under the British Columbia Senior's Benefit program. It is a component of the imigist variable for years in which the British Columbia Senior's Benefit program is active.

imemptxc: Canada Employment Credit

Beginning in 2006, employees may claim the non-refundable Canada Employment Credit. It is calculated as the lesser of employment income (idiemp) and the maximum Canada Employment Credit (EMPTXC), multiplied by the non-refundable tax credit rate (FNTCR).

imildivt: Dividend income (taxable) from large corporations

This represents the taxable amount of dividends from large taxable Canadian Corporations, calculated as $\text{idividiv} * \text{DIVPLC} * \text{FDGURLC}$.

imisdivt: Dividend income (taxable) from small corporations

This represents the taxable amount of dividends from small taxable Canadian Corporations, calculated as $\text{idividiv} * (1 - \text{DIVPLC}) * \text{FDGUR}$.

impucctc: Provincial Universal Child Care Benefits Tax Credit

This variable contains the provincial non-refundable tax credit for Universal Child Care Benefits program. This amount is equal to the value of the UCCB (imuccb) times the provincial non-refundable tax credit rate. This amount is included in imptaxcr and is not transferable.

This variable is only used in the calculation of Nova Scotia non-refundable tax credits when VUCCBTC is set to 1.

imqldivt: Quebec taxable dividends from large corporations

This represents the taxable amount of dividends from large taxable Canadian Corporations, calculated as $\text{idividiv} * \text{DIVPLC} * \text{QDGURLC}$.

imqsddivt: Quebec taxable dividends from small corporations

This represents the taxable amount of dividends from small taxable Canadian Corporations, calculated as $\text{idividiv} * (1 - \text{DIVPLC}) * \text{QDGUR}$.

imtxttxc: Textbook Tax Credit

To calculate the Textbook Tax Credit, the number of eligible full-time months (ideducfm) is multiplied by the parameter TEXTPMFT , the allowable textbook amount per full-time month and is added to the number of eligible part-time months (ideducpm) multiplied by the parameter TEXTPMPT , the allowable textbook amount per part time month. This variable reports the amount of Textbook Tax Credit available for this individual. The tax credit may be applied to reduce Basic Federal Tax or transferred to a parent or spouse. The model applies a cap on the amount of Education, Textbook and Tuition Tax Credit transferable. This maximum amount transferable is determined by parameter MAXET .

imuccb: Universal Child Care Benefits

Total benefits received under the Universal Child Care Benefits program commencing in July 2006. The value of this benefit is added to total income of the lower net income spouse and will be taxed. The value of the benefit will be excluded from net income for federal income tested programs. This amount is included in imfran .

Growth and Validation Guide

WEIGHT FILE UPDATES

Due to a historical revision in the Labour Force Survey which encompasses the 2002 base year, we have chosen not to update the weights in Version 14.1.

GROWTH UPDATES

The database growth parameters were recalculated. From 1991 to 2005, growth parameters were adjusted to reflect the growth rates in the System of National Accounts. These adjustments were done provincially. Canada and Quebec Pension Plan benefits were adjusted using data from Human Resources Development Canada and reflect growth rates by age of recipient.

For 2006 and later, the growth rates of the income parameters reflect forecasted personal income while the growth rates of the expenditure parameters reflect forecasted GDP growth. These growth rates are national and come from an average of private sector forecasts.

Model parameter projection, which occurs when no official estimate is available, was done using Average Industrial Wage and the Consumer Price Index.

Online Documentation

The SPSPD/M online documentation provides quick access to the full Documentation Guides.

These online guides will only work with Windows 2000/XP. The documentation can be found in the SPSM menu under Start, Programs.

This product is similar to the standard windows help system and a full text search is supported. If you are having any problems using the online documentation please contact us at (613) 951-3774.