

Effect of the proposed salaries tax measures (i.e. increase in personal allowances, widening of tax bands, reduction of standard rate and increase in the deduction ceiling on approved charitable donations) on different households

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
A. <u>Annual income \$120,000</u>			
1. Single person	\$400	\$240	\$160 (40.0%)
B. <u>Annual income \$216,000 *</u>			
2. Single person	\$9,220	\$6,960	\$2,260 (24.5%)
3. Married couple	\$320	-	\$320 (100.0%)
4. Single person with 1 dependent parent aged 60 or above living with the taxpayer	\$2,170	\$1,360	\$810 (37.3%)

Note : * Median household income

Annex 2

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
C. <u>Annual income \$300,000</u>			
5. Single person	\$23,500	\$20,640	\$2,860 (12.2%)
6. Single person with 1 dependent parent aged 60 or above living with the taxpayer	\$13,300	\$10,440	\$2,860 (21.5%)
7. Married couple or single parent with 1 child	\$1,750	\$680	\$1,070 (61.1%)
D. <u>Annual income \$360,000</u>			
8. Single person	\$33,700	\$30,840	\$2,860 (8.5%)
9. Single person with 2 dependent parents, one of whom aged 60 or above and the other aged 55 to 59, living with the taxpayer	\$18,400	\$15,540	\$2,860 (15.5%)

Annex 2

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
10. Married couple or single parent with 1 child	\$8,200	\$5,280	\$2,920 (35.6%)
11. Married couple or single parent with 1 child and 2 dependent parents aged 60 or above not living with the taxpayer	\$1,750	\$680	\$1,070 (61.1%)
12. Married couple or single parent with 2 children, one of whom being a newborn child	\$200	-	\$200 (100.0%)
E. <u>Annual income \$480,000</u>			
13. Single person	\$54,100	\$51,240	\$2,860 (5.3%)
14. Married couple or single parent with 1 child	\$28,600	\$24,380	\$4,220 (14.8%)
15. Married couple or single parent with 1 child and 2 dependent parents aged 60 or above not living with the taxpayer	\$18,400	\$14,180	\$4,220 (22.9%)
16. Married couple or single parent with 2 children, one of whom being a newborn child	\$11,600	\$7,680	\$3,920 (33.8%)

Annex 2

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
17. Married couple or single parent with 3 children and 2 dependent parents aged 60 or above living with the taxpayer	\$200	-	\$200 (100.0%)
F. <u>Annual income \$720,000</u>			
18. Single person	\$94,900	\$92,040	\$2,860 (3.0%)
19. Married couple or single parent with 1 child	\$69,400	\$65,180	\$4,220 (6.1%)
20. Married couple or single parent with 1 child and 2 dependent parents aged 60 or above not living with the taxpayer	\$59,200	\$54,980	\$4,220 (7.1%)
21. Married couple or single parent with 2 children, one of whom being a newborn child	\$52,400	\$48,180	\$4,220 (8.1%)
22. Married couple or single parent with 3 children and 2 dependent parents aged 60 or above living with the taxpayer	\$32,000	\$27,780	\$4,220 (13.2%)

Annex 2

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
G. <u>Annual income \$1,200,000</u>			
23. Single person	\$176,500	\$173,640	\$2,860 (1.6%)
24. Married couple or single parent with 1 child	\$151,000	\$146,780	\$4,220 (2.8%)
25. Married couple or single parent with 1 child and 2 dependent parents aged 60 or above not living with the taxpayer	\$140,800	\$136,580	\$4,220 (3.0%)
26. Married couple or single parent with 2 children, one of whom being a newborn child	\$134,000	\$129,780	\$4,220 (3.1%)
27. Married couple or single parent with 3 children and 2 dependent parents aged 60 or above living with the taxpayer	\$113,600	\$109,380	\$4,220 (3.7%)

Annex 2

	Tax payable		Tax savings
	Present	After implementation of proposed measures	
H. <u>Annual income \$1,800,000</u>			
28. Single person	\$278,500	\$270,000	\$8,500 (3.1%)
29. Married couple or single parent with 1 child	\$253,000	\$248,780	\$4,220 (1.7%)
30. Married couple or single parent with 1 child and 2 dependent parents aged 60 or above not living with the taxpayer	\$242,800	\$238,580	\$4,220 (1.7%)
31. Married couple or single parent with 2 children, one of whom being a newborn child	\$236,000	\$231,780	\$4,220 (1.8%)
32. Married couple or single parent with 3 children and 2 dependent parents aged 60 or above living with the taxpayer	\$215,600	\$211,380	\$4,220 (2.0%)