

## GOVERNMENT SPONSORED BENEFITS (FEDERAL INCOME TAX)

Group Benefit	Employer Costs Tax Deductible	Employee Contributions Tax Deductible	Employer Contributions Confer Taxable Benefit to Employee	Benefit Taxable Income to Recipient
- Old Age Security:				
• Basic Pension	N/A	N/A	N/A	YES
• Spouse's Allowance	N/A	N/A	N/A	NO
• Guaranteed Income Supplement	N/A	N/A	N/A	NO
- Guaranteed Annual Income Supplement (In applicable provinces)	N/A	N/A	N/A	NO
- Workers' Compensation	YES	N/A	NO	NO
- Canada/Quebec Pension Plan	YES	YES	NO (1)	YES
- Employment Insurance	YES	YES	NO (1)	YES
- Provincial Medical Premiums (In applicable provinces)	YES	NO	YES (2)	NO
<p>(1) There is a taxable benefit if the Employer pays the employee portion. The employee can claim the amount as a tax deduction.</p> <p>(2) (Alberta, British Columbia, Ontario) The amount paid by the Employer is reported as a benefit from employment on the employee's year-end tax statement.</p>				
<p><b>QUEBEC and ONTARIO SALES TAX</b></p> <p>The Quebec government imposes a 9% sales tax, and Ontario an 8% sales tax, on premiums paid under group contracts, including both insured and uninsured plans.</p>				