

Canada Bonus Pre-tax Deduction Consideration

Modified on: Wed, 21 Feb, 2024 at 8:37 AM

If you have pre-tax deductions on a bonus, such as RRSP, and you are using the federal and province bonus formulas, you must check this box for the deductions to be taken into consideration. This will reduce the base taxable amount on the federal and province amounts that get sent into the tax calculations.

Payroll Calculation Lines

✓ Saved

Search Analyze + New Edit List Delete

Code	Type	Payroll Code	Rate per Hour	Hours	Amount Type	Amount / Percent	Formula	Formula ID	Calculation Sorting No.	State Filter	Deduction Filter	Apply Exempt Deductions to Bonus WH Calc.
→ BONUS	Earnings	BONUS			Formula	0.00	EMP EARNINGS AMOUNT	65	10			☐
BONUS	Deduction				Formula	0.00	EMPLOYEE DEDUCTIONS	12	100			☐
BONUS	Withholding	EI			Formula	0.00	CANADA EI	402	200			☐
BONUS	Withholding	CPP			Formula	0.00	CANADA CPP	404	200			☐
BONUS	Withholding	FEDERAL INCOME TAX			Formula	0.00	CANADA FD TAX BONUS	406	210			☒
BONUS	Withholding	PROVINCE WH			Formula	0.00	CANADA PROV TAX BONUS	407	210			☒
BONUS	Employer Tax	EI ER			Formula	0.00	CANADA EI ER	403	400			☐
BONUS	Employer Tax	CPP ER			Formula	0.00	CANADA CPP ER	405	400			☐
BONUS	Employer Tax	WCB			Formula	0.00	EMP TAX 1	25	400			☐
BONUS	Direct Deposit				Formula	0.00	DIRECT DEPOSIT DEDUCTION	9	800			☐
BONUS	Payment	CHEQUE			Formula	0.00	PAYMENT TO EMPLOYEE	14	900			☐
BONUS	Direct Deposit	NET PAY DIRECT DEP			Formula	0.00	PAYMENT TO EMPLOYEE	14	900			☐

Larger view of the lines

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EMP EARNINGS AMOUNT	65	10			☐
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DIRECT DEPOSIT DEDUCTION	9	800			☐
PAYMENT TO EMPLOYEE	14	900			☐
PAYMENT TO EMPLOYEE	14	900			☐