

**Table 31-2**  
**Furniture and related product manufacturing — Reconciliation of net profit to taxable income and taxes payable**

	2009	2010	2011	2012	2013
	millions of dollars				
<b>Net profit</b>	<b>183</b>	<b>287</b>	<b>288</b>	<b>213</b>	<b>307</b>
Plus: consolidation and conceptual adjustments	152	81	-12	21	62
Plus: current taxes, including mining	82	95	71	74	88
Plus: deferred income taxes	-10	-5	2	-49	5
Less: profit of tax exempt corporations	0	0	0	0	0
Deductible dividends	220	189	136	326	143
<b>Adjusted profit before taxes</b>	<b>187</b>	<b>268</b>	<b>212</b>	<b>-68</b>	<b>319</b>
<b>Exemptions and deductions:</b>					
Book capital gains and losses	18	9	35	8	39
Less: taxable capital gains	8	10	13	19	18
Net difference, capital gains and losses	10	-1	22	-11	21
Resource allowance	..	..	..	..	..
Less: royalties	..	..	..	..	..
Net difference, resource allowance	..	..	..	..	..
Earned depletion allowance	..	..	..	..	..
Other exemptions and deductions	-43	-16	-78	-4	-26
<b>Total, exemptions and deductions</b>	<b>-33</b>	<b>-17</b>	<b>-56</b>	<b>-15</b>	<b>-5</b>
<b>Timing differences:</b>					
Depreciation	266	240	249	220	216
Less: capital cost allowance	244	248	214	202	185
Net difference, depreciation	22	-8	35	18	31
Natural resources expenses, (books)	0	0	0	0	0
Less: natural resource expenses, (tax)	..	..	..	1	..
Net difference, natural resources expenses	0	0	0	-1	0
Charitable donations net difference, (books minus tax)	0	1	0	0	0
Other timing differences	233	182	188	499	176
<b>Total, timing differences</b>	<b>255</b>	<b>175</b>	<b>223</b>	<b>516</b>	<b>206</b>
<b>Net taxable income</b>	<b>476</b>	<b>460</b>	<b>491</b>	<b>464</b>	<b>530</b>
Less: prior year losses applied	55	66	85	65	84
<b>Taxable income (tax base)</b>	<b>421</b>	<b>394</b>	<b>406</b>	<b>399</b>	<b>446</b>
<b>Taxes:</b>					
Tax otherwise payable	160	150	153	152	171
Surtax	0	0	0	0	0
<b>Less: Federal tax credits and deductions:</b>					
Federal tax abatement	42	39	40	40	45
Small business deduction	35	34	33	32	33
Manufacturing and processing profits deduction	9	10	14	13	15
Investment tax credit	5	4	3	4	3
Other credits	10	8	9	12	16
<b>Net part 1 tax payable</b>	<b>59</b>	<b>54</b>	<b>54</b>	<b>50</b>	<b>60</b>
Other direct federal taxes	1	2	1	0	1
<b>Federal tax payable</b>	<b>60</b>	<b>56</b>	<b>54</b>	<b>51</b>	<b>60</b>
Provincial tax payable	43	38	37	36	41
<b>Total taxes</b>	<b>102</b>	<b>94</b>	<b>91</b>	<b>87</b>	<b>102</b>