

Table 37-2

**Farm, construction, forestry, mining and other industrial machinery and equipment and supplies merchant wholesalers
— Reconciliation of net profit to taxable income and taxes payable**

	2009	2010	2011	2012	2013
	millions of dollars				
Net profit	938	1,593	2,642	3,124	2,414
Plus: consolidation and conceptual adjustments	-17	-58	-523	-21	81
Plus: current taxes, including mining	388	437	666	742	645
Plus: deferred income taxes	-20	17	25	7	40
Less: profit of tax exempt corporations	-3	-1	0	-1	1
Deductible dividends	217	273	598	427	212
Adjusted profit before taxes	1,074	1,717	2,212	3,425	2,966
Exemptions and deductions:					
Book capital gains and losses	160	142	-110	210	285
Less: taxable capital gains	45	34	21	41	57
Net difference, capital gains and losses	115	108	-131	169	228
Resource allowance	0	0	0	0	0
Less: royalties	0	0	0	0	0
Net difference, resource allowance	0	0	0	0	0
Earned depletion allowance
Other exemptions and deductions	-30	-87	-32	117	74
Total, exemptions and deductions	86	21	-163	286	302
Timing differences:					
Depreciation	871	817	850	978	960
Less: capital cost allowance	744	732	712	1,230	864
Net difference, depreciation	127	85	138	-252	96
Natural resources expenses, (books)	0	0	0	1	0
Less: natural resource expenses, (tax)	1	0	0	0	0
Net difference, natural resources expenses	0	0	0	0	0
Charitable donations net difference, (books minus tax)	1	-1	0	0	1
Other timing differences	698	219	491	493	218
Total, timing differences	825	304	629	242	315
Net taxable income	1,814	2,000	3,004	3,381	2,979
Less: prior year losses applied	129	147	133	125	149
Taxable income (tax base)	1,685	1,853	2,871	3,256	2,830
Taxes:					
Tax otherwise payable	641	705	1,091	1,237	1,076
Surtax	0	0	0	0	0
Less: Federal tax credits and deductions:					
Federal tax abatement	168	185	286	325	282
Small business deduction	79	84	100	102	102
Manufacturing and processing profits deduction	12	8	17	18	17
Investment tax credit	12	11	11	13	10
Other credits	97	124	240	319	271
Net part 1 tax payable	273	292	437	461	394
Other direct federal taxes	2	3	3	2	4
Federal tax payable	275	295	440	463	398
Provincial tax payable	178	192	290	330	284
Total taxes	453	487	730	793	682