Table 3-2

Total finance and insurance industries — Reconciliation of net profit to taxable income and taxes payable

	2010	2011	2012	2013	2014
	millions of dollars				
Net profit	**57,972**	**62,997**	**68,789**	**82,362**	**92,517**
Plus: consolidation and conceptual adjustments	4,448	-1,070	10,885	12,692	4,307
Plus: current taxes, including mining	11,803	12,499	12,348	12,245	15,033
Plus: deferred income taxes	82	577	-335	-272	181
Less: profit of tax exempt corporations	9,477	7,466	9,607	13,772	13,069
Deductible dividends	25,417	26,890	31,300	40,841	36,712
Adjusted profit before taxes	**39,410**	**40,647**	**50,779**	**52,414**	**62,257**
Exemptions and deductions:					
Book capital gains and losses	4,294	8,300	4,550	6,054	9,944
Less: taxable capital gains	2,725	3,268	4,099	5,148	5,739
Net difference, capital gains and losses	1,569	5,032	451	905	4,205
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	0	0	0	0	0
Other exemptions and deductions	-3,230	-2,445	-1,678	286	913
Total, exemptions and deductions	**-1,661**	**2,587**	**-1,227**	**1,191**	**5,118**
Timing differences:					
Depreciation	4,889	4,862	5,051	5,552	5,854
Less: capital cost allowance	9,400	8,951	10,360	11,999	12,902
Net difference, depreciation	-4,510	-4,090	-5,309	-6,447	-7,047
Natural resources expenses, (books)	34	65	119	99	183
Less: natural resource expenses, (tax)	309	144	249	357	464
Net difference, natural resources expenses	-275	-79	-130	-257	-281
Charitable donations net difference, (books minus tax)	64	-15	-27	40	72
Other timing differences	14,637	19,378	9,739	9,971	12,216
Total, timing differences	**9,916**	**15,195**	**4,273**	**3,306**	**4,959**
Net taxable income	**50,987**	**53,256**	**56,279**	**54,528**	**62,097**
Less: prior year losses applied	5,370	3,818	3,971	3,487	4,850
Taxable income (tax base)	**45,618**	**49,438**	**52,309**	**51,041**	**57,247**
Taxes:					
Tax otherwise payable	16,901	18,247	18,815	17,372	20,144
Surtax	0	0	0	0	0
Less: Federal tax credits and deductions:					
Federal tax abatement	3,924	4,299	4,492	4,130	4,730
Small business deduction	389	418	416	472	512
Manufacturing and processing profits deduction	12	21	14	14	18
Investment tax credit	34	41	50	27	26
Other credits	4,501	5,192	6,164	5,634	6,538
Net part 1 tax payable	**8,041**	**8,277**	**7,678**	**7,095**	**8,319**
Other direct federal taxes	1,429	1,667	1,666	1,932	1,857
Federal tax payable	**9,470**	**9,944**	**9,344**	**9,027**	**10,176**
Provincial tax payable	5,137	5,304	5,436	5,281	5,525
Total taxes	**14,607**	**15,248**	**14,780**	**14,308**	**15,701**