

Information Notice

NOTICE
The Health and Post Secondary
Education Tax Levy Act
Issued December 2007

EXEMPTION AND REDUCED TAX RANGE INCREASE

Effective January 1, 2008, the Health and Post Secondary Education Tax Levy Act (also known as HE Levy) exemption will increase from \$1 million to \$1.25 million and the reduced tax range will increase to between \$1.25 million and \$2.5 million (from between \$1 million and \$2 million).

Employers, including employers that are part of an associated group, whose total annual remuneration falls below \$1.25 million will be exempt from the HE Levy. If the total annual remuneration falls between \$1.25 million and \$2.5 million, tax will apply at 4.3% on the payroll amount that exceeds \$1.25 million.

Your 2008 filing status may be affected if your total annual remuneration for 2007 was as follows:

- Less than \$1 million. No HE Levy or filing of returns will be required.
- Between \$1 million and \$1.25 million. Monthly reduced tax range returns must continue to be filed for 2008, but tax will only be due if payroll exceeds \$1.25 million in the year.
- Between \$1.25 million and \$2 million. Monthly reduced tax range returns are to be filed as in the past but tax is not due until remuneration exceeds \$1.25 million for the year.
- Between \$2 million and \$2.5 million. Employers in this range are now eligible to remit tax at the reduced tax range and tax is not due until remuneration exceeds \$1.25 million for the year.
- Greater than \$2.5 million. Regular monthly returns are to be filed as in the past.

Please contact one of the Taxation Division offices below if your 2007 payroll was less than \$1 million or between \$2 million and \$2.5 million and a change to your 2008 filing status is required:

Winnipeg Office

Manitoba Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone (204) 945-5603
Manitoba Toll Free 1-800-782-0318
Fax (204) 948-2087
E-mail: MBTax@gov.mb.ca
Web site: manitoba.ca/finance/taxation

Westman Regional Office

Manitoba Finance
Taxation Division
314, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Fax (204) 726-6763