

Comparison of the impact of the new Tax Measure on income in excess of 6,000,000

An employee whose statutory income for 2015, 2016, and 2017 was \$8,000,064

	2015	Tax Liability	2016	Tax Liability	2017	Tax Liability
Statutory Income	8,000,064		8,000,064		8,000,064	
Threshold	557, 232	Nil	796,536	Nil	1,375,140	Nil
25%	7,442,832	1,860,708	5,203,464	1,300,866	4,624,860	1,156,215
30%			2,000,064	600,019	2,000,064	600,019
Total Tax		1,860,708		1,900,885		1,756,234

For year of assessment **2016** with the application of 30% on income in excess of \$6,000,000. The first \$796,536 is taxed at zero the next \$5,203,464 @25% and the additional \$2,00,064 @ 30%. This results in an **additional \$40,177.20** in tax liability. A **0.0216% increase**

For year of assessment **2017** the first \$1,375,140 is taxed at zero, the next \$4,624,860 @25% and the additional \$2,000,064@30%. This results in a **tax savings of \$104,474** when compared to year of assessment **2015** and a **tax savings of \$144,650** when compared with **2016**.