



Province of Alberta

FAMILY LAW ACT

ALBERTA CHILD SUPPORT GUIDELINES

Alberta Regulation 147/2005

With amendments up to and including Alberta Regulation 81/2019

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(Consolidated up to 81/2019)

ALBERTA REGULATION 147/2005

Family Law Act

ALBERTA CHILD SUPPORT GUIDELINES

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Objectives

- 1** The objectives of these Guidelines are
 - (a) to establish a fair standard of support for children that ensures that they benefit from the financial means of both parents,
 - (b) to reduce conflict and tension between parents by making the calculation of child support orders more objective,
 - (c) to improve the efficiency of the legal process by giving courts and parents guidance in setting the levels of child support orders and encouraging settlement, and
 - (d) to ensure consistent treatment of parents and children who are in similar circumstances.

Interpretation**Definitions**

- 2(1)** In these Guidelines,
 - (a) “Act” means the *Family Law Act*;
 - (b) “child” means a child as defined in section 46 of the Act;
 - (c) “court” means the Provincial Court or the Court of Queen’s Bench, as the circumstances require;
 - (d) “income” means the annual income determined under sections 15 to 20;
 - (e) “order assignee” means a Minister, member or agency referred to in subsection 20.1(1) of the *Divorce Act* (Canada) to whom a child support order is assigned in accordance with that subsection;
 - (f) “parent” means a parent as defined in sections 1 and 47 of the Act;
 - (g) “table” means a federal child support table set out in Schedule I of the *Federal Child Support Guidelines*, as adopted in Schedule 1 to these Guidelines;

(h) “universal child care benefit” means a benefit provided under section 4 of the *Universal Child Care Benefit Act* (Canada).

(2) Words and expressions that are used in sections 15 to 21 and that are not defined in this section have the meanings assigned to them under the *Income Tax Act* (Canada).

(3) Where for the purposes of these Guidelines any amount is determined on the basis of specified information, the most current information must be used.

(4) In addition to child support orders, these Guidelines apply, with such modifications as the circumstances require, to

(a) interim orders under section 84 of the Act, and

(b) orders varying a child support order.

AR 147/2005 s2;169/2007

Presumptive rule

3(1) Unless otherwise provided under these Guidelines, the amount of a child support order for children under the age of majority is

(a) the amount set out in the applicable table, according to the number of children under the age of majority to whom the order relates and the income of the parent against whom the order is sought, and

(b) the amount, if any, determined under section 7.

(2) Unless otherwise provided under these Guidelines, the amount of a child support order for a child 18 years of age or older who is under his or her parents’ charge and is unable by reason of

(a) illness,

(b) disability,

(c) being a full-time student as determined in accordance with the prescribed guidelines, or

(d) other cause

to withdraw from his or her parents’ charge or to obtain the necessaries of life is to be determined in accordance with subsection (2.1).

(2.1) The amount of a child support order for a child referred to in subsection (2) is

- (a) the amount determined by applying these Guidelines as if the child to whom the order relates were under the age of majority, or
- (b) if the court considers that approach to be inappropriate, the amount that the court considers appropriate, having regard to the condition, means, needs and other circumstances of the child and the financial ability of each parent to contribute to the support of the child.

(3) For the purposes of subsection (2) and sections 7 and 10, and section 46(b)(ii) of the Act, a full-time student is a person who is enrolled in a course or courses that constitute a full-time program of study during an academic term at

- (a) a school as defined in the *Education Act*,
- (b) a post-secondary institution under the *Post-secondary Learning Act*,
- (c) an educational institution designated as such under section 118.6 of the *Income Tax Act* (Canada), or
- (d) a school or institution that in the opinion of the court is substantially similar to those referred to in clauses (a) to (c).

(4) The applicable table is

- (a) if the parent against whom an order is sought resides in Canada,
 - (i) the table for the province in which that parent ordinarily resides at the time the application for the child support order, or for a variation order in respect of a child support order, is made or the amount is to be recalculated under section 25.1 of the *Divorce Act* (Canada),
 - (ii) where the court is satisfied that the province in which that parent ordinarily resides has changed since the time described in subclause (i), the table for the province in which the parent ordinarily resides at the time of determining the amount of support, or
 - (iii) where the court is satisfied that, in the near future after determination of the amount of support, that parent will ordinarily reside in a given province other than the province in which the parent ordinarily resides at the time of that determination, the table for the given province,

and

- (b) if the parent against whom an order is sought resides outside of Canada, or if the residence of that parent is unknown, the table for the province where the person seeking child support ordinarily resides at the time the application for the child support order or for a variation order in respect of a child support order is made or the amount is to be recalculated under section 25.1 of the *Divorce Act* (Canada).

AR 147/2005 s3;97/2006;234/2018;81/2019

Incomes over \$150 000

4 Where the income of the parent against whom a child support order is sought is over \$150 000, the amount of a child support order is

- (a) the amount determined under section 3, or
- (b) if the court considers that amount to be inappropriate,
 - (i) in respect of the first \$150 000 of the parent's income, the amount set out in the applicable table for the number of children under the age of majority to whom the order relates,
 - (ii) in respect of the balance of the parent's income, the amount that the court considers appropriate, having regard to the condition, means, needs and other circumstances of the children who are entitled to support and the financial ability of each parent to contribute to the support of the children, and
 - (iii) the amount, if any, determined under section 7.

Person in the place of parent

5 Where the person against whom a child support order is sought stands in the place of a parent, the amount of the child support order in respect of that person is the amount that the court considers appropriate having regard to the factors set out in section 51(5) of the Act.

Medical and dental insurance

6 In making a child support order, where medical or dental insurance coverage for the child is available to either parent through his or her employer or otherwise at a reasonable rate, the court may order that coverage be acquired or continued.

Special or extraordinary expenses

7(1) In a child support order the court may provide for an amount to cover all or any portion of the following expenses, which expenses may be estimated, taking into account the necessity of the expense in relation to the child's best interests and the reasonableness of the expense in relation to the means of the parents and those of the child and to the family's spending pattern prior to the separation:

- (a) child care expenses incurred as a result of employment, illness, disability or education or training for employment of the parent or another person referred to in section 50(1)(b), (c) or (d) of the Act;
- (b) that portion of the medical and dental insurance premiums attributable to the child;
- (c) health-related expenses that exceed insurance reimbursement by at least \$100 annually, including orthodontic treatment, professional counseling provided by a psychologist, social worker, psychiatrist or any other person, physiotherapy, occupational therapy, speech therapy and prescription drugs, hearing aids, glasses and contact lenses;
- (d) extraordinary expenses for primary or secondary school education or for any other educational programs that meet the child's particular needs;
- (e) expenses for post-secondary education;
- (f) extraordinary expenses for extracurricular activities.

(1.1) For the purposes of subsection (1)(d) and (f), when the person applying for child support is a parent of the child, the term "extraordinary expenses" means

- (a) expenses that exceed those that the parent requesting an amount for the extraordinary expenses can reasonably cover, taking into account that parent's income and the amount that the parent would receive under the applicable table or, where the court has determined that the table amount is inappropriate, the amount that the court has otherwise determined is appropriate, or
- (b) where clause (a) is not applicable, expenses that the court considers are extraordinary taking into account
 - (i) the amount of the expense in relation to the income of the parent requesting the amount, including the amount that the parent would receive under the

applicable table or, where the court has determined that the table amount is inappropriate, the amount that the court has otherwise determined is appropriate,

- (ii) the nature and number of the educational programs and extracurricular activities,
- (iii) any special needs and talents of the child or children,
- (iv) the overall cost of the programs and activities, and
- (v) any other similar factor that the court considers relevant.

(1.2) For the purposes of subsection (1)(d) and (f), when the person applying for child support is not a parent but is another person referred to in section 50(1) of the Act, the term “extraordinary expenses” means expenses that the court considers are extraordinary taking into account

- (a) the amount the person applying for child support would receive under the applicable table or, where the court has determined that the table amount is inappropriate, the amount that the court has otherwise determined is appropriate,
- (b) the nature and number of the educational programs and extracurricular activities,
- (c) any special needs and talents of the child or children,
- (d) the overall cost of the programs and activities, and
- (e) any other similar factor that the court considers relevant.

(2) The guiding principle in determining the amount of an expense referred to in subsection (1) is that the expense is shared by the parents in proportion to their respective incomes after deducting from the expense the contribution, if any, from the child.

(3) Subject to subsection (4), in determining the amount of an expense referred to in subsection (1), the court must take into account any subsidies, benefits or income tax deductions or credits relating to the expense, and any eligibility to claim a subsidy, benefit or income tax deduction or credit relating to the expense.

(4) In determining the amount of an expense referred to in subsection (1), the court shall not take into account any universal child care benefit or any eligibility to claim that benefit.

AR 147/2005 s7;97/2006;169/2007

Split care and control

8 Where each parent has sole custody or primary care and control of one or more children, the amount of a child support order is the difference between the amounts that the parents would otherwise pay if a child support order were sought against each of them.

Shared parenting

9 Where a parent exercises a right of parenting time, or a right of access to, or exercises physical care and control of a child for not less than 40% of the time over the course of a year, the amount of a child support order must be determined by taking into account

- (a) the amounts set out in the applicable tables for each of the parents,
- (b) the increased costs of shared parenting arrangements, and
- (c) the condition, means, needs and other circumstances of each parent and of any child for whom support is sought.

Undue hardship

10(1) On either parent's application, a court may award an amount of child support that is different from the amount determined under any of sections 3, 4, 8 or 9 if the court finds that the parent making the request, or a child in respect of whom the request is made, would otherwise suffer undue hardship.

(2) Circumstances that may cause a parent or child to suffer undue hardship include the following:

- (a) the parent has responsibility for an unusually high level of debts reasonably incurred to support the parents and their children prior to the separation or to earn a living;
- (b) the parent has unusually high expenses in relation to exercising access to or parenting time or contact with a child;
- (c) the parent has a legal duty under a judgment, order or written separation agreement to support any person;
- (d) the parent has a legal duty to support a child other than the child of the parents or a child of the other parent who is a party to the application, who is
 - (i) under the age of majority, or

(ii) of the age of majority or over but is unable, by reason of illness, disability or other cause, to obtain the necessaries of life;

(e) the parent has a legal duty to support any person who is unable to obtain the necessaries of life due to illness or disability.

(3) Despite a determination of undue hardship under subsection (1), an application under that subsection must be denied by the court if it is of the opinion that the household of the parent who claims undue hardship would, after determining the amount of child support under any of sections 3, 4, 8 or 9, have a higher standard of living than the household of the other parent.

(4) In comparing standards of living for the purpose of subsection (3), the court may use the comparison of household standards of living test set out in Schedule 2.

(5) Where the court awards a different amount of child support under subsection (1), it may specify in the child support order a reasonable time for the satisfaction of any obligation arising from circumstances that cause undue hardship and the amount of support payable at the end of that time.

(6) Where the court awards a different amount of child support under this section, it must record its reasons for doing so.

Elements of a Child Support Order

Form of payments

11 The court may require in a child support order that the amount payable under the order be paid in periodic payments, in a lump sum or in a lump sum and periodic payments.

Security

12 The court may require in a child support order that the amount payable under the order be paid or secured, or paid and secured, in the manner specified in the order.

Information to be specified in order

13 A child support order must include the following information:

- (a) the name and birth date of each child to whom the order relates;
- (b) the income of any parent whose income is used to determine the amount of the child support order;

- (c) the amount determined under section 3(1)(a) for the number of children to whom the order relates;
- (d) the amount determined under section 3(2.1)(b) for a child of the age of majority or over;
- (e) the particulars of any expense described in section 7(1), the child to whom the expense relates and the amount of the expense or, where that amount cannot be determined, the proportion to be paid in relation to the expense;
- (f) the date on which the lump sum or first payment is payable and the day of the month or other time period on which all subsequent payments are to be made.

AR 147/2005 s13;234/2018

Variation of Child Support Orders

Circumstances for variation

14 For the purposes of section 77(4) of the Act, any one of the following constitutes a change of circumstances that gives rise to the making of a variation order in respect of a child support order:

- (a) in the case where the amount of child support includes a determination made in accordance with the applicable table, any change in circumstances that would result in a different child support order or any provision of it;
- (b) in the case where the amount of child support does not include a determination made in accordance with a table, any change in the condition, means, needs or other circumstances of either parent or of any child who is entitled to support;
- (c) in the case of an order under the *Domestic Relations Act*, the *Income Support Recovery Act*, the *Provincial Court Act*, the *Maintenance Order Act*, the *Parentage and Maintenance Act* or the *Child, Youth and Family Enhancement Act* made before the coming into force of section 77(4) of the Act, the coming into force of that section.

Income

Determination of annual income

15(1) Subject to subsection (2), a parent's annual income is determined by the court in accordance with sections 16 to 20.

(2) Where both parents agree in writing on the annual income of a parent, the court may consider that amount to be the parent's income for the purposes of these Guidelines if the court is of the opinion that the amount is reasonable having regard to the income information provided under section 21.

Calculation of annual income

16 Subject to sections 17 to 20, a parent's annual income is

- (a) determined using the sources of income set out under the heading "Total income" in the T1 General form issued by the Canada Revenue Agency, and
- (b) adjusted in accordance with Schedule 3.

AR 147/2005 s16;169/2007

Pattern of income

17(1) If the court is of the opinion that the determination of a parent's annual income under section 16 would not be the fairest determination of that income, the court may have regard to the parent's income over the last 3 years and determine an amount that is fair and reasonable in light of any pattern of income, fluctuation in income or receipt of a non-recurring amount during those years.

(2) Where a parent has incurred a non-recurring capital or business investment loss, the court may, if it is of the opinion that the determination of the parent's annual income under section 16 would not provide the fairest determination of the annual income, choose not to apply sections 7 and 8 of Schedule 3, and may adjust the amount of the loss, including related expenses and carrying charges and interest expenses, to arrive at an amount that the court considers appropriate.

AR 147/2005 s17;97/2006

Shareholder, director or officer

18(1) Where a parent is a shareholder, director or officer of a corporation and the court is of the opinion that the amount of the parent's annual income as determined under section 16 does not fairly reflect all the money available to the parent for the payment of child support, the court may consider the situations described in section 17 and determine the parent's annual income to include

- (a) all or part of the pre-tax income of the corporation, and of any corporation that is related to that corporation, for the most recent taxation year, or

- (b) an amount commensurate with the services that the parent provides to the corporation, provided that the amount does not exceed the corporation's pre-tax income.

(2) In determining the pre-tax income of a corporation for the purposes of subsection (1), all amounts paid by the corporation as salaries, wages or management fees, or other payments or benefits, to or on behalf of persons with whom the corporation does not deal at arm's length must be added to the pre-tax income, unless the parent establishes that the payments were reasonable in the circumstances.

Imputing income

19(1) The court may impute the amount of income to a parent that it considers appropriate in the circumstances, and those circumstances include the following:

- (a) the parent is intentionally under-employed or unemployed, except where the under-employment or unemployment is required by the needs of a child of the parents or any child under the age of majority or by the reasonable educational or health needs of the parent;
- (b) the parent is exempt from paying federal or provincial income tax;
- (c) the parent lives in a country that has effective rates of income tax that are significantly lower than those in Canada;
- (d) it appears that income has been diverted which would affect the level of child support to be determined under these Guidelines;
- (e) the parent's property is not reasonably utilized to generate income;
- (f) the parent has failed to provide income information when under a legal obligation to do so;
- (g) the parent unreasonably deducts expenses from income;
- (h) the parent derives a significant portion of income from dividends, capital gains or other sources that are taxed at a lower rate than employment or business income or that are exempt from tax;
- (i) the parent is a beneficiary under a trust and is or will be in receipt of income or other benefits from the trust.

(2) For the purpose of subsection (1)(g), the reasonableness of an expense deduction is not solely governed by whether the deduction is permitted under the *Income Tax Act* (Canada).

Non-resident

20(1) Subject to subsection (2), where a parent is not a resident of Canada, the parent's annual income is determined as though the parent were a resident of Canada.

(2) Where a parent is not a resident of Canada and resides in a country that has effective rates of income tax that are significantly higher than those applicable in the province in which the other parent ordinarily resides, the parent's annual income is the amount that the court determines to be appropriate taking those rates into consideration.

AR 147/2005 s20;97/2006

Income Information

Obligation of applicant

21(1) A parent who is applying for a child support order and whose income information is necessary to determine the amount of the order must include the following with the application:

- (a) a copy of every personal income tax return filed by the parent for each of the 3 most recent taxation years;
- (b) a copy of every notice of assessment and reassessment issued to the parent for each of the 3 most recent taxation years;
- (c) where the parent is an employee, the 3 most recent statements of earnings indicating the total earnings paid in the year to date, including overtime or, where such statements are not provided by the employer, a letter from the parent's employer setting out that information, including the parent's rate of annual salary or remuneration;
- (d) where the parent is self-employed, for the 3 most recent taxation years
 - (i) the financial statements of the parent's business or professional practice, other than a partnership, and
 - (ii) a statement showing a breakdown of all salaries, wages, management fees or other payments or benefits paid to, or on behalf of, persons or

corporations with whom the parent does not deal at arm's length;

- (e) where the parent is a partner in a partnership, confirmation of the parent's income and draw from, and capital in, the partnership for its 3 most recent taxation years;
- (f) where the parent controls a corporation or has an interest of 1% or more in a privately held corporation, for its 3 most recent taxation years
 - (i) the financial statements of the corporation and its subsidiaries, and
 - (ii) a statement showing a breakdown of all salaries, wages, management fees or other payments or benefits paid to, or on behalf of, persons or corporations with whom the corporation, and every related corporation, does not deal at arm's length;
- (g) where the parent is a beneficiary under a trust, a copy of the trust settlement agreement and copies of the trust's 3 most recent financial statements;
- (h) where the parent is a student, a statement indicating the total amount of student funding received during the current academic year, including loans, grants, bursaries, scholarships and living allowances;
- (i) in addition to any income information that must be included under clauses (c) to (h), where the parent receives income from employment insurance, social assistance, a pension, workers' compensation, disability payments or any other source, the most recent statement of income indicating the total amount of income from the applicable source during the current year, or if such a statement is not provided, a letter from the appropriate authority stating the required information.

(2) A parent who is served with an application for a child support order and whose income is necessary to determine the amount of the order must, within 30 days after the application is served if the parent resides in Canada or the United States or within 60 days if the parent resides elsewhere, or within another time period specified by the court, provide to the court as well as the other parent, order assignee or other person referred to in section 50(1) of the Act who is seeking child support the documents referred to in subsection (1).

(3) Where, in the course of proceedings in respect of an application for a child support order, a parent requests an amount to cover expenses referred to in section 7(1) or pleads undue hardship, the parent who would be receiving the amount of child support must, within 30 days after the amount is sought or undue hardship is pleaded if the parent resides in Canada or the United States or within 60 days if the parent resides elsewhere, or within another time period specified by the court, provide to the court and the other parent the documents referred to in subsection (1).

(4) Where, in the course of proceedings in respect of an application for a child support order, it is established that the income of the parent who would be paying the amount of child support is greater than \$150 000, the other parent must, within 30 days after the income is established to be greater than \$150 000 if the other parent resides in Canada or the United States or within 60 days if the other parent resides elsewhere, or within another time period specified by the court, provide to the court and the parent the documents referred to in subsection (1).

AR 147/2005 s21;97/2006

Continuing obligation to provide income information

22(1) Every parent against whom a child support order has been made must, on the written request of the other parent, another person referred to in section 50(1) of the Act who is a party to the order or the order assignee, or pursuant to an order of the court, not more than once a year after the making of the order and as long as the child is a child within the meaning of these Guidelines, provide the other parent, the person or the order assignee with

- (a) the documents referred to in section 21(1) for any of the 3 most recent taxation years for which the parent has not previously provided the documents to the other parent, the person or the order assignee,
- (b) as applicable, any current information, in writing, about the status of any expenses included in the order pursuant to section 7(1), and
- (c) as applicable, any current information, in writing, about the circumstances relied on by the court in a determination of undue hardship.

(2) Where a court has determined that the parent against whom a child support order is sought does not have to pay child support because his or her income level is below the minimum amount required for application of the tables, that parent must, on the written request of the other parent, another person referred to in section 50(1) of the Act who sought the order or pursuant to an order of the court, not more than once a year after the

determination and as long as the child is a child within the meaning of these Guidelines, provide the other parent or person with the documents referred to in section 21(1) for any of the 3 most recent taxation years for which the parent has not previously provided the documents.

(3) Where the income information of the parent in favor of whom a child support order is made is used to determine the amount of the order, the parent must, not more than once a year after the making of the order and as long as the child is a child within the meaning of these Guidelines, on the written request of the other parent or pursuant to an order of the court, provide the other parent with the documents and information referred to in subsection (1).

(4) Where a parent or an order assignee requests information from the other parent under any of subsections (1) to (3) and the income information of the requesting parent is used to determine the amount of the child support order, the requesting parent or order assignee must include the documents referred to in subsection (1) with the request.

(5) A parent who receives a request or is subject to an order made under any of subsections (1) to (3) must provide the required documents within 30 days after receiving the request or after the date specified in the order if the parent resides in Canada or the United States and within 60 days if the parent resides elsewhere.

(6) A request made under any of subsections (1) to (3) is deemed to have been received 10 days after it is sent.

(7) A provision in a judgment, order or agreement purporting to limit a parent's obligation to provide documents under this section is unenforceable.

AR 147/2005 s22;97/2006

Provincial child support services

23 A parent, a person referred to in section 50(1) of the Act who is a party to an order or an order assignee may appoint a provincial child support service to act on his or her behalf for the purpose of requesting and receiving income information under any of section 22(1) to (3).

Coming into Force

Coming into force

24 These Guidelines come into force on the date the *Family Law Act* is proclaimed in force.

**Schedule 1
(Section 2(1))**

Child Support Tables

Adoption

1(1) The federal child support tables set out in Schedule I to the *Federal Child Support Guidelines* are adopted pursuant to section 107(2) of the Act and form part of these Guidelines with the modifications set out in subsection (2).

(2) In each table, “spouse” is struck out wherever it occurs and “parent” is substituted.

**Schedule 2
(Section 10(4))**

Comparison of Household Standards of Living Test

Definitions

1 In this Schedule,

- (a) “household” means a parent and any of the following persons residing with the parent:
 - (i) any person who has a legal duty to support the parent or whom the parent has a legal duty to support;
 - (ii) any person who shares living expenses with the parent or from whom the parent otherwise receives an economic benefit as a result of living with that person, if the court considers it reasonable for that person to be considered part of the household;
 - (iii) any child whom the parent or the person described in subclause (i) or (ii) has a legal duty to support;
- (b) “taxable income” means the annual taxable income determined using the calculations required to determine “Taxable Income” in the T1 General form issued by the Canada Revenue Agency.

Test

2(1) Where the information on which to base a determination of a person’s income for the purposes of subsection (2)(a) has not been provided, the court may impute income to the person in the amount it considers appropriate.

(2) The comparison of household standards of living test is as follows:

- (a) establish the annual income of each person in each household by applying the formula:

$A - B - C$

where

- A is the person's income determined under sections 15 to 20 of these Guidelines;
- B is the federal and provincial taxes payable on the person's taxable income;
- C is the person's source deductions for premiums paid under the *Employment Insurance Act (Canada)* and contributions to the Canada Pension Plan and the Quebec Pension Plan;
- (b) adjust the annual income of each person in each household by
- (i) deducting the following amounts, calculated on an annual basis:
- (A) any amount relied on by the court as a factor that resulted in a determination of undue hardship, except any amount attributable to the support of a member of the household that is not incurred due to a disability or serious illness of that member;
- (B) the amount that would otherwise be payable by the person in respect of a child to whom the order relates, if the pleading of undue hardship was not made,
- (I) under the applicable table, or
- (II) as it is considered by the court to be appropriate, where the court considers the table amount to be inappropriate;
- (C) any amount of support that is paid by the person under a judgment, order or written separation agreement, except
- (I) an amount already deducted under paragraph (A), and

- (II) an amount paid by the person in respect of a child to whom the order referred to in paragraph (B) relates;

and

- (ii) adding the following amounts, calculated on an annual basis:
- (A) any amount that would otherwise be receivable by the person in respect of a child to whom the order relates, if the pleading of undue hardship was not made,
- (I) under the applicable table, or
- (II) as it is considered by the court to be appropriate, where the court considers the table amount to be inappropriate;
- (B) any amount of child support that the person has received for any child under a judgment, order or written separation agreement;
- (c) add the amounts of adjusted annual income for all the persons in each household to determine the total household income for each household;
- (d) determine the applicable low-income measures amount for each household based on the following:

Low-income Measures

Household Size	Low-income Measures Amount
One person	
1 adult	\$10 382
Two persons	
2 adults	\$14 535
1 adult and 1 child	\$14 535
Three persons	
3 adults	\$18 688
2 adults and 1 child	\$17 649
1 adult and 3 children	\$17 649
Four persons	

4 adults	\$22 840
3 adults and 1 child	\$21 802
2 adults and 2 children	\$20 764
1 adult and 3 children	\$20 764
Five persons	
5 adults	\$26 993
4 adults and 1 child	\$25 955
3 adults and 2 children	\$24 917
2 adults and 3 children	\$23 879
1 adult and 4 children	\$23 879
Six persons	
6 adults	\$31 145
5 adults and 1 child	\$30 108
4 adults and 2 children	\$29 070
3 adults and 3 children	\$28 031
2 adults and 4 children	\$26 993
1 adult and 5 children	\$26 993
Seven persons	
7 adults	\$34 261
6 adults and 1 child	\$33 222
5 adults and 2 children	\$32 184
4 adults and 3 children	\$31 146
3 adults and 4 children	\$30 108
2 adults and 5 children	\$29 070
1 adult and 6 children	\$29 070
Eight persons	
8 adults	\$38 413
7 adults and 1 child	\$37 375
6 adults and 2 children	\$36 337
5 adults and 3 children	\$35 299
4 adults and 4 children	\$34 261
3 adults and 5 children	\$33 222
2 adults and 6 children	\$32 184
1 adult and 7 children	\$32 184

- (e) divide the household income amount in clause (c) by the low-income measures amount in clause (d) to get a household income ratio for each household;
- (f) when comparing the household income ratios, the household that has the higher ratio has the highest standard of living.

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Schedule 3 (Section 16)

Adjustments to Income

Employment expenses

1 Where the parent is an employee, the parent's applicable employment expenses described in the following provisions of the *Income Tax Act* (Canada) are deducted:

- (a) paragraph 8(1)(d) concerning expenses of teacher's exchange fund contribution;
- (b) paragraph 8(1)(e) concerning expenses of railway employees;
- (c) paragraph 8(1)(f) concerning sales expenses;
- (d) paragraph 8(1)(g) concerning transport employee's expenses;
- (e) paragraph 8(1)(h) concerning travel expenses;
- (f) paragraph 8(1)(h.1) concerning motor vehicle travel expenses;
- (g) paragraph 8(1)(i) concerning dues and other expenses of performing duties;
- (h) paragraph 8(1)(j) concerning motor vehicle and aircraft costs;
- (i) paragraph 8(1)(l.1) concerning Canada Pension Plan contributions and *Employment Insurance Act* (Canada) premiums paid in respect of another employee who acts as an assistant or substitute of the parent;
- (j) paragraph 8(1)(n) concerning salary reimbursement;
- (k) paragraph 8(1)(o) concerning forfeited amounts;
- (l) paragraph 8(1)(p) concerning musical instrument costs;

- (m) paragraph 8(1)(q) concerning artists' employment expenses.

Child support

2 Deduct any child support received that is included to determine total income in the T1 General form issued by the Canada Revenue Agency.

Spousal or adult interdependent partner support

3 To calculate income for the purpose of determining an amount under an applicable table, deduct

- (a) the spousal or adult interdependent partner support received from the other parent, and
- (b) any universal child care benefit that is included to determine the other parent's total income in the T1 General form issued by the Canada Revenue Agency.

Special or extraordinary expenses

4 To calculate income for the purpose of determining an amount under section 7 of these Guidelines, deduct the spousal or adult interdependent partner support paid to the other parent and, as applicable, make the following adjustment in respect of universal child care benefits

- (a) deduct benefits that are included to determine the parent's total income in the T1 General form issued by the Canada Revenue Agency and that are for a child for whom special or extraordinary expenses are not being requested, or
- (b) include benefits that are not included to determine the parent's total income in the T1 General form issued by the Canada Revenue Agency and that are received by the parent for a child for whom special or extraordinary expenses are being requested.

Social assistance

5 Deduct any amount of social assistance income that is not attributable to the parent.

Dividends from taxable Canadian corporations

6 Replace the taxable amount of dividends from taxable Canadian corporations received by the parent by the actual amount of those dividends received by the parent.

Capital gains and capital losses

7 Replace the taxable capital gains realized in a year by the parent by the actual amount of capital gains realized by the parent in excess of the parent's actual capital losses in that year.

Business investment losses

8 Deduct the actual amount of business investment losses suffered by the parent during the year.

Carrying charges

9 Deduct the parent's carrying charges and interest expenses that are paid by the parent and that would be deductible under the *Income Tax Act* (Canada).

Net self-employment income

10 Where the parent's net self-employment income is determined by deducting an amount for salaries, benefits, wages or management fees, or other payments, paid to or on behalf of persons with whom the parent does not deal at arm's length, include that amount, unless the parent establishes that the payments were necessary to earn the self-employment income and were reasonable in circumstances.

Additional amount

11 Where the parent reports income from self-employment that, in accordance with sections 34.1 and 34.2 of the *Income Tax Act* (Canada), includes an additional amount earned in a prior period, deduct the amount earned in the prior period, net of reserves.

Capital cost allowance for property

12 Include the parent's deduction for an allowable capital cost allowance with respect to real property.

Partnership or sole proprietorship income

13 Where the parent earns income through a partnership or sole proprietorship, deduct any amount included in income that is properly required by the partnership or sole proprietorship for purposes of capitalization.

Employee stock options with a Canadian-controlled private corporation

14 Where the parent has received, as an employee benefit, options to purchase shares of a Canadian-controlled private corporation, or

a publicly traded corporation that is subject to the same tax treatment with reference to stock options as a Canadian-controlled private corporation, and has exercised those options during the year, add the difference between the value of the shares at the time of the options are exercised and the amount paid by the parent for the shares, and any amount paid by the parent to acquire the options to purchase the shares, to the income for the year in which the options are exercised.

Disposal of shares

15 If the parent has disposed of the shares during a year, deduct from the income for that year the difference that is determined under section 14 of this Schedule.

Deemed split-pension amounts

16 If a parent is deemed to have received a split-pension amount under paragraph 60.03(2)(b) of the *Income Tax Act* (Canada) that is included in that parent's total income in the T1 General form issued by the Canada Revenue Agency, deduct that amount.

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