

Tax tables

Federal and provincial personal income tax rates and credits for 2008

Table 1

	Federal	Newfoundland	Nova Scotia	PEI	New Brunswick	Quebec	Ontario
Range of 1st bracket	\$0 to \$37,885	\$0 to \$30,215	\$0 to \$29,590	\$0 to \$31,984	\$0 to \$34,836	\$0 to \$37,500	\$0 to \$36,020
Rate	15.00%	8.20%	8.79%	9.80%	10.12%	16%	6.05%
Range of 2nd bracket	\$37,886 to \$75,769	\$30,216 to \$60,429	\$29,591 to \$59,180	\$31,985 to \$63,969	\$34,837 to \$69,673	\$37,501 to \$75,000	\$36,021 to \$72,041
Rate	22%	13.30%	14.95%	13.80%	15.48%	20%	9.15%
Range of 3rd bracket	\$75,770 to \$123,184	\$60,430 and over	\$59,181 to \$93,000	\$63,970 and over	\$69,674 to \$113,273	\$75,001 and over	\$72,042 and over
Rate	26%	16.00%	16.67%	16.70%	16.80%	24%	11.16%
Range of 4th bracket	\$123,185 and over	NA	\$93,001 and over	NA	\$113,274 and over	NA	NA
Rate	29%	NA	17.50%	NA	17.95%	NA	NA
Range of 5th bracket	NA	NA	NA	NA	NA	NA	NA
Rate	NA	NA	NA	NA	NA	NA	NA
1st Tier Surtax criteria	NA	NA	prov tax in excess of \$10,000	prov tax in excess of \$12,500	NA	NA	prov tax in excess of \$4,162
Rate	NA	NA	10% on excess	10% on excess	NA	NA	20% on excess
2nd Tier Surtax criteria	NA	NA	NA	NA	NA	NA	prov tax in excess of \$5,249
Rate	NA	NA	NA	NA	NA	NA	36% on excess
Basic Personal Amount	\$9,600.00	\$7,566.00	\$7,731.00	\$7,708.00	\$8,395.00	Quebec credit calculation differs from the other provinces.	\$8,681.00
Age Amount	\$5,276.00	\$3,556.00	\$3,775.00	\$3,764.00	\$4,099.00		\$4,239.00
Pension Income Amount	\$2,000.00	\$1,000.00	\$1,069.00	\$1,000.00	\$1,000.00		\$1,201.00
Education full time/month	\$400.00	\$200.00	\$200.00	\$400.00	\$400.00		\$468.00
Education part time/month	\$120.00	\$60.00	\$60.00	\$120.00	\$120.00		\$140.00
Textbook full time/month	\$65.00	-	-	-	-		-
Textbook part time/month	\$20.00	-	-	-	-	-	-
Disability Amount	\$7,021.00	\$5,106.00	\$4,596.00	\$6,890.00	\$6,797.00		\$7,014.00
Spouse Amount	\$9,600.00	\$6,183.00	\$6,565.00	\$6,546.00	\$7,129.00		\$7,371.00
Eligible Dependent Amount	\$9,600.00	\$6,183.00	\$6,565.00	\$6,294.00	\$7,129.00		\$7,371.00
Child Amount	\$2,038.00	-	-	-	-		-
Adoption Amount	\$10,643.00	\$10,211.00	\$0.00	\$0.00	\$0.00		\$10,592.00
Caregiver Amount	\$4,095.00	\$2,402.00	\$4,465.00	\$2,446.00	\$3,965.00		\$4,092.00
Infirm Dependent >18 years	\$4,095.00	\$2,402.00	\$2,551.00	\$2,446.00	\$3,965.00		\$4,091.00

Federal and provincial personal income tax rates and credits for 2008

Table 1 (continued)

	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Terr.	Nunavut
Range of 1st bracket	\$0 to \$30,544	\$0 to 39,135		\$0 to \$35,016	\$0 to \$37,885	\$0 to \$35,986	\$0 to \$37,885
Rate	10.90%	11%		5.24%	7.04%	5.90%	4%
Range of 2nd bracket	\$30,545 to \$66,000	\$39,136 to \$111,814	all income	\$35,016.01 to \$70,033	\$37,886 to \$75,769	\$35,987 to \$71,973	\$37,886 to \$75,769
Rate	12.75%	13%	10%	7.98%	9.68%	8.60%	7%
Range of 3rd bracket	\$66,001 and over	\$111,815 and over		\$70,003.01 to \$80,406	\$75,770 to \$123,184	\$71,974 to \$117,011	\$75,770 to \$123,184
Rate	17.40%	15%		10.50%	11.44%	12.20%	9%
Range of 4th bracket	NA	NA		\$80,406.01 to \$97,636	\$123,185 and over	\$117,012 and over	\$123,185 and over
Rate	NA	NA		12.29%	12.76%	14.05%	11.50%
Range of 5th bracket	NA	NA		Over \$97,636	NA	NA	NA
Rate	NA	NA		14.70%	NA	NA	NA
1st Tier Surtax criteria	NA	NA		NA	terr. tax in excess of \$6,000	NA	NA
Rate	NA	NA		NA	5% on excess	NA	NA
2nd Tier Surtax criteria	NA	NA		NA	NA	NA	NA
Rate	NA	NA		NA	NA	NA	NA
Basic Personal Amount	\$8,034.00	\$8,945.00	\$16,161.00	\$9,189.00	\$9,600.00	\$12,355.00	\$11,360.00
Age Amount	\$3,728.00	\$4,235.00	\$4,503.00	\$4,121.00	\$5,276.00	\$6,044.00	\$8,520.00
Pension Income Amount	\$1,000.00	\$1,000.00	\$1,244.00	\$1,000.00	\$2,000.00	\$1,000.00	\$2,000.00
Education full time/month	\$400.00	\$400.00	\$628.00	\$200.00	\$400.00	\$400.00	\$400.00
Education part time/month	\$120.00	\$120.00	\$188.00	\$60.00	\$120.00	\$120.00	\$120.00
Textbook full time/month	-	-	-	-	\$65.00	-	\$65.00
Textbook part time/month	-	-	-	-	\$20.00	-	\$20.00
Disability Amount	\$6,180.00	\$8,190.00	\$12,466.00	\$6,892.00	\$7,021.00	\$10,020.00	\$11,360.00
Spouse Amount	\$8,034.00	\$8,945.00	\$16,161.00	\$7,868.00	\$9,600.00	\$12,355.00	\$11,360.00
Eligible Dependent Amount	\$8,034.00	\$8,945.00	\$16,161.00	\$7,868.00	\$9,600.00	\$12,355.00	\$11,360.00
Child Amount	-	\$2,795.00	-	-	\$2,038.00	-	-
Adoption Amount	\$10,000.00	\$0.00	\$11,053.00	\$10,643.00	\$10,643.00	\$0.00	\$0.00
Caregiver Amount	\$3,605.00	\$8,190.00	\$9,355.00	\$4,021.00	\$4,095.00	\$4,095.00	\$4,095.00
Infirm Dependent >18 years	\$3,605.00	\$8,190.00	\$9,355.00	\$4,021.00	\$4,095.00	\$4,095.00	\$4,095.00

2008 Top marginal rates of tax (Federal and provincial combined)
Table 2

Province	Interest & foreign dividends	Capital gains	Eligible dividends	Other Canadian dividends
	(%)	(%)	(%)	(%)
British Columbia	43.70	21.85	18.47	31.58
Alberta	39.00	19.50	16.00	26.46
Saskatchewan	44.00	22.00	20.35	30.83
Manitoba	46.40	23.20	23.83	37.40
Ontario	46.41	23.21	23.96	31.34
Quebec	48.22	24.11	29.69	36.35
New Brunswick	46.95	23.48	23.18	35.40
Prince Edward Island	47.37	23.69	24.44	33.61
Nova Scotia	48.25	24.13	28.35	33.06
Newfoundland and Labrador	45.00	22.50	28.11	33.33
Yukon	42.40	21.20	17.23	30.49
Northwest Territories	43.05	21.53	18.25	29.65
Nunavut	40.50	20.25	22.23	28.96

2008 Tax payable at various levels of taxable income (a)
Table 3

Taxable Income (\$)	British Columbia (b)	Alberta	Saskatchewan	Manitoba (c)	Ontario (d)	Quebec (e)	New Brunswick (f)	Prince Edward Island	Nova Scotia (g)	Newfoundland	Yukon	Northwest Terr. (h)	Nunavut (i)
\$20,000	\$1,865	\$1,944	\$2,776	\$2,839	\$2,245	2,460	\$2,535	\$2,765	\$2,588	\$2,580	\$2,292	\$1,599	\$1,506
\$25,000	\$3,047	\$3,194	\$4,076	\$4,159	\$3,597	3,886	\$3,990	\$4,005	\$3,828	\$3,740	\$3,394	\$2,581	\$2,356
\$30,000	\$4,150	\$4,444	\$5,376	\$5,454	\$4,650	5,312	\$5,246	\$5,245	\$5,043	\$4,900	\$4,496	\$3,564	\$3,206
\$35,000	\$5,162	\$5,694	\$6,676	\$6,832	\$5,702	6,738	\$6,511	\$6,605	\$6,540	\$6,304	\$5,598	\$4,546	\$4,056
\$40,000	\$6,459	\$7,092	\$8,141	\$8,367	\$7,176	8,388	\$8,183	\$8,193	\$8,186	\$7,867	\$6,904	\$5,785	\$5,117
\$45,000	\$7,958	\$8,692	\$9,891	\$10,105	\$8,734	10,307	\$10,057	\$9,983	\$10,033	\$9,632	\$8,488	\$7,252	\$6,467
\$50,000	\$9,457	\$10,292	\$11,641	\$11,842	\$10,441	12,225	\$11,931	\$11,773	\$11,881	\$11,397	\$10,072	\$8,725	\$7,817
\$55,000	\$10,956	\$11,892	\$13,391	\$13,580	\$11,999	14,144	\$13,805	\$13,563	\$13,728	\$13,162	\$11,656	\$10,205	\$9,167
\$60,000	\$12,455	\$13,492	\$15,141	\$15,317	\$13,556	16,062	\$15,679	\$15,353	\$15,590	\$14,927	\$13,240	\$11,685	\$10,517
\$65,000	\$13,954	\$15,092	\$16,891	\$17,055	\$15,142	17,981	\$17,553	\$17,173	\$17,523	\$16,815	\$14,824	\$13,165	\$11,967
\$70,000	\$15,453	\$16,692	\$18,641	\$18,978	\$16,791	19,899	\$19,432	\$19,108	\$19,457	\$18,715	\$16,408	\$14,685	\$13,417
\$75,000	\$17,077	\$18,292	\$20,391	\$20,948	\$18,673	21,818	\$21,372	\$21,043	\$21,390	\$20,615	\$17,992	\$16,324	\$14,867
\$80,000	\$18,872	\$20,061	\$22,311	\$23,088	\$20,813	24,078	\$23,481	\$23,147	\$23,493	\$22,684	\$19,827	\$18,204	\$16,571
\$85,000	\$20,779	\$21,861	\$24,261	\$25,258	\$22,983	26,363	\$25,621	\$25,282	\$25,692	\$24,784	\$21,727	\$20,114	\$18,321
\$90,000	\$22,693	\$23,661	\$26,211	\$27,428	\$25,154	28,649	\$27,761	\$27,417	\$27,908	\$26,884	\$23,628	\$22,024	\$20,071
\$95,000	\$24,608	\$25,461	\$28,161	\$29,598	\$27,324	30,934	\$29,901	\$29,552	\$30,143	\$28,984	\$25,529	\$23,934	\$21,821
\$100,000	\$26,579	\$27,261	\$30,111	\$31,768	\$29,495	33,220	\$32,041	\$31,718	\$32,406	\$31,084	\$27,429	\$25,844	\$23,571
\$105,000	\$28,614	\$29,061	\$32,061	\$33,938	\$31,665	35,505	\$34,181	\$33,937	\$34,668	\$33,184	\$29,330	\$27,754	\$25,321
\$115,000	\$32,684	\$32,661	\$36,024	\$38,278	\$36,006	40,076	\$38,481	\$38,374	\$39,193	\$37,384	\$33,131	\$31,574	\$28,821
\$125,000	\$36,809	\$36,316	\$40,179	\$42,672	\$40,402	44,692	\$42,930	\$42,865	\$43,773	\$41,639	\$37,012	\$35,596	\$32,421
\$150,000	\$47,734	\$46,066	\$51,179	\$54,272	\$52,004	56,746	\$54,668	\$54,708	\$55,835	\$52,889	\$47,611	\$46,358	\$42,546
\$200,000	\$69,584	\$65,566	\$73,179	\$77,472	\$75,209	80,854	\$78,143	\$78,393	\$79,960	\$75,389	\$68,810	\$67,883	\$62,796
\$250,000	\$91,434	\$85,066	\$95,179	\$100,672	\$98,564	104,961	\$101,618	\$102,078	\$104,085	\$97,889	\$90,009	\$89,408	\$83,046
\$500,000	\$200,684	\$182,566	\$205,179	\$216,672	\$214,588	225,499	\$218,993	\$220,503	\$224,710	\$210,389	\$196,004	\$197,033	\$184,296

Notes

- a This table shows the amount of tax payable for a given taxable income by a person whose only tax credit is the basic non-refundable personal credit and who has no income from taxable Canadian dividends. Taxable income is assumed to be equal to net income.
- b Considers the BC low income tax reduction for income below \$27,675.
- c Considers the Manitoba low income family tax benefit.
- d Considers the Ontario Health Premium Tax.
- e Quebec's tax system is significantly different from those of the other provinces, and the amounts listed are illustrative rather than exact calculations. Allowable deductions will generally make taxable income somewhat lower for a resident of Quebec than for a resident elsewhere in Canada with the same total income.
- f Considers the New Brunswick low income tax reduction.
- g Considers the Nova Scotia low income tax reduction.
- h Considers the cost of living tax credit.
- i Considers the cost of living tax credit.

Canada Pension Plan Contributions and Benefits (2008)

Table 4

Contributions:	
Pensionable earnings	\$44,900.00
Year's basic exemption	\$3,500.00
Maximum contributory earnings	\$41,400.00
Employee and employer rate	4.95%
Maximum annual employee/employer contribution	\$2,049.30
Maximum annual self-employed contribution	\$4,098.60
Benefits:	
Maximum monthly pension	
if starting at age 60	\$619.21
if starting at age 65	\$884.58
if starting at age 70	\$1,149.95
Maximum single payment on death	\$2,500.00
Maximum monthly pension for surviving spouse or common-law partner:	
under 65 years of age	\$493.28
65 years of age and over	\$530.75
Maximum monthly disability pension	\$1,077.52
There are also benefits for children of deceased or disabled contributors.	

Notes

- Persons over 60 years of age are eligible to receive pension benefits. The pension amount is reduced before age 65 or increased after age 65 by 0.5% (or 6% per year) for each month between the beneficiary's 65th birthday and the month the pension becomes payable. The contributor has the option of drawing retirement benefits as early as age 60 or as late as age 70.
- When the surviving spouse or common-law partner reaches 65, the pension is equal to 60% of the retirement pension.
- An individual who is married or living common law can apply to have up to 50% of his or her CPP retirement benefits assigned to his or her spouse or common-law partner, provided that both are at least 60 years old and that both have either applied for, or are already in receipt of, CPP retirement benefits. CPP credits may also be divided on application by a legal spouse or common-law partner after a separation of at least one year, provided that both spouses or common-law partners had previously lived together continuously for at least one year.
- CPP disability benefits can be reinstated if a former recipient is required to cease working for reasons relating to his or her disability within two years of returning to work.

Employment Insurance (2008)

Table 5

Maximum insurable earnings	\$41,100
Employee rate	1.73%
Maximum employee premiums	\$711.03
Employer rate	2.42%
Maximum employer premiums	\$995.44
Regular benefits — maximum weekly amount	\$413*

* Could be higher for low-income families with children.

Repayment of Employment Insurance (EI) benefits

You must repay a percentage of your EI benefits if your net income for the year exceeds a threshold amount. The repayment is 30% of the amount by which your net income exceeds \$48,750. All first-time claimants and EI special benefits for sickness, maternity or parental reasons are exempt from this benefit repayment.

The repayment must be included in your income tax return as taxes payable. The amount of the repayment is deductible in computing net income for the year.

Non-insurable employment

No EI is collected in the case of

- employment by a corporation of a person who owns more than 40% of the issued voting shares;
- certain non-arm's-length employment; or
- casual employment, if it is not for your usual trade or business.

Compassionate care program

You can receive up to a maximum of six weeks of benefits if you have to be away from work temporarily to provide care or support to a member of your family who is gravely ill, with a significant risk of death within the next six months. A medical certificate will be required to obtain benefits under this program.

For purposes of this program, a family member includes a child or the child of a spouse or common-law partner, a spouse or common-law partner, or a parent (including a step-parent or common-law partner of one parent).

2008 Federal Corporate Income Tax Rates

Table 6

	%
Income eligible for the small-business deduction	11.00% ^{1,2}
Active business income not eligible for the small-business deduction -M&P profits earned in Canada and other business income	19.50% ³
Income not from an active business (CCPC)	28.00% ⁴

Notes

- 1 The corporate surtax was eliminated for all corporations effective January 1, 2008, prorated for taxation years that include that date (the surtax added 1.12% to the corporate tax rate).
- 2 The amount of annual active business income that qualifies for this low rate of tax is \$400,000. Larger corporations' access to this rate is restricted. The restriction applies to CCPCs whose taxable capital exceeds \$10 million for the preceding year. If the taxable capital is between \$10 million and \$15 million, the amount eligible for the low rate is reduced, and any eligibility ceases if taxable capital surpasses \$15 million.
- 3 For 2008, the general corporate rate is 28% (29.12% prior to 2008 as the rate included the corporate surtax). There is an 8.5% rate reduction to 19.5% for most active business income in excess of the small-business limit. This rate reduction does not apply to corporations that are investment corporations, mortgage investment corporations, mutual fund corporations or non-resident-owned investment corporations. This rate is further reduced to 19% (effective January 1, 2009), 18% (effective January 1, 2010), 16.5% (effective January 1, 2011), and then 15% (effective January 1, 2012).
- 4 A refundable tax of 6.67% is imposed on the investment income of a CCPC. This tax is in addition to the taxes outlined above and will be included as a portion of the taxes that may be refunded to a corporation on the payment of a taxable dividend. This results in a federal tax rate of 34.67%.
- 5 Although the federal Large Corporations Tax was eliminated as at January 1, 2006, the federal capital tax levied on large financial institutions continues to apply. This tax is currently calculated as 1.25% of taxable capital in excess of \$1 billion.

2008 Provincial Corporate Tax Rates

Table 7

Province/Territory	SBD only	M&P only	Other income
British Columbia	4.5% or 3.5% ¹	12% ¹ or 111%	12% ¹ or 111%
Alberta	3% ²	10%	10%
Saskatchewan	4.5% ³	10%	13% or 12% ⁴
Manitoba	2% ⁵	14% or 13% ⁶	14% or 13% ⁶
Ontario	5.5% ^{7,8}	12%	14%
Quebec	8% ⁹	11.4% ¹⁰	11.4% ¹⁰
New Brunswick	5%	13%	13%
Prince Edward Island	4.3% or 3.2% ¹¹	16%	16%
Nova Scotia	0% or 5% ¹²	16%	16%
Newfoundland and Labrador	5% ¹³	5%	14%
Yukon	2.5% or 4% ¹⁴	2.5%	15%
Northwest Territories	4% ¹⁵	11.5%	11.5%
Nunavut	4% ¹⁶	12%	12%

Notes

- 1 The rate for manufacturing & processing, and other income decreased from 12% to 11%, effective July 1, 2008. The small business rate decreased from 4.5% to 3.5%, effective July 1, 2008. The small business rate applies to the first \$400,000 of active business income.
- 2 In September 2006, the province announced a phased-in increase in the small-business limit from \$400,000 to \$500,000 by 2009. The threshold increased to \$430,000 and then to \$460,000 on April 1, 2007, and April 1, 2008, respectively. The small business limit is scheduled to increase to \$500,000 on April 1, 2009.
- 3 The small-business limit increased from \$450,000 to \$500,000, effective July 1, 2008.
- 4 The general corporate income tax rate was reduced from 13% to 12%, effective July 1, 2008.
- 5 Applies to the first \$400,000 of active business income. It is proposed that this rate will be further reduced to 1% on January 1, 2009.
- 6 The general corporate rate is reduced from 14% to 13%, effective July 1, 2008. This rate will be further reduced to 12% on July 1, 2009.
- 7 The small-business limit increased from the first \$400,000 of active business income to \$500,000, retroactive to January 1, 2007.
- 8 Ontario claws back the benefit of the small-business tax rate (in the form of a surtax) if taxable income (on an associated group basis) falls within a specified range. This surtax "claws back" the provincial small-business deduction, on a graduated basis, when the taxable income falls between \$500,000 and \$1,500,000. The effect is to recover the entire small-business deduction once taxable income of an associated group reaches \$1,500,000.
- 9 Applies to the first \$400,000 of active business income. The \$400,000 business limit is gradually reduced for corporations with paid-up capital between \$10 million and \$15 million, and is totally eliminated for corporations with paid-up capital in excess of \$15 million.
- 10 This rate will be further increased to 11.9%, effective January 1, 2009.
- 11 Applies to the first \$400,000 of active business income. The small-business rate is being reduced by 1.1% each year, effective April 1 of each year. Therefore, the rate is reduced to 3.2% (effective April 1, 2008), to 2.1% (effective April 1, 2009), and to 1.0% (effective April 1, 2010).
- 12 Applies to the first \$400,000 of active business income. Certain newly incorporated small businesses are not subject to any tax on income qualifying for the small-business deduction for their first three taxation years.
- 13 Applies to the first \$400,000 of active business income.
- 14 The rate for manufacturing income is 2.5% and the rate for non-manufacturing income is 4%. The non-manufacturing rate applies to the first \$400,000 of active business income.
- 15 Applies to the first \$400,000 of active business income.
- 16 Applies to the first \$400,000 of active business income.