

2020 Income Tax Rates

Corporate Rates			
Type of income	Federal	Ontario	Total
CCPC to \$500,000	9.00%	3.20%	12.20%
CCPC excess of \$500,000 (active)	15.00%	11.50%	26.50%
CCPC (Investment) * net to 19.5% when dividend out *	38.67%	11.50%	50.17%
Personal Service Business income	33.00%	11.50%	44.50%
Basic (other than CCPC)	15.00%	11.50%	26.50%
M & P (other than CCPC)	15.00%	10.00%	25.00%
Investments (other than CCPC)	15.00%	11.50%	26.50%

CCPC = Canadian Controlled Private Corporation M & P = Manufacturing and Processing
Part VI tax of 38 1/3% applies to certain dividends received. Fully refunded when dividend out to individuals.

Personal Rates						
Taxable income	Federal	Ontario	Ontario Surtax	Total (Ordinary)	Eligible Dividend	Other Dividend
\$1 – \$44,740	15.00%	5.05%	0.00%	20.05%	0.00%	9.24%
44,741 – 48,535	15.00%	9.15%	0.00%	24.15%	0.00%	13.95%
48,536 – 78,783	20.50%	9.15%	0.00%	29.65%	6.39%	20.28%
78,784 – 89,482	20.50%	9.15%	1.83%	31.48%	8.92%	22.38%
89,483 – 92,825	20.50%	11.16%	2.23%	33.89%	12.24%	25.16%
92,826 – 97,069	20.50%	11.16%	6.25%	37.91%	17.79%	29.78%
97,070 – 150,000	26.00%	11.16%	6.25%	43.41%	25.38%	36.10%
150,001 – 150,473	26.00%	12.16%	6.81%	44.97%	27.53%	37.90%
150,474 – 214,368	29.00%	12.16%	6.81%	47.97%	31.67%	41.35%
214,369 – 220,000	33.00%	12.16%	6.81%	51.97%	37.19%	45.95%
220,001 +	33.00%	13.16%	7.37%	53.53%	39.34%	47.74%

Only one half of a capital gain is included in taxable income and taxed at the regular rates. The other half is tax free.

Personal Amount	Federal	Ontario
Basic personal amount (BPA)	\$ 13,229*	\$10,783
Spouse or common-law partner amount	13,229*	9,156
Amount for an eligible dependent	13,229*	9,156
Age Amount	7,637	5,265
Caregiver amount – (maximum)	7,276	5,082
Disability amount – (maximum)	8,576	8,712
Pension income amount	2,000	1,491
Canada employment credit (max)	1,245	N/A

*Amount would be reduced up to \$931 for NI from \$150,473 to \$214,368

RRSP Contribution Limit (Dollar Limit)

2020	27,230
2021	27,830

(If you have an employer pension plan, the limit is reduced by the pension adjustment)

Canada Pension Plan Contributions

Contribution rate	5.25 %
Maximum pensionable earnings	\$ 58,700
Annual basic exemption	3,500
Maximum contributory earnings	55,200
Maximum employee/employer contribution	2,898
Maximum Self-employed contribution	5,796

Employment Insurance Premiums

Premium rate	1.58%
Maximum annual insurable earnings	\$ 54,200
Maximum employee premium	856.36
Maximum employer premium	1,198.90

Tax rates are approximate and are not meant for exact tax determination. Does not include the effects of any applicable tax credits, deductions or the Ontario Health Premium.

The content of this pamphlet is prepared by **IMPACT CPAs** for information only and are not intended to provide professional advice as individual situations will differ. We would be please to discuss your specific situation and tailor a tax plan to meet your requirements.

2020 Tax Rates