

2018 Income Tax Rates

Corporate Rates			
Type of income	Federal	Ontario	Total
CCPC to \$500,000	10.00%	3.50%	13.50%
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 – \$42,960	15.00%	5.05%	0.00%	20.05%	0.00%	8.00%
42,961 – 46,605	15.00%	9.15%	0.00%	24.15%	0.00%	12.76%
46,606 – 75,657	20.50%	9.15%	0.00%	29.65%	6.39%	19.14%
75,658 – 85,923	20.50%	9.15%	1.83%	31.48%	8.92%	21.26%
85,924 – 89,131	20.50%	11.16%	2.23%	33.89%	12.24%	24.06%
89,132 – 93,208	20.50%	11.16%	6.25%	37.91%	17.79%	28.72%
93,209 – 144,489	26.00%	11.16%	6.25%	43.41%	25.38%	35.10%
144,490 – 150,000	29.00%	11.16%	6.25%	46.41%	29.52%	38.58%
150,001 – 205,842	29.00%	12.16%	6.81%	47.97%	31.67%	40.39%
205,843 – 220,000	33.00%	12.16%	6.81%	51.97%	37.19%	45.03%
220,001 +	33.00%	13.16%	7.37%	53.53%	39.34%	46.84%

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	\$ 11,809	\$10,354
Spouse or common-law partner amount	11,809	8,792
Amount for an eligible dependent	11,809	8,792
Age Amount	7,333	5,055
Caregiver amount – (maximum)	6,986	4,881
Disability amount – (maximum)	8,235	8,365
Pension income amount	2,000	1,432
Canada employment credit (max)	1,195	N/A
Tax credit for public transit passes- (Gone after June 30, 2017)	Paid Amount	N/A

Canada Pension Plan Contributions

Contribution rate	4.95 %
Maximum pensionable earnings	\$ 55,900
Annual basic exemption	3,500
Maximum contributory earnings	52,400
Maximum employee contribution	2,593.80
Maximum employer contribution	2,593.80

Employment Insurance Premiums

Premium rate	1.66%
Maximum annual insurable earnings	\$ 51,700
Maximum employee premium	858.22
Maximum employer premium	1,201.51

RRSP Contribution Limit

2018	26,230
2019	26,500

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

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.

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