

## Ontario (ON): 2018 Combined Federal and Provincial Marginal Tax Rates

Individual Taxable Income	Basic Tax on Salary, Interest, Pensions, and Foreign Income	Rate on Excess	2018 Marginal Tax Rates			
			Capital Gains	Canadian Dividend Income <sup>1</sup>		
				Eligible Dividends	Non-Eligible Dividends	
\$0 - \$11,809	\$ -	0.00%	0.00%	0.00%	0.00%	
\$11,809 - \$15,087	\$ -	15.00%	7.50%	0.00%	5.76%	
\$15,087 - \$19,819 <sup>2</sup>	\$ 492	25.10%	12.55%	0.00%	10.24%	
\$19,819 - \$42,960	\$ 1,679	20.05%	10.03%	0.00%	8.00%	
\$42,960 - \$46,605	\$ 6,319	24.15%	12.08%	0.00%	12.76%	
\$46,605 - \$75,655	\$ 7,199	29.65%	14.83%	6.39%	19.14%	
\$75,655 - \$85,923	\$ 15,813	31.48%	15.74%	8.92%	21.26%	
\$85,923 - \$89,129	\$ 19,045	33.89%	16.95%	12.24%	24.06%	
\$89,129 - \$93,208	\$ 20,132	37.91%	18.96%	17.79%	28.72%	
\$93,208 - \$144,489	\$ 21,678	43.41%	21.71%	25.38%	35.10%	
\$144,489 - \$150,000	\$ 43,939	46.41%	23.21%	29.52%	38.58%	
\$150,000 - \$205,842	\$ 46,497	47.97%	23.99%	31.67%	40.39%	
\$205,842 - \$220,000	\$ 73,284	51.97%	25.99%	37.19%	45.03%	
Over \$220,000	\$ 80,642	53.53%	26.77%	39.34%	46.84%	

<sup>1</sup> Marginal tax rate for taxable dividends, grossed-up at 138% for eligible dividends and 116% for non-eligible dividends.

<sup>2</sup> Individuals resident in Ontario on December 31, 2018 with taxable income up to \$15,087 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction (\$239 of Ontario tax) is clawed back for income in excess of \$15,087 until the reduction is eliminated, resulting in an additional 5.05% of provincial tax on income between \$15,087 and \$19,819.

Basic Personal Amount	2018	Tax Rate
Ontario	\$10,354	5.05%
Federal	\$11,809	15.00%

Corporate Taxable Income	Active Business Income	2018 Tax Rates		
		Investment Income <sup>6</sup>		
		Canadian Dividends <sup>3</sup>	Interest, Rents & Foreign Income <sup>4</sup>	Capital Gains <sup>5</sup>
Federal rate	10.00%	38.33%	38.67%	19.33%
Ontario rate	3.50%	-	11.50%	5.75%
CCPC up to \$500,000	13.50%	38.33%	50.17%	25.08%
Federal rate	15.00%	38.33%	38.67%	19.33%
Ontario rate	11.50%	-	11.50%	5.75%
CCPC over \$500,000	26.50%	38.33%	50.17%	25.08%
Federal rate	15.00%	38.33%	15.00%	7.50%
Ontario rate	11.50%	-	11.50%	5.75%
Non-CCPC income	26.50%	38.33%	26.50%	13.25%

CCPC = Canadian Controlled Private Corporation

<sup>3</sup> All of the tax is refundable at a rate of 38.33% of taxable dividends paid by a private corporation

<sup>4</sup> A portion of the tax (30.67% of income) is refundable at a rate of 38.33% of taxable dividend paid by a CCPC

<sup>5</sup> A portion of the tax (15.33% of income) is refundable at a rate of 38.33% of taxable dividends paid by a CCPC

<sup>6</sup> Assumes tax rates apply to grandfathered investment assets and the first \$50,000 of investment income

Note: The 2018 tax figures represent known rates as of January 2018.

All rates may be subject to change pursuant to future budget announcements.

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