

British Columbia (BC): 2017 Combined Federal and Provincial Marginal Tax Rates

| Individual Taxable Income | Basic Tax on Salary, Interest, Pensions, and Foreign Income | Rate on Excess | 2017 Marginal Tax Rates | | | |
|------------------------------------|---|----------------|-------------------------|---------------------------------------|------------------------|--|
| | | | Capital Gains | Canadian Dividend Income ¹ | | |
| | | | | Eligible Dividends | Non-Eligible Dividends | |
| \$ - - \$ 11,635 | \$ - | 0.00% | 0.00% | 0.00% | 0.00% | |
| \$ 11,635 - \$ 18,983 | \$ - | 15.00% | 7.50% | 0.00% | 0.00% | |
| \$ 18,983 - \$ 32,221 ² | \$ 1,102 | 23.62% | 11.81% | 0.00% | 7.54% | |
| \$ 32,221 - \$ 38,898 | \$ 4,202 | 20.06% | 10.03% | 0.00% | 3.37% | |
| \$ 38,898 - \$ 45,916 | \$ 5,541 | 22.70% | 11.35% | 0.00% | 11.70% | |
| \$ 45,916 - \$ 77,797 | \$ 7,134 | 28.20% | 14.10% | 0.00% | 18.13% | |
| \$ 77,797 - \$ 89,320 | \$ 16,125 | 31.00% | 15.50% | 7.56% | 21.41% | |
| \$ 89,320 - \$ 91,831 | \$ 19,697 | 32.79% | 16.40% | 7.56% | 23.49% | |
| \$ 91,831 - \$108,460 | \$ 20,520 | 38.29% | 19.15% | 15.15% | 29.94% | |
| \$108,460 - \$142,353 | \$ 26,887 | 40.70% | 20.35% | 15.15% | 32.76% | |
| \$142,353 - \$202,800 | \$ 40,682 | 43.70% | 21.85% | 25.78% | 36.27% | |
| Over \$202,800 | \$ 67,097 | 47.70% | 23.85% | 31.30% | 40.95% | |

¹ Marginal tax rate for taxable dividends, grossed-up at 138% for eligible dividends and 117% for non-eligible dividends.

² Individuals resident in British Columbia on December 31, 2017 with taxable income up to \$18,983 generally pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction is clawed back on income in excess of \$19,749 until the reduction is eliminated, resulting in an additional 3.5% of provincial tax on income between \$19,749 and \$32,221.

| Basic Personal Amount | 2017 | Tax Rate |
|-----------------------|----------|----------|
| British Columbia | \$10,208 | 5.06% |
| Federal | \$11,635 | 15.00% |

| Corporate Taxable Income | 2017 Tax Rates | | | |
|--------------------------|------------------------|---------------------------------|---|---------------|
| | Active Business Income | Investment Income | | |
| | | Canadian Dividends ³ | Interest, Rents & Foreign Income ⁴ | Capital Gains |
| CCPC up to \$500,000 | 12.625% ⁵ | 38.33% | 49.67% | 24.84% |
| CCPC over \$500,000 | 26.00% | 38.33% | 49.67% | 24.84% |
| Non-CCPC income | 26.00% | 38.33% | 26.00% | 13.00% |

CCPC = Canadian Controlled Private Corporation

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

⁴ A portion of the tax (30.67% of income) is refundable at a rate of 38.33% of taxable dividends paid by a CCPC

⁵ BC small business rate changes from 2.5% to 2.0% as of April 1, 2017 to equal a blended rate of 12.625% for corporations with a calendar year-end for 2017

Note: The 2017 tax figures represent known rates as of March 2017.

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

This is brought to you by Raymond James Ltd. (RJL) for informational purposes only. Tax brackets may be based on indexed estimates. Other factual data and information are from source RJL believes to be reliable but their accuracy cannot be guaranteed. This information is furnished on the basis and understanding that RJL is to be under no liability whatsoever in respect thereof. It is provided as a general source of information and should not be construed as an offer or solicitation for the sale or purchase of any product and should not be considered tax advice. We are not tax advisors and we recommend clients seek independent advice from a professional advisor on tax-related matters. Raymond James Ltd. is a Member Canadian Investor Protection Fund.

RAYMOND JAMES[®]