



Personal Tax Rates

Quebec Non-Refundable Tax Credit Rates and Amounts for 2017

Tax rate applied to credits ¹	15%
Indexation factor ²	0.74%
Basic personal amount	\$14,890
Amounts for dependants:	
Child under 18 engaged in full-time training or post-secondary studies ³	2,861
Child over 17 who is a full-time student ⁴	See Note
Other dependants over 17 ⁵	4,168
Person living alone or with a dependant: ^{6,7}	
Basic amount	1,707
Single-parent amount (supplement)	2,107
Age 65 and over ⁶	3,132
Experienced workers (age 63 and over) ⁸	
Age 63	4,000
Age 64	6,000
Age 65 and over	8,000
Pension ⁶ (max)	2,782
Disability	3,307
Union and professional dues ⁹	10%
Tuition fees ¹⁰	8%
Interest paid on student loans ¹¹	20%
Medical expenses ^{1,12}	20%
Charitable donations ¹³	
Credit rate on first \$200	20%
Credit rate on balance	24/25.75%

Current as of December 31, 2017

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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Notes

- (1) Quebec lowered the general rate used to calculate most personal tax credits to 15% (previously announced in the 2017 Quebec budget to be reduced to 16% from 20%), for the 2017 taxation year and subsequent years.

Quebec also announced that each of the amounts granted for the purpose of calculating personal tax credit will automatically be indexed annually, as of 2018 taxation year.

In order to determine the credit value, each dollar value must be multiplied by the Quebec's tax credit rate. For example, the basic personal credit amount of \$14,890 is multiplied by 15% to determine the credit value of \$2,233.

The unused portion of all non-refundable credits may be transferred from one spouse/partner to another, but only after all credits have been taken into account in the calculation of the individual's income tax otherwise payable.
- (2) Quebec indexes its tax credits each year by using an inflation factor that is calculated based on the provincial rate of inflation, excluding changes in liquor and tobacco taxes. The Quebec inflation factor is 0.74% for 2017.
- (3) This credit is available for a dependent child who is under the age of 18 and is engaged in full-time professional training or post-secondary studies for each completed term, to a maximum of two semesters per year per dependant. It is also available for infirm dependants who are engaged in such activities part-time.
- (4) An eligible student is able to transfer to either parent an amount relating to an unused portion of their basic personal credit amount for the year (transfer mechanism for the recognized parental contribution). Each taxation year, the amount that can be transferred must not exceed the limit applicable for that particular year (\$10,222 for 2017).
- (5) This credit is available if the dependant, other than the spouse, is related to the taxpayer by blood, marriage or adoption and ordinarily lives with the taxpayer. In order to be eligible for the tax credit, the taxpayer must also not have benefited from a transfer of the recognized parental contribution from this dependant.
- (6) The total of the credit amounts for being 65 years of age or over, for living alone or with a dependent, and for receiving retirement income is reduced by 18.75% of the amount by which net family income exceeds \$33,755.
- (7) This credit is available if the individual lives in a self-contained domestic establishment that he/she maintains and in which no other person, other than himself/herself, a minor person, or an eligible student lives. If the individual is living with an eligible student, for the purposes of the transfer mechanism for the recognized parental contribution (see note (4)), the individual may be able to add an amount for a single-parent family of \$2,107 to the basic amount for a person living alone.

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- (8) Quebec lowered the eligibility age from 64 to 63 for 2017 and will further lower the eligibility age to 62 in 2018. The province also increased the maximum amount of “eligible work income” to \$10,000 for all workers age 65 and over effective in 2018.

For 2017, this credit is available for workers who are 63 years of age or older. For workers age 63, the credit applies at a 16% rate to \$4,000 of “eligible work income” in excess of \$5,000. For workers age 64, the credit applies at a 16% rate to \$6,000 of “eligible work income” in excess of \$5,000. For workers age 65 and over, the credit applies at a 16% rate to \$8,000 of “eligible work income” in excess of \$5,000. The credit for workers age 63 or older is reduced by 5% of eligible work income over \$33,755. Eligible work income includes salary and business income, but excludes taxable benefits received for a previous employment as well as amounts deducted in computing taxable income, such as the stock option deduction.

Any unused portion of the tax credit may not be carried forward or transferred to the individual’s spouse.

- (9) The credit for union and professional dues is calculated based on the annual fees paid in the year. The portion of professional dues relating to liability insurance is allowed as a deduction from income and therefore not included in calculating the credit amount.
- (10) The tuition credit is calculated based on tuition, professional examination and mandatory ancillary fees paid for the calendar year. Tuition fees qualify for an 8% non-refundable credit for Quebec tax purposes. The student may transfer the unused portion of the tuition credit to either one of his/her parents or grandparents. The portion of this credit that is not transferred will be available for future use by the student.
- (11) Interest paid on student loans is converted into a tax credit at a rate of 20%. Interest not claimed in a particular year may be carried forward indefinitely.
- (12) The medical expense credit is calculated based on qualified medical expenses in excess of 3% of family income. Family income is the total income of both spouses/partners. Eligible medical expenses and eligible expenses to obtain medical care not provided in the region where an individual lives will continue to be converted into a tax credit at the rate of 20%.
- (13) Charitable donations made by both spouses/partners may be totalled and claimed by either person. The maximum amount of donations that may be claimed in a year is 100% of net income. However, all donations may be carried forward for five years (or 10 years for certain particular donations) if they are not claimed in the year made.

Quebec’s tax credit is 20% on the first \$200 of eligible gifts. If the individual taxpayer’s income exceeds \$103,915 in 2017, then he may be eligible to a 25.75% donation credit on the lesser of eligible gifts made in excess of \$200 and his income in excess of \$103,915. All other donations that do not fall into either the 20% or 25.75% category, will receive a 24% tax credit on donations.