

Federal and Provincial Income Tax Rates and Brackets for 2015 and 2016

	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
Federal ¹	15.00% 22.00 26.00 29.00	Up to \$44,701 44,702–89,401 89,402–138,586 138,587 and over		
British Columbia ^{2,3}	5.06% 7.70 10.50 12.29 14.70 16.80 [14.70]	Up to \$37,869 37,870–75,740 75,741–86,958 86,959–105,592 105,593–151,050 151,051 and over		
Alberta ⁴	10.00% [10.00] 10.50 [12.00] 10.75 [13.00] 11.00 [14.00] 11.25 [15.00]	Up to \$125,000 125,001–150,000 150,001–200,000 200,001–300,000 300,001 and over		
Saskatchewan ⁵	11.00% 13.00 15.00	Up to \$44,028 44,029–125,795 125,796 and over		
Manitoba ⁶	10.80% 12.75 17.40	Up to \$31,000 31,001–67,000 67,001 and over		
Ontario ⁷	5.05% 9.15 11.16 12.16 13.16	Up to \$40,922 40,923–81,847 81,848–150,000 150,001–220,000 220,001 and over	20% 36	\$4,418 5,654
Quebec ⁸	16.00% 20.00 24.00 25.75	Up to \$41,935 41,936–83,865 83,866–102,040 102,041 and over		

Refer to notes on the following pages.

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	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
New Brunswick ^{5,9}	9.68%	Up to \$39,973		
	14.82	39,974–79,946		
	16.52	79,947–129,975		
	17.84	129,976–150,000		
	21.00	150,001–250,000		
	25.75	250,001 and over		
Nova Scotia ⁶	8.79%	Up to \$29,590		
	14.95	29,591–59,180		
	16.67	59,181–93,000		
	17.50	93,001–150,000		
	21.00	150,001 and over		
Prince Edward Island ⁶	9.80%	Up to \$31,984		
	13.80	31,985–63,969		
	16.70	63,970 and over	10%	\$12,500
Newfoundland and Labrador ^{10,11}	7.70%	Up to \$35,008		
	12.50	35,009–70,015		
	13.30	70,016–125,000		
	13.80 [14.30]	125,001–175,000		
	14.30 [15.30]	175,001 and over		
Yukon ^{5,12}	6.40%	Up to \$44,701		
	9.00	44,702–89,401		
	10.90	89,402–138,586		
	12.80	138,587–500,000		
	15.00	500,001 and over		
Northwest Territories ⁵	5.90%	Up to \$40,484		
	8.60	40,485–80,971		
	12.20	80,972–131,641		
	14.05	131,642 and over		
Nunavut ⁵	4.00%	Up to \$42,622		
	7.00	42,623–85,243		
	9.00	85,244–138,586		
	11.50	138,587 and over		

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Notes

- (1) The federal tax brackets are indexed each year by a calculated inflation factor, which is based on the change in the average federal inflation rate over the 12-month period ending September 30 of the previous year compared to the change in the rate for the same period of the year prior to that. The federal inflation factor is 1.7% for 2015.
- (2) British Columbia indexes its tax brackets using the same formula as that used federally, but uses the provincial inflation rate rather than the federal rate in the calculation. The province's inflation factor is 0.7% for 2015. Residents of British Columbia are also required to make monthly payments under the province's Medical Services Plan (see the table "Provincial Health Premiums").
- (3) British Columbia introduced a new temporary sixth bracket effective January 1, 2014 for individuals earning more than \$150,000 in a taxation year. The new bracket has a tax rate of 16.80%. This two-year temporary measure expires December 31, 2015. The rate in brackets is the rate for 2016.
- (4) Alberta Bill 2 (introduced June 18, 2015) added four new provincial income tax brackets effective January 1, 2015 for individuals earning more than \$125,000. Previously, all individuals in Alberta were subject to a 10% flat tax rate. The rates in brackets are the rates for 2016. Alberta Bill 2 also introduced indexing of the province's new tax brackets beginning in 2017.
- (5) Saskatchewan, New Brunswick and the territories (Northwest Territories, Nunavut and the Yukon) index their tax brackets using the same formula as that used federally. The inflation factor is 1.7% for 2015.
- (6) Manitoba, Nova Scotia and Prince Edward Island do not index their tax brackets or surtax thresholds.
- (7) Ontario indexes its tax brackets and surtax thresholds using the same formula as that used federally, but uses the provincial inflation rate rather than the federal rate in the calculation. The province's inflation factor is 2.0% for 2015. Ontario resident individuals with taxable income over \$20,000 are also required to pay a Health Premium each year (see the table "Provincial Health Premiums").

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- (8) Quebec indexes its tax brackets using the same formula as that used federally, but uses the provincial inflation rate, excluding changes in liquor and tobacco taxes, rather than the federal rate in the calculation. The province's inflation factor is 1.06% for 2015. Residents of Quebec are required to pay a health contribution and to make payments to the province's Health Services Fund (see the table "Provincial Health Premiums"). The 2015 Quebec budget announced that the health contribution will be phased out over three years beginning January 1, 2017 and any individual earning less than \$42,235 will be exempt beginning January 1, 2017.
- (9) New Brunswick's 2015 budget introduced two new personal income tax brackets effective January 1, 2015. Individuals earning between \$150,000 and \$250,000 are subject to a 21% tax rate, while individuals earning more than \$250,000 are subject to a 25.75% tax rate.
- (10) Newfoundland and Labrador indexes its tax brackets using the same formula as that used federally, but uses the applicable provincial inflation rate rather than the federal rate in the calculation. Newfoundland and Labrador's inflation factor is 2.2% for 2015.
- (11) The 2015 Newfoundland and Labrador budget introduced two new personal income tax brackets effective July 1, 2015. Individuals earning between \$125,000 and \$175,000 are subject to a 14.3% tax rate, while individuals earning more than \$175,000 are subject to a 15.3% tax rate. As a result of the July 1, 2015 effective date, one-half of these rate increases take effect for 2015 as shown in the table. The rates in brackets are the rates for 2016.
- (12) The 2015 Yukon budget adjusted all personal income tax rates for 2015 and introduced a new personal income tax bracket effective January 1, 2015. Individuals earning more than \$500,000 are subject to a 15% tax rate. The budget also eliminated the 5% surtax on taxes payable of more than \$6,000.

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