



Prescribed Interest Rates 2015 and 2016

Prescribed Interest Rates—2015¹

	Jan. to Mar. (Q1)	Apr. to Jun. (Q2)	Jul. to Sept. (Q3)	Oct. to Dec. (Q4)
Federal²				
Base rate	1.0%	1.0%	1.0%	1.0%
Tax debts	5.0	5.0	5.0	5.0
Tax refunds – corporations	1.0	1.0	1.0	1.0
Tax refunds – other taxpayers	3.0	3.0	3.0	3.0
Alberta³				
Tax debts	4.5	4.5	4.5	4.5
Tax refunds	0.5	0.5	0.5	0.5
Ontario⁴				
Tax debts	6.0	6.0	6.0	6.0
Tax refunds	0.0	0.0	0.0	0.0
Quebec⁵				
Tax debts	6.0	6.0	6.0	6.0
Tax refunds	1.40	1.40	1.10	1.10

Notes

- (1) The rates in these tables do not apply to underpaid and overpaid capital taxes. For the applicable prescribed interest rates for capital tax debts and refunds see the tables “Prescribed Interest Rates for Capital Taxes—2014” and “Prescribed Interest Rates for Capital Taxes—2015”.
- (2) The federal base rate applies to taxable benefits for employees and shareholders, low-interest loans and other related-party transactions. The rate for tax debts applies to all tax debts, penalties, insufficient instalments, and unpaid employee income tax, Canada Pension Plan contributions and Employment Insurance premiums.

All provinces other than Alberta, Ontario (for amounts related to taxation years ending before 2009) and Quebec use the federal interest rates for corporate income tax refunds and debts. All provinces other than Quebec use the federal interest rate for individual income tax refunds and debts.

Interest charged on tax debts is not deductible in calculating taxable income. Interest received on tax refunds must be included in taxable income in the year received. For any period of time where interest is calculated both on tax refunds and debts, the two amounts may be offset. Interest will be payable only on the net balance owing, with the rate of interest depending on whether there is a net overpayment or underpayment.

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.

Prescribed Interest Rates—2016¹

	Jan. to Mar. (Q1)	Apr. to Jun. (Q2)	Jul. to Sept. (Q3)	Oct. to Dec. (Q4)
Federal²				
Base rate	1.0%	1.0%	TBA	TBA
Tax debts	5.0	5.0	TBA	TBA
Tax refunds – corporations	1.0	1.0	TBA	TBA
Tax refunds – other taxpayers	3.0	3.0	TBA	TBA
Alberta³				
Tax debts	4.5	4.5	TBA	TBA
Tax refunds	0.5	0.5	TBA	TBA
Ontario⁴				
Tax debts	6.0	6.0	TBA	TBA
Tax refunds	0.0	0.0	TBA	TBA
Quebec⁵				
Tax debts	6.0	6.0	TBA	TBA
Tax refunds	1.10	1.10	TBA	TBA

TBA = To be announced

- (3) The Alberta rates indicated in the table apply to corporate income taxes. The rate for tax refunds also applies to all assessments and reassessments of any taxation year, including all prior years, issued after February 9, 2010.
- (4) The Ontario rates indicated in the table apply only to tax debts and refunds arising from taxation years that ended before 2009. Interest on Ontario underpaid and overpaid taxes for taxation years after 2008 (when Ontario harmonized its corporate tax system) is calculated based on the federal prescribed rates.
- (5) The Quebec rates indicated in the table apply to personal income taxes, as well as corporate income and capital taxes. Quebec also charges an additional 10% per year on underpaid instalments if less than 75% of the required amount (90% for corporations) is paid.

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