



Personal Tax Rates

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2016 and 2017

	Tax Rates	Tax Brackets	Surtax	
			Rates	Thresholds
Federal ^{1,2}	15.00%	Up to \$45,282		
	20.50	45,283–90,563		
	26.00	90,564–140,388		
	29.00	140,389–200,000		
	33.00	200,001 and over		
British Columbia ^{3,4}	5.06%	Up to \$38,210		
	7.70	38,211–76,421		
	10.50	76,422–87,741		
	12.29	87,742–106,543		
	14.70	106,544 and over		
Alberta	10.00%	Up to \$125,000		
	12.00	125,001–150,000		
	13.00	150,001–200,000		
	14.00	200,001–300,000		
	15.00	300,001 and over		
Saskatchewan ⁵	11.00%	Up to \$44,601		
	13.00	44,602–127,430		
	15.00	127,431 and over		
Manitoba ^{6,7}	10.80%	Up to \$31,000		
	12.75	31,001–67,000		
	17.40	67,001 and over		
Ontario ⁸	5.05%	Up to \$41,536		
	9.15	41,537–83,075	} 20% 36	\$4,484 5,739
	11.16	83,076–150,000		
	12.16	150,001–220,000		
	13.16	220,001 and over		
Quebec ⁹	16.00%	Up to \$42,390		
	20.00	42,391–84,780		
	24.00	84,781–103,150		
	25.75	103,151 and over		

Refer to notes on the following pages.

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Current as of June 30, 2016

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	Tax Rates	Tax Brackets	Rates	Surtax Thresholds
New Brunswick ^{5,10}	9.68%	Up to \$40,492		
	14.82	40,493–80,985		
	16.52	80,986–131,664		
	17.84	131,665–150,000		
	20.30	150,001 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 ¹¹	8.20% [8.70%]	Up to \$35,148		
	13.50 [14.50]	35,149–70,295		
	14.55 [15.80]	70,296–125,500		
	15.80 [17.30]	125,501–175,700		
	16.80 [18.30]	175,701 and over		
Yukon ⁵	6.40%	Up to \$45,282		
	9.00	45,283–90,563		
	10.90	90,564–140,388		
	12.80	140,389–500,000		
	15.00	500,001 and over		
Northwest Territories ⁵	5.90%	Up to \$41,011		
	8.60	41,012–82,024		
	12.20	82,025–133,353		
	14.05	133,354 and over		
Nunavut ⁵	4.00%	Up to \$43,176		
	7.00	43,177–86,351		
	9.00	86,352–140,388		
	11.50	140,389 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 1.3% for 2016.
- (2) The federal government introduced two tax rate changes for individuals starting January 1, 2016. The federal tax rate for income between \$45,283 and \$90,563 decreased to 20.5% (from 22%) and the tax rate on income over \$200,000 increased to 33% (from 29%).
- (3) 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 0.9% for 2016. Residents of British Columbia are also required to make monthly payments under the province's Medical Services Plan (see the table "Provincial Health Premiums").
- (4) British Columbia introduced a temporary sixth bracket in 2014 where individuals earning more than \$150,000 in a taxation year were taxed at a rate of 16.80%. This two-year temporary measure expired December 31, 2015.
- (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 1.3% for 2016.
- (6) Manitoba, Nova Scotia and Prince Edward Island do not index their tax brackets or surtax thresholds.

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- (7) Manitoba's 2016 budget introduced indexing of its tax brackets beginning in 2017.
- (8) 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 1.5% for 2016. 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").
- (9) 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 1.09% for 2016. 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"). Quebec's 2016 budget announced a reduction in the health contribution beginning in 2016 (previously 2017) and complete elimination starting in 2018.
- (10) New Brunswick's 2016 budget eliminated the top marginal personal income tax rate of 25.75% and lowered the personal income tax rate for individuals with taxable income over \$150,000 to 20.3%. These changes are retroactive to January 1, 2016.
- (11) 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 0.4% for 2016.

Newfoundland and Labrador's 2016 budget increased personal income tax rates for all income brackets. The province's tax rates for the first, second, third and fourth tax bracket thresholds will increase to 8.7% (from 7.7%), to 14.5% (from 12.5%), to 15.8% (from 13.3%), to 17.3% (from 14.3%) and to 18.3% (from 15.3%), effective July 1, 2016. As a result of the July 1, 2016 effective date, one-half of these rate increases take effect for 2016 as shown in the table. The rates in the brackets are the rates for 2017.

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