

## INDIVIDUALS

## TAX RATES – 2017

## ONTARIO

SALARY AND INCOME OTHER THAN DIVIDENDS			DIVIDENDS									
Taxable Income (\$)	Taxes Payable (\$)*	Marginal Rate (%)**	Regular					Eligible				
			Actual Dividend Received (\$)**	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%)**	Actual Dividend Received (\$)**	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%)**
First 10,171	0	0.00	First 33,309	(1,745)	(514)	0	0.00	First 30,580	(1,745)	(514)	0	0.00
10,171 to 11,635	0	5.05	33,309 to 36,069	0	(217)	0	5.24	30,580 to 33,272	(1,754)	(2,603)	0	0.00
11,635 to 42,201	74	20.05	36,069 to 39,244	145	(193)	145	5.24	33,272 to 53,844	(1,754)	(2,634)	0	0.00
42,201 to 45,916	6,202	24.15	39,244 to 39,462	311	(12)	311	11.68	53,844 to 56,470	(199)	(2,875)	0	0.00
45,916 to 74,305	7,100	29.65	39,462 to 63,509	336	0	336	17.36	56,470 to 61,162	0	(2,840)	0	7.56
74,305 to 84,404	15,517	31.48	63,509 to 72,140	3,144	1,367	4,511	19.51	61,162 to 63,448	355	(2,777)	355	7.56
84,404 to 87,558	18,696	33.89	72,140 to 74,836	4,151	2,043	6,194	22.33	63,448 to 66,544	528	(2,670)	528	7.56
87,558 to 91,831	19,765	37.91	74,836 to 78,488	4,466	2,330	6,796	27.03	66,544 to 89,557	762	(2,353)	751	15.15
91,831 to 142,353	21,385	43.41	78,488 to 121,669	4,893	2,890	7,783	33.46	89,557 to 103,154	4,249	0	4,249	25.38
142,353 to 150,000	43,316	46.41	121,669 to 128,205	12,712	9,519	22,231	36.97	103,154 to 108,696	6,309	1,390	7,700	29.52
150,000 to 202,800	46,865	47.97	128,205 to 173,333	14,126	10,522	24,648	38.80	108,696 to 146,957	7,378	1,957	9,335	31.67
202,800 to 220,000	72,193	51.97	173,333 to 188,034	23,882	18,273	42,155	43.48	146,957 to 159,420	14,760	6,693	21,453	37.19
In excess of 220,000	81,132	53.53	Plus de 188,034	27,748	20,798	48,546	45.30	In excess of 159,420	17,853	8,236	26,088	39.34

## QUÉBEC

SALARY AND INCOME OTHER THAN DIVIDENDS			DIVIDENDS									
Taxable income (\$)	Taxes Payable (\$)*	Marginal Rate (%)**	Regular					Eligible				
			Actual Dividend Received (\$)**	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%)**	Actual Dividend Received (\$)**	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%)**
First 11,635	0	0.00	First 22,226	(1,745)	(2,327)	0	0.00	First 30,946	(1,745)	(2,327)	0	0.00
11,635 to 14,546	0	12.53	22,226 to 33,309	(581)	0	0	10.47	30,946 to 33,272	(1,754)	(576)	0	0.00
14,546 to 42,705	365	28.53	33,309 to 36,500	0	1,161	1,161	14.85	33,272 to 36,100	(1,754)	(316)	0	0.00
42,705 to 45,916	8,398	32.53	36,500 to 39,244	140	1,495	1,635	19.52	36,100 to 56,470	(1,541)	0	0	11.16
45,916 to 85,405	9,442	37.12	39,244 to 72,996	260	1,911	2,171	24.90	56,470 to 61,888	0	2,277	2,277	17.49
85,405 to 91,831	24,099	41.12	72,996 to 78,488	3,550	7,025	10,575	29.58	61,888 to 66,544	342	2,883	3,225	23.02
91,831 to 103,915	26,741	45.71	78,488 to 88,816	4,085	8,114	12,199	34.96	66,544 to 75,301	636	3,660	4,296	29.35
103,915 to 142,353	32,265	47.46	88,816 to 121,669	5,647	10,162	15,809	37.00	75,301 to 103,154	1,744	5,122	6,866	31.77
142,353 to 202,800	50,508	49.97	121,669 to 173,333	10,615	17,350	27,965	39.93	103,154 to 146,957	5,268	10,446	15,714	35.22
Plus de 202,800	80,710	53.31	Plus de 173,333	19,942	28,654	48,596	43.84	Plus de 146,957	12,325	18,818	31,143	39.83

\* The amount of tax is calculated based on the minimum taxable income of the tax bracket.

\*\* The marginal rate is the tax payable on an additional dollar of income within the tax bracket.

\*\*\* The gross-up rate for the eligible dividends is 38% and the gross-up rate for regular dividends is 17%, both at the Federal level and in Québec.

These tables take into account provincial surtax, refundable Québec abatement and the basic personal non-refundable credits only.

At the Federal level, these tables do not take into account the alternative minimum tax.

The Québec tables do not take into account the alternative minimum tax, the contribution to HSF and the health premiums.

The Ontario tables do not take into account the Ontario Tax Reduction, the Ontario additional tax for minimum tax purposes and the health premiums.

## MAXIMUM COMBINED MARGINAL RATES

	Ontario (\$150,000 to \$202,800)	Ontario (\$202,800 to \$220,000)	Ontario (Over \$220,000)	Québec (Over \$142,353)	Québec (Over \$202,800)
	%	%	%	%	%
Eligible dividends	31.67	37.19	39.34	35.22	39.83
Regular dividends	38.80	43.48	45.30	39.93	43.84
Capital gains	23.98	25.98	26.76	24.98	26.65
Other income	47.97	51.97	53.53	49.97	53.31

## INCOME TAX RATES FOR 2017

FEDERAL <sup>2,3</sup>		ONTARIO		QUÉBEC	
\$0 - \$45,916	15%	\$0 - \$42,201	5.05%	\$0 - \$42,705	16%
\$45,916 - \$91,831	20.5%	\$42,201 - \$84,404	9.15% <sup>1</sup>	\$42,705 - \$85,405	20%
\$91,831 - \$142,353	26%	\$84,404 - \$150,000	11.16% <sup>1</sup>	\$85,405 - \$103,915	24%
\$142,353 - \$202,800	29%	\$150,000 - \$220,000	12.16% <sup>1</sup>	Over \$103,915	25.75%
Over \$202,800	33%	Over \$220,000	13.16% <sup>1</sup>		

<sup>1</sup> NOTE: These rates do not include Ontario Surtax, which is equal to 20% of provincial tax over \$4,556 and 36% of provincial tax over \$5,831.

<sup>2</sup> Residents of Québec are entitled to a refundable Québec abatement equal to 16.5% of Federal tax.

<sup>3</sup> Old age security: 15% of net income over \$74,788 must be reimbursed.

## BASIC PERSONAL AMOUNT (2017)

FEDERAL	ONTARIO	QUÉBEC
(15%)	(5.05%)	(20%)
\$11,635	\$10,171	\$11,635

## DEFERRED INCOME PLANS – MAXIMUM ANNUAL CONTRIBUTIONS

YEAR	RRSP	RPP
2016	\$25,370	\$26,010
2017	\$26,010	\$26,230
2018	\$26,230	indexé

## EMPLOYERS

<b>- Canada or Québec Pension Plan – 2017</b>		<b>ONTARIO</b>	<b>QUÉBEC</b>
Maximum pensionable earnings		\$ 55,300.00	\$ 55,300.00
Annual basic exemption		3,500.00	3,500.00
Maximum for calculation of contribution		51,800.00	51,800.00
Maximum contribution	- employee/employer	4.95%	5.40%
	- self-employed	9.90%	10.80%
		2,564.10	2,797.20
		5,128.20	5,594.40
<b>- Employment Insurance – 2017</b>		<b>ONTARIO</b>	<b>QUÉBEC</b>
Maximum annual insurable earnings		\$ 51,300.00	\$ 51,300.00
Maximum contribution	- employee	1.630%	1.270%
	- employer (1.4 times)	2.282%	1.778%
		836.19	651.51
		1,170.67	912.11
<b>- Québec Parental Insurance Plan – 2017</b>			
Maximum annual insurable earnings			\$ 72,500.00
Maximum contribution	- employee	0.548%	397.30
	- employer	0.767%	556.08
	- self-employed	0.973%	705.43
<b>- Health Insurance (Ontario)</b>			
- Calculation based on total payroll.			
- Exemption of \$450,000 for eligible associated employer groups having a total annual payroll of less than \$5M.			
	- \$0 to \$200,000		0.98%
	- \$200,000 to \$400,000	varies between 1.101 and 1.829	
	- \$400,000 and over		1.95
<b>- Health Services Fund (Québec)</b>			
- Calculation based on total payroll.			
	- \$0 to \$1,000,000		2.50%
	- \$1,000,000 - \$5,000,000	varies between 2.50 and 4.26	
	- \$5,000,000 and over		4.26
<b>- Car allowance</b>	- 0 to 5 000 km	54 ¢/km	
	- 5 000 km and +	48 ¢/km	
<b>- Vehicle threshold:</b> Purchase: \$30,000 plus GST, QST or HST. Lease: \$800 plus GST, QST or HST. Purchase interest: \$300/month			

## CORPORATIONS

### ■ CORPORATE TAX RATE – 2017 (assuming year-end is December 31)

				<b>COMBINED</b>	
	<b>Federal</b>	<b>Ontario</b>	<b>Québec</b>	<b>Ontario</b>	<b>Québec</b>
	%	%	%	%	%
<b>Active business income</b>					
Under \$500,000	10.5 <sup>(1)</sup>	4.5 <sup>(1)</sup>	8.0 <sup>(1)</sup>	15.0	18.5
Over \$500,000	15.0	11.5	11.8	26.5	26.8
<b>Inactive business income</b>	38.67 <sup>(2)</sup>	11.5	11.8	50.17	50.47

(1) The \$500,000 threshold is progressively reduced for large corporations (between \$10M and \$15M in taxable capital).

(2) Refundable tax of 30.67% is reimbursed at a rate of 38.33% of taxable dividends paid.

## USEFUL REFERENCES

### CANADA REVENUE AGENCY – TAX SERVICES

Ottawa Office  
333 Laurier Avenue West  
Ottawa, Ontario K1A 0L9  
Fax: 613 238-7125

Payment by mail or drop box  
875 Heron Road  
Ottawa, Ontario K1A 1A2

Outaouais Office  
85, chemin de la Savane  
Gatineau, Québec K1A 1L4  
Fax: 819 994-1103

REVENU QUÉBEC  
170, rue de l'Hôtel-de-Ville, 6<sup>th</sup> Floor  
Gatineau, Québec J8X 4C2

Direction principale des relations avec la clientèle des **particuliers** et Direction principale des relations avec la clientèle des **entreprises**  
3800 de Marly  
Québec, Québec G1X 4A5  
Tél. : 1 800 267-6299 particulier  
Tél. : 1 800 567-4692 entreprise

Telephone  
1 800 959-7383 French – Individual  
1 800 959-8281 English – Individual  
1 800 959-7775 French – Business  
1 800 959-5525 English – Individual  
1 800 267-6999 Tax Information Phone Service

International Office  
P.O. Box 9769, Station T  
Ottawa, Ontario K1G 3Y4

ONTARIO MINISTRY OF FINANCE  
(Employer Health Tax)  
33 King Street West  
P. O. Box 627  
Oshawa, Ontario L1H 8H5  
Tel.: 1 866 668-8297  
Fax: 1 866 888-3850

Shawinigan-Sud Tax Centre  
(All corr. except for T1 – Ontario Resident)  
4695, boulevard de Shawinigan-Sud  
Shawinigan, Québec G9P 5H9  
Fax: 819 536-7078

Jonquière Tax Centre  
(All corr. except for T1 – Québec Resident)  
2251, boul. René-Lévesque  
Jonquière, Québec G7S 5J2  
Fax: 418 548-0846

CORPORATE STATUTE INFO  
FEDERAL  
Industry Canada: [www.ic.gc.ca](http://www.ic.gc.ca)

QUÉBEC  
REQ: 1 877 644-4545  
[www.registraireentreprises.gouv.qc.ca](http://www.registraireentreprises.gouv.qc.ca)

Consult our Website for other useful links: [www.marcil-lavallee.ca](http://www.marcil-lavallee.ca)