

TAX RATES ON CORPORATE INCOME

Taxation year ending	Dec 31/18	Dec 31/17
CCPC Active Business Income		
\$0 to \$500,000	14.5%	15.0%
over \$500,000	31%	31%
CCPC Investment Income		
Interest	54.67%	54.67%
after dividend refund	24%	24%
Capital Gains	27.33%	27.33%
after dividend refund	12%	12%

RRSP LIMITS

Year	Maximum New Contribution Room	Prior year earned income required to maximize RRSP
2017	\$26,010	\$144,500
2018	\$26,230	\$145,722
2019	\$26,500	\$147,222

Unused contribution room and undeducted contributions carry forward. Check your Notice of Assessment to determine what you can contribute and deduct.

RRSP Contribution Deadline Thu, Mar 1, 2018
(60 days after the end of the year)

Dept. of Finance has proposed significant changes to tax on CCPC investment income

PERSONAL INCOME TAX BRACKETS 2018

			Marginal Tax Rates		
			Regular Income	Eligible Dividends *	Ineligible Dividends **
\$1	to	\$8,160	0.00%	0.00%	0.00%
\$8,161	to	\$11,809	9.80%	0.00%	7.98%
\$11,810	to	\$31,984	24.80%	0.00%	13.77%
\$31,985	to	\$46,605	28.80%	4.53%	18.41%
\$46,606	to	\$63,969	34.30%	12.12%	24.26%
\$63,970	to	\$93,208	37.20%	16.12%	27.65%
\$93,209	to	\$98,408	42.70%	23.71%	34.54%
\$98,409	to	\$144,489	44.37%	24.57%	36.14%
\$144,490	to	\$205,842	47.37%	28.70%	39.62%
\$205,843	and over		51.37%	34.23%	44.26%

* Tax rate on the cash amount of dividends from public companies, and from private company income over the small business limit

** Tax rate on the cash amount of dividends from private company income under the small business limit

DIVIDENDS MAY BE TAXED AT TOP RATES REGARDLESS OF INCOME LEVEL, BECAUSE OF NEW "TAX ON SPLIT INCOME" RULES

AUTOMOBILE AMOUNTS

	2018	2017
Tax exempt expense allowance		
- first 5,000 km	55 cents/km	54 cents/km
- after 5,000 km	49 cents/km	48 cents/km
Capital Cost Allowance - cost limit for passenger vehicles (plus applicable federal and provincial sales taxes)	\$30,000	\$30,000
Maximum allowable interest deduction	\$300 /month	\$300 /month
Limit on deductible leasing costs Plus applicable federal and provincial sales taxes. The amount allowed for taxes is reduced if vehicle value > \$30,000	\$800 /month	\$800 /month
Operating expense taxable benefit for personal use of a vehicle		
General rate	26 cents/km	25 cents/km
Rate for vehicle sales & leasing employees	23 cents/km	22 cents/km

Plus the standby charge. Operating and standby benefits may be reduced if personal use is less than 50%.

PRESCRIBED INTEREST RATES

	2018	2017	2016
Jan to Mar	1%	1%	1%
Apr to Jun		1%	1%
Jul to Sep		1%	1%
Oct to Dec		1%	1%

Note: These rates are for corporate tax refunds, shareholder loans, and other benefit calculations.

Individual refunds add 2%. Overdue amounts add 4%.

PENSION SPLITTING

Eligible Income	65 or older	Under 65
Pension annuity payments	Yes	Yes
RRIF payments	Yes	No*
RRSP annuity payments	Yes	No*
RRSP lump sum payments	No	No
Canada Pension Plan benefits **	No	No
Old Age Security benefits	No	No

* Except if received due to the death of a spouse

** CPP benefits can be shared by contacting Service Canada to split your cheques.

Updated January 11, 2018

Page 1

The information provided in this publication is intended for general purposes only. Care has been taken to ensure the information herein is accurate; however, no representation is made as to the accuracy thereof. The information should not be relied on to replace specific professional advice.

CANADA PENSION PLAN and EMPLOYMENT INSURANCE LIMITS

Year	Canada Pension Plan			Employment Insurance		
	Maximum Pensionable Earnings	Employee Maximum Premium	Employer Maximum Premium	Maximum Insurable Earnings	Employee Maximum Premium	Employer Maximum Premium
2017	\$55,300	\$2,564.10	\$2,564.10	\$51,300	\$836.19	\$1,170.67
2018	\$55,900	\$2,593.80	\$2,593.80	\$51,700	\$858.22	\$1,201.51

Self employed individuals pay both the employee and employer share of CPP premiums on their annual income tax return.

CLAWBACK OF OLD AGE SECURITY

Year	Annual OAS Benefit	OAS claw back starts at	OAS is fully clawed back at
2017	\$6,978.87	\$74,788	\$121,314
2018	\$7,039.92	\$75,910	\$122,843

Amounts for 2018 are based on the rates as of January 1, 2018. Quarterly increases in the monthly benefit are based on the Consumer Price Index.

OAS claw back is 15% of income in excess of the claw back threshold

TFSA CONTRIBUTION LIMITS

Annual limits	Limit
2009 to 2012	\$5,000
2013 & 2014	\$5,500
2015	\$10,000
2016 to 2018	\$5,500
Lifetime Limit	\$57,500

LIFETIME CAPITAL GAINS EXEMPTION

	2018	2017
Exemption amount	\$848,252	\$835,716
Additional exemption for qualified farm or fishing property (for dispositions after April 20, 2015)	\$151,748	\$164,284

TAX FILING AND PAYMENT DUE DATES **

Corporate Tax Return (T2) July 3, 2018 for Dec 31/17 (6 months after the end of the year) *

Balance Due Date - CCPC with prior year active business income \$500,000 or less - 3 months after year end
 - All other companies - 2 months after year end

Companies must make monthly or quarterly instalments depending on size of the company and on-time payment history

T4 Return - Summary of Remuneration Paid

Feb 28, 2018

T5 Return - Return of Investment Income

Feb 28, 2018

Trust Income Tax and Information Return (T3)

Apr 3, 2018 for Dec 31/17 (90 days after the end of the year) *

Personal Income Tax Returns for 2017

Individual	Apr 30, 2018
Individual with self-employment income	Jun 15, 2018
Tax balance due is payable by	Apr 30, 2018

Personal Income Tax Instalments for 2017

Quarter 1	Mar 15, 2018	Quarter 3 *	Sep 17, 2018
Quarter 2	Jun 15, 2018	Quarter 4 *	Dec 17, 2018
Farmers & Fishers			Dec 31, 2018

HST Return

Individual Annual Filer	June 15, 2018 for Dec 31/17
Company Annual Filer	3 months after year end
Monthly Filer	1 month after the end of the month
Quarterly Filer	1 month after the end of the quarter

HST Instalments for annual return filers

for Dec 31/2017 HST year end	1 month after the end of each quarter		
Quarter 1	Apr 30, 2018	Quarter 3	Oct 31, 2018
Quarter 2	Jul 31, 2018	Quarter 4	Jan 31, 2019

* Extended to the next business day, because the deadline falls on a Saturday, Sunday, or statutory holiday

** Returns and personal tax payments are filed on time if postmarked by the deadline. Other payments are made on time if RECEIVED by the deadline.