



Personal Tax Rates

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2018

	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
Federal ¹	15.00%	Up to \$46,605		
	20.50	46,606–93,208		
	26.00	93,209–144,489		
	29.00	144,490–205,842		
	33.00	205,843 and over		
British Columbia ²	5.06%	Up to \$39,676		
	7.70	39,677–79,353		
	10.50	79,354–91,106		
	12.29	91,107–110,629		
	14.70	110,630–150,000		
	16.80	150,001 and over		
Alberta ³	10.00%	Up to \$128,145		
	12.00	128,146–153,773		
	13.00	153,774–205,031		
	14.00	205,032–307,547		
	15.00	307,548 and over		
Saskatchewan ⁴	10.50%	Up to \$45,225		
	12.50	45,226–129,214		
	14.50	129,215 and over		
Manitoba ⁵	10.80%	Up to \$31,843		
	12.75	31,844–68,821		
	17.40	68,822 and over		
Ontario ^{6,11}	5.05%	Up to \$42,961		
	9.15	42,962–85,923	20% 36	\$4,638 5,936
	11.16	85,924–150,000		
	12.16	150,001–220,000		
	13.16	220,001 and over		
Quebec ⁷	15.00%	Up to \$43,055		
	20.00	43,056–86,105		
	24.00	86,106–104,765		
	25.75	104,766 and over		

Current as of December 31, 2017

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Current as of December 31, 2017

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	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
New Brunswick ⁸	9.68%	Up to \$41,675		
	14.82	41,676–83,351		
	16.52	83,352–135,510		
	17.84	135,511–154,382		
	20.30	154,383 and over		
Nova Scotia ⁹	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 ^{9,11}	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	8.70%	Up to \$36,927		
	14.50	36,928–73,852		
	15.80	73,853–131,850		
	17.30	131,851–184,590		
	18.30	184,591 and over		
Yukon ⁸	6.40%	Up to \$46,605		
	9.00	46,606–93,208		
	10.90	93,209–144,488		
	12.80	144,489–500,000		
	15.00	500,001 and over		
Northwest Territories ⁸	5.90%	Up to \$42,209		
	8.60	42,210–84,420		
	12.20	84,421–137,247		
	14.05	137,248 and over		
Nunavut ⁸	4.00%	Up to \$44,437		
	7.00	44,438–88,873		
	9.00	88,874–144,488		
	11.50	144,489 and over		

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Refer to notes on the following pages.

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Current as of December 31, 2017

Personal Tax Rates 2

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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 1.5% for 2018.
- (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 2.0% for 2018. Residents of British Columbia are also required to make monthly payments under the province's Medical Services Plan (see the table "Provincial Health Premiums").

British Columbia introduced a new tax bracket for taxable income over \$150,000 with a provincial tax rate of 16.8%, effective January 1, 2018.
- (3) Alberta 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 1.2% for 2018.
- (4) Saskatchewan generally indexes its tax brackets using the same formula as that used federally, however, Saskatchewan's 2017 budget suspends the annual indexation of the personal income tax system starting with the 2018 taxation year.
- (5) Manitoba 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 1.2% for 2018.
- (6) 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 1.8% for 2018. 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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Current as of December 31, 2017

Personal Tax Rates 3

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2018

- (7) 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 0.82% for 2018. Residents of Quebec are required to make payments to the province's Health Services Fund (see the table "Provincial Health Premiums").
- (8) 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 1.5% for 2018.
- (9) Nova Scotia and Prince Edward Island do not index their tax brackets or surtax thresholds.
- (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 3.0% for 2018.
- (11) Ontario and Prince Edward Island have a surtax system where surtax applies to the provincial income tax (before surtax) in excess of the threshold noted in the table. For example, Ontario surtax of 20% applies to the provincial income tax (before surtax) in excess of \$4,638. Ontario surtax of 36% applies in addition to the 20% surtax (i.e., a total surtax of 56%) to the provincial income tax (before surtax) in excess of \$5,936.

The surtax effectively increases the top marginal tax rate for residents of Ontario and Prince Edward Island to 20.53% (13.16% x 156%) and 18.37% (16.70% x 110%), respectively.

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Current as of December 31, 2017

Personal Tax Rates 4