



# ONTARIO INCOME TAX TABLES

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2025 CORPORATE TAX RATES <sup>(a)</sup>Investment Income CCPC <sup>(c)</sup>

|                         | First \$500,000<br>for Qualifying<br>Business <sup>(b)</sup> | Basic Business<br>& Other | Basic M&P<br>Business | Other than<br>Capital Gains | Capital<br>Gains      |
|-------------------------|--|---------------------------|-----------------------|-----------------------------|-----------------------|
| Ontario                 | 12.20%   | 26.50%                    | 25.00%                | 50.17 %                     | 25.09%                |
| Quebec                  | 12.20% <sup>(d)</sup>  | 26.50%                    | 26.50%                | 50.17 %                     | 25.09%                |
| Alberta                 | 11.00%   | 23.00%                    | 23.00%                | 46.67%                      | 23.34%                |
| British Columbia        | 11.00%   | 27.00%                    | 27.00%                | 50.67%                      | 25.34%                |
| Manitoba                | 9.00%  | 27.00%                    | 27.00%                | 50.67%                      | 25.34%                |
| New Brunswick           | 11.50%   | 29.00%                    | 29.00%                | 52.67%                      | 26.34%                |
| Newfoundland & Labrador | 11.50%   | 30.00%                    | 30.00%                | 53.67%                      | 26.84%                |
| Nova Scotia             | 10.50% <sup>(e)</sup>  | 29.00%                    | 29.00%                | 52.67%                      | 26.34%                |
| Prince Edward Island    | 10.00% <sup>(f)</sup>  | 30.00% <sup>(g)</sup>     | 30.00% <sup>(g)</sup> | 53.67% <sup>(g)</sup>       | 26.84% <sup>(g)</sup> |
| Saskatchewan            | 10.00% <sup>(i)</sup>  | 27.00%                    | 25.00%                | 50.67%                      | 25.34%                |
| <b>Federal</b>          | <b>9.00% <sup>(h)</sup></b>                                  | <b>15.00%</b>             | <b>15.00%</b>         | <b>38.67%</b>               | <b>19.34%</b>         |

(a) Assumes a December year end.

(b) Preferential rate reduced for corporations having taxable capital in excess of \$10M on an associated group basis.

(c) For a CCPC, the tax rate on investment income, net of dividend refund, is 30.67% lower.

(d) Employees of the corporation, or of an associated corporation, must work and be remunerated for 5,500 hours

(e) for the current and previous taxation year or be a corporation in the primary or manufacturing sector.

(f) For corporations with less than 5,000 remunerated hours the rate is 20.5%.

(g) Effective April 1, 2025, the Nova Scotia small business limit was increased from \$500,000 to \$700,000 and

(h) the Nova Scotia small business tax rate was reduced from 2.5% to 1.5%.

(i) Effective July 1, 2025, the Prince Edward Island small business limit was increased from \$500,000 to \$600,000.

(j) Effective July 1, 2025, the Prince Edward Island general corporate income tax rate was reduced from 16% to 15%.

(h) The federal corporate income tax rates for manufacturers of qualifying zero-emission technology are reduced to 7.5% for eligible income otherwise subject to the 15% federal general corporate income tax rate or 4.5% for eligible income otherwise subject to the 9% federal small-business corporate income tax rate. The reduced tax rate has been extended and will gradually phase out for taxation years beginning 2032 (previously 2029) and will be fully phased out for taxation years beginning after 2034 (previously 2031).

(i) Effective January 1, 2018, the Saskatchewan small-business limit was increased from \$500,000 to \$600,000.

## 2025 COMBINED TOP PERSONAL TAX RATES

|                         | Income | Eligible<br>Dividends | Ineligible<br>Dividends | Capital<br>Gains |
|-------------------------|--------|-----------------------|-------------------------|------------------|
| Ontario                 | 53.53% | 39.34%                | 47.74%                  | 26.76%           |
| Quebec                  | 53.31% | 40.11 %               | 48.70%                  | 26.65%           |
| Alberta                 | 48.00% | 34.31%                | 42.31%                  | 24.00%           |
| British Columbia        | 53.50% | 36.54%                | 48.89%                  | 26.75%           |
| Manitoba                | 50.40% | 37.78%                | 46.67%                  | 25.20%           |
| New Brunswick           | 52.50% | 32.40%                | 46.83%                  | 26.25%           |
| Newfoundland & Labrador | 54.80% | 46.20%                | 48.96%                  | 27.40%           |
| Nova Scotia             | 54.00% | 41.58%                | 49.99%                  | 27.00%           |
| Prince Edward Island    | 52.00% | 36.54%                | 47.92%                  | 26.00%           |
| Saskatchewan            | 47.50% | 29.64%                | 41.34%                  | 23.75%           |

## 2025 SELECT U.S. TAX RATES

|                         | Personal <sup>(a), (d), (e)</sup> |                            |                        | Corporate <sup>(a)</sup>          |
|-------------------------|-----------------------------------|----------------------------|------------------------|-----------------------------------|
|                         | Income                            | Long-Term<br>Capital Gains | Qualified<br>Dividends | Business<br>Income <sup>(b)</sup> |
| California              | 50.30%                            | 33.30%                     | 33.30%                 | 27.98%                            |
| Florida                 | 37.00%                            | 20.00%                     | 20.00%                 | 25.35%                            |
| New York <sup>(c)</sup> | 47.90%                            | 30.90%                     | 30.90%                 | 26.73%                            |

U.S. Estate Tax – Top Marginal Rate:

**40.00%**

U.S. Estate Tax Exemption:

**\$13,990,000 USD**

(a) All rates are effective at time of publication.

(b) Highest marginal general tax rate, net of federal deduction for state taxes (corporate only).

(c) New York state tax rate does not include New York City taxes.

(d) The above rates do not include Medicare and Social Security taxes.

(e) For United States residents, an additional 3.8% tax is imposed on investment income when the income exceeds \$200,000 USD if the taxpayer is not married, \$125,000 USD if married filing separately, or \$250,000 USD if married filing jointly.

2025 PERSONAL TAX RATES <sup>(a), (b), (c)</sup>

## Ontario Residents

| Ontario <sup>(d)</sup> |          |                            | Federal  |                            | Combined |                            | Eligible<br>Dividends           | Ineligible<br>Dividends           | Capital<br>Gains |
|------------------------|----------|----------------------------|----------|----------------------------|----------|----------------------------|---------------------------------|-----------------------------------|------------------|
| Taxable<br>Income      | Tax      | Marginal Rate<br>on Excess | Tax      | Marginal Rate<br>on Excess | Tax      | Marginal Rate<br>on Excess | Eligible<br>Dividends<br>Actual | Ineligible<br>Dividends<br>Actual | Capital<br>Gains |
| \$12,747               | \$0      | 5.05%                      | \$0      | 14.50%                     | \$0      | 19.55%                     | 0.00%                           | 8.66%                             | 9.78%            |
| \$52,886               | \$2,027  | 9.15%                      | \$5,330  | 14.50%                     | \$7,357  | 23.65%                     | 0.00%                           | 13.38%                            | 11.83%           |
| \$57,375               | \$2,438  | 9.15%                      | \$5,981  | 20.50%                     | \$8,418  | 29.65%                     | 6.39%                           | 20.28%                            | 14.83%           |
| \$93,132               | \$5,710  | 10.98%                     | \$13,311 | 20.50%                     | \$19,020 | 31.48%                     | 8.92%                           | 22.38%                            | 15.74%           |
| \$105,775              | \$7,098  | 13.39%                     | \$15,903 | 20.50%                     | \$23,000 | 33.89%                     | 12.24%                          | 25.16%                            | 16.95%           |
| \$109,727              | \$7,627  | 17.41%                     | \$16,713 | 20.50%                     | \$24,340 | 37.91%                     | 17.79%                          | 29.78%                            | 18.95%           |
| \$114,750              | \$8,501  | 17.41%                     | \$17,743 | 26.00%                     | \$26,244 | 43.41%                     | 25.38%                          | 36.10%                            | 21.70%           |
| \$150,000              | \$14,638 | 18.97%                     | \$26,908 | 26.00%                     | \$41,546 | 44.97%                     | 27.53%                          | 37.90%                            | 22.48%           |
| \$177,882              | \$19,927 | 18.97%                     | \$34,157 | 29.31%                     | \$54,084 | 48.28%                     | 32.09%                          | 41.70%                            | 24.14%           |
| \$220,000              | \$27,917 | 20.53%                     | \$46,500 | 29.31%                     | \$74,417 | 49.84%                     | 34.25%                          | 43.49%                            | 24.92%           |
| \$235,414              | \$34,777 | 20.53%                     | \$56,292 | 33.00%                     | \$91,069 | 53.53%                     | 39.34%                          | 47.74%                            | 26.76%           |

(a) Assumes single taxpayer with no dependants receiving basic exemption only.

(b) Does not include the Ontario Health Premium.

(c) Includes the proposed federal legislation to reduce the lowest personal tax rate from 15% to 14% effective July 1, 2025, resulting in an effective tax rate of 14.5%.

# SELECT PERSONAL TAX CREDITS FOR 2025

# Combined Federal and Provincial

|         | Spouse  | 65 and over            | Pension | Donation              | Medical               |
|---------|---------|------------------------|---------|-----------------------|-----------------------|
| Ontario | \$2,885 | \$1,623 <sup>(a)</sup> | \$379   | 50.41% <sup>(b)</sup> | 19.55% <sup>(c)</sup> |

(a) Maximum credit that is gradually reduced when income exceeds \$45,522 in 2025 for federal purposes and \$46,330 in 2025 for Ontario purposes.

(b) Applies to donations in excess of \$200 and taxable income above \$253,414 in 2025, to which the First-Time Donor's Super Credit is not applicable.

(c) Applies to medical expenses in excess of the lesser of 3% of net income and \$2,833 for 2025 for federal purposes and the lessers of 3% of net income and \$2,885 in 2025 for Ontario purposes.

(d) Includes the proposed federal legislation to reduce the lowest personal tax rate from 15% to 14% effective July 1, 2025, resulting in an effective tax rate of 14.5%.

# 2025 INVESTMENT YIELDS <sup>(a)</sup>

| An Interest Rate of | Tax       | An Eligible Dividend | An Ineligible Dividend | A Capital Gain |
|---------------------|-----------|----------------------|------------------------|----------------|
| 4%                  | Gives     | 3.06%                | 3.56%                  | 2.54%          |
| 6%                  | the same  | 4.60%                | 5.34%                  | 3.81%          |
| 8%                  | after-tax | 6.13%                | 7.11%                  | 5.08%          |
| 10%                 | as        | 7.66%                | 8.89%                  | 6.35%          |

(a) Analysis is based on 53.53% marginal rate for an Ontario taxpayer.

# SALARY VS. DIVIDEND Comparison of Net Cash Retained by Shareholders <sup>(a)</sup>

| Ontario Resident<br>53.53% Marginal Rate | Salary <sup>(b)</sup> | Dividend                  |
|--|-----------------------|---------------------------|
| First \$500,000 Qualifying Business      | \$456                 | \$459 <sup>(c)</sup>      |
| Basic Business                           | \$456                 | \$446                     |
| Basic M&P Business                       | \$456                 | \$455                     |
| Investment Income CCPC                   | \$456                 | \$421 <sup>(c), (d)</sup> |
| Other Income                             | \$456                 | \$446                     |

(a) Assumes corporation has \$1,000 of income available for disbursement to owner/manager.  
(b) Takes into account Employer Health Tax paid by the corporation at the top rate of 1.95%.  
(c) Assumes dividends paid are ineligible.  
(d) Net of dividend refund.

# INCOME THAT CAN BE RECEIVED TAX-FREE Ontario Resident <sup>(a)</sup>

|                     |                         |
|---------------------|-------------------------|
| Interest            | \$16,129                |
| Capital Gain        | \$32,258                |
| Eligible Dividend   | \$76,444 <sup>(b)</sup> |
| Ineligible Dividend | \$37,179 <sup>(b)</sup> |

(a) Includes the proposed federal legislation to reduce the lowest personal tax rate from 15% to 14% effective July 1, 2025, resulting in an effective tax rate of 14.5%.  
(b) Excludes Ontario health premium payable (\$450 in respect of the maximum ineligible dividend noted above and \$750 in respect of the maximum eligible dividend noted above).

# SALES TAX RATES IN CANADA 2025

| Province                | GST Rate <sup>(a)</sup> | HST Rate <sup>(b)</sup> | PST Rate <sup>(c)</sup> | Total   |
|-------------------------|-------------------------|-------------------------|-------------------------|---------|
| Ontario                 | -                       | 13.00%                  | -                       | 13.00%  |
| Quebec                  | 5.00%                   | -                       | 9.975% <sup>(d)</sup>   | 14.975% |
| Alberta                 | 5.00%                   | -                       | -                       | 5.00%   |
| British Columbia        | 5.00%                   | -                       | 7.00%                   | 12.00%  |
| Manitoba                | 5.00%                   | -                       | 7.00%                   | 12.00%  |
| New Brunswick           | -                       | 15.00%                  | -                       | 15.00%  |
| Newfoundland & Labrador | -                       | 15.00%                  | -                       | 15.00%  |
| Nova Scotia             | -                       | 14.00%                  | -                       | 14.00%  |
| Prince Edward Island    | -                       | 15.00%                  | -                       | 15.00%  |
| Saskatchewan            | 5.00%                   | -                       | 6.00%                   | 11.00%  |

(a) GST: Goods and Services Tax  
(b) HST: Harmonized Sales Tax  
(c) PST: Provincial Sales Tax  
(d) GST: Quebec Sales Tax