Tax Facts 2026

Based on tax rates announced to July 1, 2026

Tax Facts 2026 provides you with a summary of 2026 personal income tax rates and amounts, as well as corporate tax rates based on announcements made to July 1, 2026.

What's Inside

Top Personal Rates

On page 2, we have set out the top rates in Canada on regular income, dividends and capital gains.

Combined Federal and Provincial/Territorial Tax Brackets

On pages 3 to 6, we have condensed the detailed tax rate information for each province/territory into a chart. You can use the chart that applies to you to estimate your combined federal and provincial/territorial tax liability and to determine effective tax rates on regular income, dividends and capital gains within the income ranges provided.

Quick Estimates

To allow you to quickly estimate your tax liability, we have provided a quick estimate chart on pages 7 and 8.

RRSP, RPP and DPSP Limits

On page 9, we have set out the limits for Registered Retirement Savings Plans (RRSPs), Registered Pension Plans (RPPs), and Deferred Profit Sharing Plans (DPSPs).

CPP, EI and QPIP Rates

On page 9, we have provided the Employment Insurance (EI) rates and premiums, the Quebec Parental Insurance Plan (QPIP) rates and premiums, and the Canada Pension Plan (CPP) rates and contributions.

Business Tax Rate Information

On pages 10 and 11, we have provided a summary of corporate income tax rates, as well as employer payroll, and sales tax rates.

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2026 top personal marginal tax rates

Jurisdiction [1]	Tax on income top rate (%)	Tax-on-tax top rate (%)	Provincial surtax (%)	2026 combined top marginal rates			
				Regular income (%)	Eligible dividends (%)	Ineligible dividends (%)	Capital gains (%)
Federal	33.00	---	---	---	---	---	---
British Columbia >$266K	20.50	---	---	53.50	36.54	48.89	26.75
Alberta >$370K	15.00	---	---	48.00	34.31	42.30	24.00
Saskatchewan	14.50	---	---	47.50	29.64	41.34	23.75
Manitoba	17.40	---	---	50.40	37.78	46.67	25.20
Ontario	13.16	---	20.00/36.00	53.53	39.34	47.74	26.77
Québec	25.75	---	---	53.31	40.11	48.70	26.66
New Brunswick	19.50	---	---	52.50	32.40	46.83	26.25
Nova Scotia	21.00	---	---	54.00	41.58	49.99	27.00
Prince Edward Island (2)	20.00	---	---	53.00	37.92	49.07	26.50
Newfoundland & Labrador >$1.14M	21.80	---	---	54.80	46.20	48.96	27.40
Yukon >$500K	15.00	---	---	48.00	28.92	44.05	24.00
Northwest Territories	14.05	---	---	47.05	28.33	36.82	23.53
Nunavut	11.50	---	---	44.50	33.08	37.79	22.25
Non-resident	---	48.00	---	48.84	---	---	24.42

Notes:

(1) The federal top marginal tax rate applies on taxable income over $258,482 for 2026. Where the provincial or territorial threshold is higher than federal, the amount is indicated above.

(2) Prince Edward Island introduced a new top personal income tax rate of 20% on income over $200,000 effective January 1, 2026. (Note that the province confirmed the effective date for this new rate is January 1, 2026 and not January 1, 2027 as originally announced in its 2026 provincial budget.)

2026 combined federal and provincial/territorial tax brackets

Use the following tables (pages 3-6) to estimate combined federal and provincial/territorial tax and combined marginal tax rates on regular income, dividends and capital gains. Tax rates and amounts include surtaxes where applicable. Where applicable, reduce the tax by your total federal and provincial/territorial tax credits, and consider provincial/territorial tax reductions at lower levels of income.

Note that the 2026 federal basic personal amount (BPA) increases from $14,829 to $16,452 for taxpayers with net income of $181,440 or less. For income above this threshold, the additional BPA of $1,623 is gradually reduced until it becomes nil at net income of $258,482. Similar BPA reductions apply in Manitoba and Yukon when income exceeds a certain threshold. The marginal tax rates and the tax on bottom of range in the following tables (other than the table for non-residents) have been adjusted to reflect these BPA reductions described above.

These estimates do not consider alternative minimum tax.

Federal rates: The lowest federal personal income tax rate is reduced from 14.5% to 14%, effective January 1, 2026.

British Columbia

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	50,363	0	19.60	0.00	9.91	9.80
50,363	58,523	9,871	21.70	0.00	12.32	10.85
58,523	100,728	11,642	28.20	7.56	19.80	14.10
100,728	115,648	23,544	31.00	7.56	23.02	15.50
115,648	117,045	28,169	32.79	7.96	25.07	16.40
117,045	140,430	28,627	38.29	15.55	31.40	19.15
140,430	181,440	37,581	40.70	18.88	34.17	20.35
181,440	190,405	54,272	43.99	23.43	37.96	22.00
190,405	258,482	58,216	46.09	26.32	40.37	23.05
258,482	265,545	89,596	49.80	31.44	44.64	24.90
265,545	and over	93,114	53.50	36.54	48.89	26.75

Alberta

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	58,523	0	22.00	0.00	12.40	11.00
58,523	61,200	12,875	28.50	7.56	19.88	14.25
61,200	117,045	13,638	30.50	10.16	22.18	15.25
117,045	154,259	30,671	36.00	17.75	28.50	18.00
154,259	181,440	44,068	38.00	20.51	30.80	19.00
181,440	185,111	54,397	41.29	25.06	34.59	20.65
185,111	246,813	55,912	42.29	26.44	35.74	21.15
246,813	258,482	82,009	43.29	27.82	36.89	21.65
258,482	370,220	87,061	47.00	32.93	41.15	23.50
370,220	and over	139,578	48.00	34.31	42.30	24.00

Saskatchewan

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	54,532	0	24.50	0.00	14.89	12.25
54,532	58,523	13,360	26.50	2.07	17.19	13.25
58,523	117,045	14,418	33.00	9.63	24.67	16.50
117,045	155,805	33,730	38.50	17.22	30.99	19.25
155,805	181,440	48,653	40.50	19.98	33.29	20.25
181,440	258,482	59,035	43.79	24.53	37.08	21.90
258,482	and over	92,775	47.50	29.64	41.34	23.75

2026 combined federal and provincial/territorial tax brackets

(See note on page 3.)

Manitoba BPA: The Manitoba BPA is phased out over a net income range of $200,000 to $400,000. The marginal tax rates in the below table have been adjusted to reflect this.

Manitoba

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	47,000	0	24.80	3.86	17.23	12.40
47,000	58,523	11,656	26.75	6.56	19.48	13.38
58,523	100,000	14,738	33.25	14.12	26.95	16.63
100,000	117,045	28,530	37.90	20.53	32.30	18.95
117,045	181,440	34,990	43.40	28.12	38.62	21.70
181,440	200,000	62,937	46.69	32.67	42.41	23.35
200,000	258,482	71,604	47.55	33.85	43.39	23.78
258,482	400,000	99,410	51.25	38.96	47.65	25.63
400,000	and over	171,941	50.40	37.78	46.67	25.20

Ontario (does not include the Ontario health premium)

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	53,891	0	19.05	0.00	8.09	9.53
53,891	58,523	10,266	23.15	0.00	12.80	11.58
58,523	94,901	11,339	29.65	7.56	20.28	14.83
94,901	107,785	22,125	31.48	8.92	22.38	15.74
107,785	111,810	26,180	33.89	12.24	25.16	16.95
111,810	117,045	27,545	37.91	17.79	29.78	18.95
117,045	150,000	29,529	43.41	25.38	36.10	21.70
150,000	181,440	43,835	44.97	27.53	37.90	22.48
181,440	220,000	57,973	48.26	32.08	41.69	24.13
220,000	258,482	76,584	49.82	34.23	43.48	24.91
258,482	and over	95,758	53.53	39.34	47.74	26.77

Québec (does not include the contribution to the health services fund, and the premium payable under the Québec prescription drug insurance plan)

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	54,345	0	25.69	3.17	16.94	12.85
54,345	58,523	13,961	30.69	10.07	22.69	15.35
58,523	108,680	15,243	36.12	16.39	28.93	18.06
108,680	117,045	33,359	41.12	23.29	34.68	20.56
117,045	132,245	36,798	45.71	29.63	39.96	22.86
132,245	181,440	43,746	47.46	32.04	41.97	23.73
181,440	258,482	67,094	50.21	35.84	45.14	25.11
258,482	and over	105,778	53.31	40.11	48.70	26.66

New Brunswick

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	52,333	0	23.40	0.00	13.36	11.70
52,333	58,523	12,246	28.00	0.00	18.65	14.00
58,523	104,666	13,979	34.50	7.56	26.13	17.25
104,666	117,045	29,898	36.50	10.32	28.43	18.25
117,045	181,440	34,417	42.00	17.91	34.75	21.00
181,440	193,861	61,463	45.29	22.46	38.54	22.65
193,861	258,482	67,089	48.79	27.29	42.57	24.40
258,482	and over	98,621	52.50	32.40	46.83	26.25

2026 combined federal and provincial/territorial tax brackets

(See note on page 3.)

Prince Edward Island rates: A new top personal tax bracket of 20% on income over $200,000 applies, effective January 1, 2026.

Nova Scotia

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	30,995	0	22.79	0.00	14.10	11.40
30,995	58,523	7,064	28.95	8.42	21.18	14.48
58,523	61,991	15,033	35.45	15.98	28.66	17.73
61,991	97,417	16,263	37.17	18.35	30.64	18.59
97,417	117,045	29,430	38.00	19.50	31.59	19.00
117,045	157,124	36,889	43.50	27.09	37.92	21.75
157,124	181,440	54,323	47.00	31.92	41.94	23.50
181,440	258,482	65,752	50.29	36.47	45.73	25.15
258,482	and over	104,500	54.00	41.58	49.99	27.00

Prince Edward Island

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	33,928	0	23.50	0.00	15.14	11.75
33,928	58,523	7,973	27.47	4.10	19.71	13.74
58,523	65,820	14,729	33.97	11.66	27.18	16.99
65,820	106,890	17,208	37.10	15.98	30.78	18.55
106,890	117,045	32,445	38.12	17.39	31.95	19.06
117,045	142,250	36,316	43.62	24.98	38.28	21.81
142,250	181,440	47,311	45.00	26.88	39.87	22.50
181,440	200,000	64,946	48.29	31.43	43.65	24.15
200,000	258,482	73,910	49.29	32.81	44.80	24.65
258,482	and over	102,738	53.00	37.92	49.07	26.50

Newfoundland & Labrador

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	44,678	0	22.70	3.31	12.04	11.35
44,678	58,523	10,142	28.50	11.32	18.71	14.25
58,523	89,354	14,088	35.00	18.88	26.19	17.50
89,354	117,045	24,879	36.30	20.67	27.68	18.15
117,045	159,528	34,930	41.80	28.26	34.01	20.90
159,528	181,440	52,688	43.80	31.02	36.31	21.90
181,440	223,340	62,286	47.09	35.57	40.09	23.55
223,340	258,482	82,019	49.09	38.33	42.39	24.55
258,482	285,319	99,271	52.80	43.44	46.66	26.40
285,319	570,638	113,441	53.80	44.82	47.81	26.90
570,638	1,141,275	266,943	54.30	45.51	48.38	27.15
1,141,275	and over	576,799	54.80	46.20	48.96	27.40

2026 combined federal and provincial/territorial tax brackets

(See note on page 3.)

Yukon BPA: For taxpayers with net income of $181,440 or less, the Yukon BPA is $16,452, which comprises of a base amount of $14,829, plus an additional $1,623. For those with net income above this threshold, the additional BPA of $1,623 is gradually reduced and becomes nil once net income reaches $258,482.

Yukon

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	58,523	0	20.40	0.00	12.31	10.20
58,523	117,045	11,939	29.50	7.56	22.77	14.75
117,045	181,440	29,203	36.90	15.15	31.28	18.45
181,440	258,482	52,964	42.23	20.96	37.41	21.12
258,482	500,000	85,499	45.80	25.89	41.52	22.90
500,000	and over	196,114	48.00	28.92	44.05	24.00

Northwest Territories

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	53,003	0	19.90	0.00	5.72	9.95
53,003	58,523	10,548	22.60	0.00	8.71	11.30
58,523	106,009	11,795	29.10	7.56	16.18	14.55
106,009	117,045	25,614	32.70	8.53	20.32	16.35
117,045	172,346	29,222	38.20	16.12	26.65	19.10
172,346	181,440	50,347	40.05	18.67	28.77	20.03
181,440	258,482	53,989	43.34	23.22	32.56	21.67
258,482	and over	87,383	47.05	28.33	36.82	23.53

Nunavut

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	55,801	0	18.00	0.00	7.32	9.00
55,801	58,523	10,044	21.00	2.06	10.77	10.50
58,523	111,602	10,616	27.50	9.62	18.24	13.75
111,602	117,045	25,213	29.50	12.38	20.54	14.75
117,045	181,439	26,818	35.00	19.97	26.87	17.50
181,439	258,482	49,356	40.79	27.97	33.53	20.40
258,482	and over	80,786	44.50	33.08	37.79	22.25

Non-Resident

Taxable income range from: ($)	to: ($)	Tax on bottom of range (regular income) ($)	Rate on regular income (%)	Rate on eligible dividends (%)	Rate on ineligible dividends (%)	Rate on capital gains (%)
0	58,523	0	20.72	---	---	10.36
58,523	117,045	12,126	30.34	---	---	15.17
117,045	181,440	29,882	38.48	---	---	19.24
181,440	258,482	54,661	42.92	---	---	21.46
258,482	and over	87,727	48.84	---	---	24.42

2026 personal tax quick estimate table

The estimates include only the federal and provincial basic personal tax credits.

The following are not included in the estimates: low-income tax reductions, refundable provincial/territorial credits, the Ontario Health Premium, the contribution to the Health Services Fund (Québec), and the premium payable under the Québec Prescription Drug Insurance Plan.

Regular income level	BC	AB	SK	MB	ON	QC
10,000	-	-	-	-	-	-
15,000	100	-	-	-	102	-
20,000	877	497	497	952	851	561
25,000	1,857	1,375	1,682	2,192	1,803	1,846
30,000	2,837	2,475	2,907	3,432	2,756	3,130
35,000	3,817	3,575	4,132	4,672	3,708	4,415
40,000	4,797	4,675	5,357	5,912	4,661	5,699
45,000	5,777	5,775	6,582	7,152	5,613	6,984
50,000	6,757	6,875	7,807	8,451	6,566	8,268
55,000	7,834	7,975	9,041	9,788	7,564	9,586
60,000	9,015	9,171	10,462	11,222	8,817	11,200
65,000	10,425	10,672	12,112	12,884	10,300	13,006
70,000	11,835	12,197	13,762	14,547	11,782	14,812
75,000	13,245	13,722	15,412	16,209	13,265	16,618
80,000	14,655	15,247	17,062	17,872	14,747	18,424
85,000	16,065	16,772	18,712	19,534	16,230	20,230
90,000	17,475	18,297	20,362	21,197	17,712	22,036
95,000	18,885	19,822	22,012	22,859	19,197	23,842
100,000	20,295	21,347	23,662	24,522	20,771	25,647
110,000	23,375	24,397	26,962	28,312	23,972	29,325
120,000	26,715	27,610	30,425	32,265	27,853	33,573
130,000	30,544	31,210	34,275	36,605	32,194	38,144
140,000	34,373	34,810	38,125	40,945	36,535	42,850
150,000	38,433	38,410	41,975	45,285	40,876	47,596
(Top federal) 258,482	86,553	82,937	88,332	95,403	92,798	101,202
Top provincial/territorial						
Income level	265,545	370,220	155,805	100,000	220,000	132,245
Estimated tax	90,070	135,453	44,210	24,522	73,625	39,170
Top combined marginal rates						
Regular income	53.50%	48.00%	47.50%	50.40%	53.53%	53.31%
Dividends — eligible	36.54%	34.31%	29.64%	37.78%	39.34%	40.11%
Dividends — ineligible	48.89%	42.30%	41.34%	46.67%	47.74%	48.70%
Capital gains	26.75%	24.00%	23.75%	25.20%	26.77%	26.66%

2026 personal tax quick estimate table

(See note on page 7.)

Regular income level	NB	NS	PEI	NL	YT	NWT	NU
10,000	-	-	-	-	-	-	-
15,000	126	270	-	166	-	-	-
20,000	1,092	1,206	972	1,098	724	603	510
25,000	2,262	2,345	2,147	2,233	1,744	1,598	1,410
30,000	3,432	3,485	3,322	3,368	2,764	2,593	2,310
35,000	4,602	4,871	4,539	4,503	3,784	3,588	3,210
40,000	5,772	6,319	5,913	5,638	4,804	4,583	4,110
45,000	6,942	7,766	7,286	6,791	5,824	5,578	5,010
50,000	8,112	9,214	8,660	8,216	6,844	6,573	5,910
55,000	9,405	10,661	10,033	9,641	7,864	7,622	6,810
60,000	10,901	12,205	11,503	11,162	9,018	8,848	7,932
65,000	12,626	14,029	13,201	12,912	10,493	10,303	9,307
70,000	14,351	15,887	15,031	14,662	11,968	11,758	10,682
75,000	16,076	17,746	16,886	16,412	13,443	13,213	12,057
80,000	17,801	19,604	18,741	18,162	14,918	14,668	13,432
85,000	19,526	21,463	20,596	19,912	16,393	16,123	14,807
90,000	21,251	23,321	22,451	21,671	17,868	17,578	16,182
95,000	22,976	25,180	24,306	23,486	19,343	19,033	17,557
100,000	24,701	27,060	26,161	25,301	20,818	20,488	18,932
110,000	28,258	30,860	29,902	28,931	23,768	23,542	21,682
120,000	32,070	34,822	33,877	32,723	26,937	26,974	24,763
130,000	36,270	39,172	38,239	36,903	30,627	30,794	28,263
140,000	40,470	43,522	42,601	41,083	34,317	34,614	31,763
150,000	44,670	47,872	47,070	45,263	38,007	38,434	35,263
(Top federal) 258,482	95,033	101,148	99,010	95,829	82,143	84,006	77,696
Top provincial/territorial							
Income level	193,861	157,124	200,000	1,141,275	500,000	172,346	181,439
Estimated tax	63,501	50,971	70,181	573,356	192,758	46,970	46,266
Top combined marginal rates							
Regular income	52.50%	54.00%	53.00%	54.80%	48.00%	47.05%	44.50%
Dividends — eligible	32.40%	41.58%	37.92%	46.20%	28.92%	28.33%	33.08%
Dividends — ineligible	46.83%	49.99%	49.07%	48.96%	44.05%	36.82%	37.79%
Capital gains	26.25%	27.00%	26.50%	27.40%	24.00%	23.53%	22.25%

RRSP contribution limits

Year	Dollar contribution limit[(1)]	Income level[(2)]
2025	$32,490	$180,500
2026	$33,810	$187,833
2027	$35,390	$196,611
2028	Indexed	Indexed

(1) RRSP contribution limit for a year is the lesser of the dollar limit for that year and 18% of the prior year's earned income, less any pension adjustment for the prior year (reported on your T4).

(2) Earned income is needed in prior year for maximum contribution.

RPP and DPSP limits

Year	Defined Benefit RPP[(1)]	Money Purchase RPP[(2)]	DPSP[(3)]
2025	$3,757	$33,810	$16,905
2026	$3,932	$35,390	$17,695
2027	Indexed	Indexed	Indexed

(1) Maximum pension benefit per year of service.

(2) Annual contribution limit. Employee and employer contributions cannot exceed the lesser of the annual limit and 18% of the employee's compensation for the year.

(3) The DPSP limit is one-half of the money purchase RPP annual contribution limit. Employer contributions cannot exceed the lesser of the annual limit and 18% of an employee's compensation for the year.

2026 Employment Insurance rates and premiums

Jurisdiction	Maximum yearly insurable earnings	Employee's premium rate	Employer's premium rate	Maximum yearly employee premium	Maximum yearly employer premium
All provinces and territories except Québec	$68,900	1.63%	2.282%	$1,123.07	$1,572.30
Québec	$68,900	1.30%	1.820%	$895.70	$1,253.98

2026 Québec Parental Insurance Plan rates and premiums

Type of worker	Maximum yearly insurable earnings	Employee's / individual's premium rate	Employer's premium rate	Maximum yearly employee / individual premium	Maximum yearly employer premium
Salaried	$103,000	0.430%	0.602%	$442.90	$620.06
Self-employed	$103,000	0.764%	N/A	$786.92	N/A

2026 Canada Pension Plan and Québec Pension Plan rates and contributions*

Maximum pensionable earnings	Basic exemption	Maximum contributory earnings	Employee and employer rate	Maximum employee / employer contribution	Maximum self-employed contribution
$74,600	$3,500	$71,100	CPP 5.95% / QPP 6.30%	CPP $4,230.45 / QPP $4,479.30	CPP $8,460.90 / QPP $8,958.60

Second additional contribution	Maximum pensionable earnings	Additional maximum annual pensionable earnings	Employee and employer Rate	Maximum employee / employer contribution	Maximum self-employed contribution
CPP2/QPP2	$74,600	$85,000	4.00%	$416.00	$832.00

*Québec employers deduct the Québec Pension Plan (QPP) contributions instead of CPP contributions. Earnings and exemption amounts are the same as above; employee/employer rates are 6.30% for maximum employee/employer contribution of $4,479.30 and maximum self-employed contribution of $8,958.60, second additional contribution rates and amounts are the same as above.

2026 corporate income tax facts and figures

The rates shown are nominal tax rates as at July 1, 2026. Add federal and provincial/territorial rates to get a combined rate. Rate and amount changes are set out in the notes and should be prorated for taxation years that straddle the effective dates (except where noted).

Jurisdiction	Canadian-controlled private corporations (CCPCs)			Other corporations	
	Active business income (ABI)		Investment income	Manufacturing & processing	Other
	Rate	Income limit			
Federal	9.00%/4.50%	$500,000	38.67%	15.00%/7.50%	15.00%
Provincial/territorial					
British Columbia	2.00	500,000	12.00	12.00	12.00
Alberta	2.00	500,000	8.00	8.00	8.00
Saskatchewan	1.00	600,000	12.00	10.00	12.00
Manitoba	0.00	500,000	12.00	12.00	12.00
Ontario	2.20	500,000	11.50	10.00	11.50
Québec	3.20/2.20	500,000	11.50	11.50	11.50
New Brunswick	2.50	500,000	14.00	14.00	14.00
Nova Scotia	1.50	700,000	14.00	14.00	14.00
Prince Edward Island	1.00	600,000	15.00	15.00	15.00
Newfoundland & Labrador	2.00	500,000	15.00	15.00	15.00
Yukon	0.00	500,000	12.00	2.50	12.00
Northwest Territories	2.00	500,000	11.50	11.50	11.50
Nunavut	3.00	500,000	12.00	12.00	12.00

Note of changes (2025 and later years):

Federal

- The business limit is phased out for CCPCs based on the greater of two components:
  1. For corporations that have taxable capital employed in Canada of more than $10 million, the business limit is reduced on a straight-line basis and is eliminated when taxable capital reaches $50 million. Associated corporations are grouped for this test.
  2. For corporations that earned more than $50,000 of passive investment income in a year, the business limit is reduced by $5 for every $1 of investment income earned and is eliminated when investment income earned in the associated group of corporations reaches $150,000. Ontario and New Brunswick are not implementing the investment income restriction to the provincial business limit.
- The corporate tax rates are temporarily reduced for qualifying companies involved in zero-emission technology manufacturing or process activities. The tax rates on zero-emission technology manufacturing profits would be 4.5% where that income would otherwise be taxed at the 9% small business tax rate, and 7.5% where that income would otherwise be taxed at the 15% general corporate tax rate. The reduced tax rates apply to taxation years that begin after 2021 and are legislated to be gradually phased out in taxation years that begin in 2032, and to be fully phased out for taxation years that begin after 2034.
- 30.67% of investment income is eligible for a refund at the rate of 38.33% of dividends paid.
- The federal rate on personal services business income is 33.0%.
- An additional tax applies to bank and life insurer groups of 1.5% on taxable income over $100 million, which increases the tax rate from 15% (in the chart above) to 16.5%. The $100 million taxable income exemption must be shared amongst group members.

Ontario

- The rate on ABI up to the business limit decreases from 3.2% to 2.2% effective July 1, 2026.

Québec

- The rate on ABI up to the business limit decreases from 3.2% to 2.2% for taxation years that begin after April 29, 2026.
- Corporations must either meet the minimum number of remunerated hours test or operate in the manufacturing or primary (MOP) industries to access the small business deduction (SBD).
- To meet the remunerated hours test, the corporation must have paid its employees for at least 5,500 hours per year in its current or previous taxation year. Where the number of hours worked falls below this threshold, the SBD rate will be reduced linearly when the number of hours paid per year falls between 5,000 and 5,500 hours. Where the hours are less than 5,000, no SBD will be available.
- SMBs in the MOP industries that do not meet the remunerated hours test can benefit from the full SBD rate if 50% or more of their activities are in the MOP sector. Where this proportion is between 25% and 50%, the SBD rate will be reduced.
- If a corporation in the MOP sector meets both the minimum proportion of activities test (over 25%) and the minimum number of remunerated hours test (over 5,000 hours), the SBD rate is equal to the greater of the rates calculated under the two tests.

Nova Scotia

- The rate on ABI up to the business limit decreased from 2.5% to 1.5%, and the small business deduction limit increased from $500,000 to $700,000, both effective April 1, 2025.

Prince Edward Island

- The general corporate tax rate decreased from 16% to 15%, and the small business deduction limit increased from $500,000 to $600,000, both effective July 1, 2025.

Newfoundland and Labrador

- The rate on ABI up to the business limit decreased from 2.5% to 2% retroactively on January 1, 2026, and will decrease to 1.5% on January 1, 2027, and to 1% on January 1, 2028.

2026 employer payroll tax

The following jurisdictions levy an employer payroll tax on remuneration for individuals employed in that jurisdiction. Tax rates for 2026 are listed below. This chart does not include workers' safety and compensation board premiums, Quebec's contribution related to labour standards, and Quebec's contribution to the Workforce Skills Development and Recognition Fund (WSDRF). This chart also does not include certain other taxes paid by employees as a payroll deduction in Northwest Territories, Nunavut, and Québec.

Jurisdiction	Payroll tax rates (%)	Notes
MB (1)	0 – 4.3	(1) Manitoba Health and Post Secondary Education Tax Levy: Payroll of $0 to $2.5 million, no tax; from $2.5 million to $5 million, 4.3% of payroll over $2.5 million; over $5 million, 2.15% of total payroll. Associated corporations and certain corporate partnerships are deemed to be a single employer for purposes of the exemption.
ON (2)	0 – 1.95	(2) Ontario Employer Health Tax: Rate of tax is 0.98% for taxable remuneration that does not exceed $200,000 and 1.95% for taxable remuneration over $400,000 (graduated rates apply for payrolls between the thresholds). The tax rate to use is based on the level of Ontario payroll before deducting any tax exemption. The general exemption for eligible employers is $1 million. This exemption is indexed every five years and the next scheduled adjustment for inflation will be January 1, 2029. Private sector employers with annual Ontario payrolls over $5 million, including groups of associated employers, are not eligible for the exemption. However, eligible employers who are registered charities can claim the exemption even if their payroll exceeds $5 million. Special rules apply to eligible employers who are registered charities.
QC (3)	1.25 – 4.26 or 1.65 – 4.26	(3) Quebec Contribution to the Health Services Fund: Rate of tax is 4.26% unless the employer qualifies for a reduced contribution rate. An employer that is not in the public-sector and has total payroll of less than the total payroll threshold applicable for the year, which is $7.8 million, is eligible for a reduced rate. For employers whose total payroll is more than 50% attributable to activities in the primary and manufacturing sectors, the rate is 1.25% for payrolls of $1 million or less. The rate rises linearly from 1.25% to 4.26% where payroll is between $1 million and $7.8 million. All employers other than public sector employers and employers in the primary and manufacturing sectors described above will pay a rate of 1.65% for payrolls of $1 million or less. The rate rises linearly to 4.26% where payroll is between $1 million and $7.8 million. Associated employers must be considered when determining total payroll. On January 28, 2026, Québec's Minister of Finance broadened the rules for the temporary exemption from health services fund (HSF) contributions for the agriculture, forestry and fishing sectors announced in the economic and financial update of November 25, 2025. The broadened rules are retroactive to January 1, 2026.
NL (4)	0 – 2.0	(4) Newfoundland and Labrador Health and Post Secondary Education Tax: Rate of tax is 2% on payroll over $2 million. Associated employers must share the exemption threshold.
BC (5)	0 – 5.85	(5) British Columbia Employer Health Tax: Payroll of $0 to $1 million, no tax; from $1 million to $1.5 million, 5.85% of payroll between $1 million and $1.5 million; over $1.5 million, 1.95% of total payroll. Associated employers with combined payroll between $1 million and $1.5 million must share the $1 million exemption. If combined payroll of the associated employers exceeds $1.5 million, no exemption is available to any of the employers.

2026 sales tax

Jurisdiction	Sales tax rates (%)	Combined rates (%)
Federal	5.0	--
BC	7.0	12.0
SK	6.0	11.0
MB	7.0	12.0
ON (1)	8.0	13.0
QC (2)	9.975	14.975
NS (3)	9.0	14.0
NB, PEI, NL (4)	10.0	15.0
AB, YT, NWT, NU	0.0	5.0

Notes

(1) Ontario harmonized its sales tax system with the 5% GST to produce a combined federal/provincial rate of 13%.

(2) The Québec system is harmonized with the GST though two separate tax systems remain — the GST and the QST.

(3) Nova Scotia harmonized its sales tax system with the 5% GST to produce a combined federal/provincial rate of 14%.

(4) New Brunswick, Prince Edward Island, and Newfoundland and Labrador harmonized their sales tax system with the 5% GST to produce a combined federal/provincial rate of 15%.