



# Tax Facts 2025

Based on tax rates announced to July 1, 2025

*Tax Facts 2025* provides you with a summary of 2025 personal income tax rates and amounts, as well as corporate tax rates based on announcements made to July 1, 2025.

## 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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## 2025 top personal marginal tax rates

Jurisdiction <sup>(1)</sup>	Tax on Income Top Rate (%)	Tax-On-Tax Top Rate (%)	Provincial Surtax (%)	2025 Combined Top Marginal Rates			
				Regular Income (%)	Eligible Dividends (%)	Ineligible Dividends (%)	Capital Gains (%)
Federal	33.00	---	---	---	---	---	---
British Columbia >\$260K	20.50	---	---	53.50	36.54	48.89	26.75
Alberta >\$363K	15.00	---	---	48.00	34.31	42.30	24.00
Saskatchewan	14.50	---	---	47.50	29.64	41.34	23.75
Manitoba >\$400K	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 <sup>(2)</sup>	21.00	---	---	54.00	41.58	49.99	27.00
Prince Edward Island <sup>(3)</sup>	19.00	---	---	52.00	36.54	47.92	26.00
Newfoundland & Labrador >\$1.13M	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 \$253,414 for 2025. Where the provincial or territorial threshold is higher than federal, the amount is indicated above.
- (2) **Nova Scotia** — The dividend tax credit rate on the taxable amount of ineligible dividends decreased from 2.99% to 1.50% for 2025.
- (3) **Prince Edward Island** — The top marginal tax rate increased from 18.75% to 19% and applies to taxable income over \$140,000 for 2025.

## 2025 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 2025 federal basic personal amount (BPA) increased from \$14,538 to \$16,129 for taxpayers with net income of \$177,882 or less. For income above this threshold, the additional BPA of \$1,591 is gradually reduced until it becomes nil at net income of \$253,414. 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 (AMT). For individuals, AMT is only calculated on income over \$177,882 federally.

**Federal rates:** The lowest federal personal income tax rate is reduced from 15% to 14%, effective July 1, 2025. As a result, the rate that would apply for the 2025 taxation year is 14.5%.

**Alberta rates:** A new personal tax bracket of 8% on the first \$60,000 of income applies, effective January 1, 2025.

British Columbia						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	49,279	0	19.56	0.00	9.86	9.78
49,279	57,375	9,639	22.20	0.00	12.90	11.10
57,375	98,560	11,436	28.20	7.56	19.80	14.10
98,560	113,158	23,050	31.00	7.56	23.02	15.50
113,158	114,750	27,576	32.79	7.96	25.07	16.40
114,750	137,407	28,098	38.29	15.55	31.40	19.15
137,407	177,882	36,773	40.70	18.88	34.17	20.35
177,882	186,306	53,247	44.01	23.44	37.97	22.01
186,306	253,414	56,954	46.11	26.34	40.39	23.06
253,414	259,829	87,894	49.80	31.44	44.64	24.90
259,829	and over	91,089	53.50	36.54	48.89	26.75

Alberta						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	57,375	0	22.50	0.00	12.98	11.25
57,375	60,000	12,909	28.50	7.56	19.88	14.25
60,000	114,750	13,658	30.50	10.16	22.18	15.25
114,750	151,234	30,356	36.00	17.75	28.50	18.00
151,234	177,882	43,490	38.00	20.51	30.80	19.00
177,882	181,481	53,617	41.31	25.07	34.61	20.66
181,481	241,974	55,103	42.31	26.45	35.76	21.16
241,974	253,414	80,695	43.31	27.83	36.91	21.66
253,414	362,961	85,649	47.00	32.93	41.15	23.50
362,961	and over	137,136	48.00	34.31	42.30	24.00

Saskatchewan						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	53,463	0	25.00	0.00	15.47	12.50
53,463	57,375	13,366	27.00	2.07	17.77	13.50
57,375	114,750	14,422	33.00	9.63	24.67	16.50
114,750	152,750	33,356	38.50	17.22	30.99	19.25
152,750	177,882	47,986	40.50	19.98	33.29	20.25
177,882	253,414	58,164	43.81	24.54	37.09	21.91
253,414	and over	91,251	47.50	29.64	41.34	23.75

## 2025 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, effective for the 2025 tax year. The marginal tax rates in the below table have been adjusted to reflect this.

Manitoba						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	47,564	0	25.30	3.86	17.81	12.65
47,564	57,375	12,034	27.25	6.56	20.05	13.63
57,375	101,200	14,707	33.25	14.12	26.95	16.63
101,200	114,750	29,279	37.90	20.53	32.30	18.95
114,750	177,882	34,414	43.40	28.12	38.62	21.70
177,882	200,000	61,814	46.71	32.69	42.43	23.36
200,000	253,414	72,144	47.56	33.86	43.41	23.78
253,414	400,000	97,546	51.25	38.96	47.65	25.63
400,000	and over	172,675	50.40	37.78	46.67	25.20

  

Ontario (does not include the Ontario Health Premium)						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	52,886	0	19.55	0.00	8.66	9.78
52,886	57,375	10,339	23.65	0.00	13.38	11.83
57,375	93,137	11,401	29.65	7.56	20.28	14.83
93,137	105,775	22,004	31.48	8.92	22.38	15.74
105,775	109,723	25,983	33.89	12.24	25.16	16.95
109,723	114,750	27,321	37.91	17.79	29.78	18.95
114,750	150,000	29,226	43.41	25.38	36.10	21.70
150,000	177,882	44,528	44.97	27.53	37.90	22.48
177,882	220,000	57,067	48.28	32.09	41.70	24.14
220,000	253,414	77,399	49.84	34.25	43.49	24.92
253,414	and over	94,051	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		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	53,255	0	26.11	3.17	17.42	13.06
53,255	57,375	13,904	31.11	10.07	23.17	15.56
57,375	106,495	15,185	36.12	16.39	28.93	18.06
106,495	114,750	32,926	41.12	23.29	34.68	20.56
114,750	129,590	36,320	45.71	29.63	39.96	22.86
129,590	177,882	43,104	47.46	32.04	41.97	23.73
177,882	253,414	66,023	50.22	35.85	45.15	25.11
253,414	and over	103,955	53.31	40.11	48.70	26.66

  

New Brunswick						
Taxable Income Range		Tax on Bottom of	Rate on Regular	Rate on Eligible	Rate on Ineligible	Rate on Capital
From:	To:	Range (Regular	Income	Dividends	Dividends	Gains
(\$)	(\$)	Income)	(%)	(%)	(%)	(%)
0	51,306	0	23.90	0.00	13.94	11.95
51,306	57,375	12,262	28.50	0.00	19.23	14.25
57,375	102,614	13,992	34.50	7.56	26.13	17.25
102,614	114,750	29,599	36.50	10.32	28.43	18.25
114,750	177,882	34,029	42.00	17.91	34.75	21.00
177,882	190,060	60,544	45.31	22.47	38.55	22.66
190,060	253,414	66,062	48.81	27.30	42.58	24.41
253,414	and over	96,982	52.50	32.40	46.83	26.25

## 2025 combined federal and provincial/territorial tax brackets

(See note on page 3.)

**Nova Scotia BPA:** Effective for the 2025 tax year, the Nova Scotia BPA is \$11,744 for all individuals, as the reduction provision for those with taxable income above \$25,000 has been removed.

Nova Scotia						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	30,507	0	23.29	0.00	14.67	11.65
30,507	57,375	7,105	29.45	8.42	21.76	14.73
57,375	61,015	15,018	35.45	15.98	28.66	17.73
61,015	95,883	16,308	37.17	18.35	30.64	18.59
95,883	114,750	29,269	38.00	19.50	31.59	19.00
114,750	154,650	36,438	43.50	27.09	37.92	21.75
154,650	177,882	53,794	47.00	31.92	41.94	23.50
177,882	253,414	64,714	50.31	36.48	45.74	25.16
253,414	and over	102,710	54.00	41.58	49.99	27.00

Prince Edward Island						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	33,328	0	24.00	0.00	15.72	12.00
33,328	57,375	7,999	27.97	4.10	20.28	13.99
57,375	64,656	14,725	33.97	11.66	27.18	16.99
64,656	105,000	17,198	37.10	15.98	30.78	18.55
105,000	114,750	32,166	38.12	17.39	31.95	19.06
114,750	140,000	35,882	43.62	24.98	38.28	21.81
140,000	177,882	46,896	45.00	26.88	39.87	22.50
177,882	253,414	63,943	48.31	31.44	43.67	24.16
253,414	and over	100,429	52.00	36.54	47.92	26.00

Newfoundland & Labrador						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	44,192	0	23.20	3.31	12.62	11.60
44,192	57,375	10,253	29.00	11.32	19.29	14.50
57,375	88,382	14,076	35.00	18.88	26.19	17.50
88,382	114,750	24,928	36.30	20.67	27.68	18.15
114,750	157,792	34,500	41.80	28.26	34.01	20.90
157,792	177,882	52,491	43.80	31.02	36.31	21.90
177,882	220,910	61,291	47.11	35.58	40.11	23.56
220,910	253,414	81,559	49.11	38.34	42.41	24.56
253,414	282,214	97,520	52.80	43.44	46.66	26.40
282,214	564,429	112,727	53.80	44.82	47.81	26.90
564,429	1,128,858	264,558	54.30	45.51	48.38	27.15
1,128,858	and over	571,043	54.80	46.20	48.96	27.40

## 2025 combined federal and provincial/territorial tax brackets

(See note on page 3.)

**Yukon BPA:** For taxpayers with net income of \$177,882 or less, the Yukon BPA is \$16,129, which comprises of a base amount of \$14,538, plus an additional \$1,591. For those with net income above this threshold, the additional BPA of \$1,591 is gradually reduced and becomes nil once net income reaches \$253,414.

Yukon						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	57,375	0	20.90	0.00	12.88	10.45
57,375	114,750	11,991	29.50	7.56	22.77	14.75
114,750	177,882	28,917	36.90	15.15	31.28	18.45
177,882	253,414	52,213	42.24	20.97	37.43	21.12
253,414	500,000	84,118	45.80	25.89	41.52	22.90
500,000	and over	197,054	48.00	28.92	44.05	24.00

Northwest Territories						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	51,964	0	20.40	0.00	6.29	10.20
51,964	57,375	10,601	23.10	0.00	9.28	11.55
57,375	103,930	11,851	29.10	7.56	16.18	14.55
103,930	114,750	25,398	32.70	8.53	20.32	16.35
114,750	168,967	28,936	38.20	16.12	26.65	19.10
168,967	177,882	49,647	40.05	18.67	28.77	20.03
177,882	253,414	53,218	43.36	23.23	32.57	21.68
253,414	and over	85,965	47.05	28.33	36.82	23.53

Nunavut						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	54,707	0	18.50	0.00	7.89	9.25
54,707	57,375	10,121	21.50	2.06	11.34	10.75
57,375	109,413	10,694	27.50	9.62	18.24	13.75
109,413	114,750	25,005	29.50	12.38	20.54	14.75
114,750	177,881	26,579	35.00	19.97	26.87	17.50
177,881	253,414	48,675	40.81	27.98	33.54	20.41
253,414	and over	79,497	44.50	33.08	37.79	22.25

Non-Resident						
Taxable Income Range		Tax on Bottom of Range (Regular Income)	Rate on Regular Income	Rate on Eligible Dividends	Rate on Ineligible Dividends	Rate on Capital Gains
From: (\$)	To: (\$)	(\$)	(%)	(%)	(%)	(%)
0	57,375	0	21.46	---	---	10.73
57,375	114,750	12,313	30.34	---	---	15.17
114,750	177,882	29,720	38.48	---	---	19.24
177,882	253,414	54,013	42.92	---	---	21.46
253,414	and over	86,432	48.84	---	---	24.42

## 2025 personal tax quick estimate table

The estimates include only the federal and provincial BPA 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	105	-	-	-	114	-
20,000	919	561	615	1,017	928	669
25,000	1,897	1,500	1,865	2,282	1,905	1,974
30,000	2,875	2,625	3,115	3,547	2,883	3,279
35,000	3,853	3,750	4,365	4,812	3,860	4,585
40,000	4,831	4,875	5,615	6,077	4,838	5,890
45,000	5,809	6,000	6,865	7,342	5,815	7,196
50,000	6,806	7,125	8,115	8,655	6,793	8,501
55,000	7,916	8,250	9,395	10,017	7,857	9,894
60,000	9,183	9,533	10,903	11,537	9,197	11,581
65,000	10,593	11,058	12,553	13,200	10,679	13,386
70,000	12,003	12,583	14,203	14,862	12,162	15,192
75,000	13,413	14,108	15,853	16,525	13,644	16,998
80,000	14,823	15,633	17,503	18,187	15,127	18,804
85,000	16,233	17,158	19,153	19,850	16,609	20,610
90,000	17,643	18,683	20,803	21,512	18,092	22,416
95,000	19,053	20,208	22,453	23,175	19,608	24,222
100,000	20,504	21,733	24,103	24,837	21,182	26,028
110,000	23,604	24,783	27,403	28,571	24,443	29,815
120,000	27,115	28,122	30,992	32,650	28,523	34,167
130,000	30,944	31,722	34,842	36,990	32,864	38,746
140,000	34,836	35,322	38,692	41,330	37,205	43,492
150,000	38,906	38,922	42,542	45,670	41,546	48,238
(top ON) 220,000	69,495	67,274	72,229	77,613	74,417	82,622
(top federal) 253,414	84,901	81,525	86,866	93,503	91,069	99,403
(top BC) 259,829	88,096	84,540	89,913	96,791	94,503	102,822
(top AB) 362,961	143,271	133,012	138,901	149,649	149,709	157,797
(top YT) 500,000	216,587	198,791	203,994	219,032	223,065	230,845
(top NL) 1,128,858	553,026	500,642	502,702	535,976	559,690	566,058
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%

## 2025 personal tax quick estimate table

(See note on page 7.)

Regular Income Level	NB	NS	PEI	NL	YT	NWT	NU
10,000	-	-	-	-	-	-	-
15,000	151	286	33	342	-	-	-
20,000	1,182	1,287	1,070	1,338	809	689	590
25,000	2,377	2,451	2,270	2,498	1,854	1,709	1,515
30,000	3,572	3,616	3,470	3,658	2,899	2,729	2,440
35,000	4,767	5,057	4,736	4,818	3,944	3,749	3,365
40,000	5,962	6,530	6,134	5,978	4,989	4,769	4,290
45,000	7,157	8,002	7,533	7,185	6,034	5,789	5,215
50,000	8,352	9,475	8,931	8,635	7,079	6,809	6,140
55,000	9,717	10,947	10,330	10,085	8,124	7,911	7,074
60,000	11,299	12,577	11,886	11,693	9,395	9,223	8,307
65,000	13,024	14,418	13,595	13,443	10,870	10,678	9,682
70,000	14,749	16,277	15,450	15,193	12,345	12,133	11,057
75,000	16,474	18,135	17,305	16,943	13,820	13,588	12,432
80,000	18,199	19,994	19,160	18,693	15,295	15,043	13,807
85,000	19,924	21,852	21,015	20,443	16,770	16,498	15,182
90,000	21,649	23,711	22,870	22,214	18,245	17,953	16,557
95,000	23,374	25,569	24,725	24,029	19,720	19,408	17,932
100,000	25,099	27,462	26,580	25,844	21,195	20,863	19,307
110,000	28,697	31,262	30,341	29,474	24,145	23,992	22,068
120,000	32,636	35,351	34,442	33,393	27,483	27,550	25,307
130,000	36,836	39,701	38,804	37,573	31,173	31,370	28,807
140,000	41,036	44,051	43,166	41,753	34,863	35,190	32,307
150,000	45,236	48,401	47,666	45,933	38,553	39,010	35,807
(top ON) 220,000	77,076	82,530	80,558	77,829	66,632	68,087	62,752
(top federal) 253,414	93,384	99,339	96,699	94,219	80,747	82,573	76,387
(top BC) 259,829	96,752	102,803	100,035	97,606	83,685	85,592	79,242
(top AB) 362,961	150,896	158,495	153,663	152,867	130,919	134,115	125,135
(top YT) 500,000	222,842	232,496	224,924	226,594	193,683	198,592	186,118
(top NL) 1,128,858	552,992	572,079	551,930	567,742	495,535	494,470	465,960
<b>Top Combined Marginal Rates</b>							
Regular Income	52.50%	54.00%	52.00%	54.80%	48.00%	47.05%	44.50%
Dividends — Eligible	32.40%	41.58%	36.54%	46.20%	28.92%	28.33%	33.08%
Dividends — Ineligible	46.83%	49.99%	47.92%	48.96%	44.05%	36.82%	37.79%
Capital Gains	26.25%	27.00%	26.00%	27.40%	24.00%	23.53%	22.25%

## RRSP contribution limits

Year	Dollar Contribution Limit <sup>(1)</sup>	Income Level <sup>(2)</sup>
2024	\$31,560	\$175,333
2025	\$32,490	\$180,500
2026	\$33,810	\$187,833
2027	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 <sup>(1)</sup>	Money Purchase RPP <sup>(2)</sup>	DPSP <sup>(3)</sup>
2024	\$3,610	\$32,490	\$16,245
2025	\$3,757	\$33,810	\$16,905
2026	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.

## 2025 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	\$65,700	1.64%	2.296%	\$1,077.48	\$1,508.47
Québec	\$65,700	1.31%	1.834%	\$860.67	\$1,204.94

## 2025 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	\$98,000	0.494%	0.692%	\$484.12	\$678.16
Self-employed	\$98,000	0.878%	N/A	\$860.44	N/A

## 2025 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
\$71,300	\$3,500	\$67,800	CPP 5.95% / QPP 6.40%	CPP \$4,034.10 / QPP \$4,339.20	CPP \$8,068.20 / QPP \$8,678.40
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	\$71,300	\$81,200	4.00%	\$396.00	\$792.00

\*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 6.40% for maximum employee/employer contribution of \$4,339.20 and maximum self-employed contribution of \$8,678.40, second additional contribution rates and amounts are the same as above.

## 2025 corporate income tax facts and figures

The rates shown are nominal tax rates as at July 1, 2025. 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).

	Canadian-Controlled Private Corporations (CCPCs)			Other Corporations	
	Active Business Income (ABI)		Investment Income	Manufacturing & Processing	Other
	Rate	Income Limit			
<b>Federal</b>	9.00%/4.50%	\$500,000	38.67%	15.00%/7.50%	15.00%
<b>Provincial/territorial</b>					
<b>British Columbia</b>	2.00	500,000	12.00	12.00	12.00
<b>Alberta</b>	2.00	500,000	8.00	8.00	8.00
<b>Saskatchewan</b>	1.00	600,000	12.00	10.00	12.00
<b>Manitoba</b>	0.00	500,000	12.00	12.00	12.00
<b>Ontario</b>	3.20	500,000	11.50	10.00	11.50
<b>Québec</b>	3.20	500,000	11.50	11.50	11.50
<b>New Brunswick</b>	2.50	500,000	14.00	14.00	14.00
<b>Nova Scotia</b>	1.50	700,000	14.00	14.00	14.00
<b>Prince Edward Island</b>	1.00	600,000	15.00	15.00	15.00
<b>Newfoundland &amp; Labrador</b>	2.50	500,000	15.00	15.00	15.00
<b>Yukon</b>	0.00	500,000	12.00	2.50	12.00
<b>Northwest Territories</b>	2.00	500,000	11.50	11.50	11.50
<b>Nunavut</b>	3.00	500,000	12.00	12.00	12.00

### Note of changes (2024 and later years):

#### Federal

- ♦ The business limit is phased out for Canadian-controlled private corporations (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.
  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 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.

#### Saskatchewan

- ♦ Rate on ABI up to the business limit temporarily decreased from 2% to 0% effective Oct. 1, 2020. This rate increased to 1% effective July 1, 2023 and was scheduled to increase to 2% effective July 1, 2024; however, legislation has been passed to maintain the 1% rate indefinitely.

#### Québec

- ♦ 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 reduced from 3% to 2.5% effective January 1, 2024.

## 2025 employer payroll tax

The following jurisdictions levy an employer payroll tax on remuneration for individuals employed in that jurisdiction. Tax rates for 2025 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 <sup>(1)</sup>	0 – 4.3	<p><b>(1)</b> Manitoba Health and Post Secondary Education Tax Levy: Payroll of \$0 to \$2.25 million, no tax; from \$2.25 million to \$4.5 million, 4.3% of payroll over \$2.25 million; over \$4.5 million, 2.15% of total payroll. Associated corporations and certain corporate partnerships are deemed to be a single employer for purposes of the exemption.</p> <p><b>(2)</b> 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.</p> <p><b>(3)</b> 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.</p> <p><b>(4)</b> Newfoundland and Labrador Health and Post Secondary Education Tax: Rate of tax is 2% on payrolls over \$2 million. Associated employers must share the exemption threshold.</p> <p><b>(5)</b> 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.</p>
ON <sup>(2)</sup>	0 – 1.95	
QC <sup>(3)</sup>	1.25 – 4.26 or 1.65 – 4.26	
NL <sup>(4)</sup>	0 – 2.0	
BC <sup>(5)</sup>	0 – 5.85	

## 2025 sales tax

Jurisdiction	Sales Tax Rates (%)	Combined Rates (%)	Notes
Federal	5.0	--	<p><b>(1)</b> Manitoba previously announced a reduction to its sales tax rate from 7% to 6% effective July 1, 2020; however, this reduction has been deferred until further notice.</p> <p><b>(2)</b> Ontario harmonized its sales tax system with the 5% GST to produce a combined federal/provincial rate of 13%.</p> <p><b>(3)</b> The Québec system is harmonized with the GST though two separate tax systems remain — the GST and the QST.</p> <p><b>(4)</b> Nova Scotia has a harmonized sales tax system, which includes the 5% federal portion and the provincial portion. Effective April 1, 2025, the provincial portion decreased from 10% to 9%, thus resulting in a combined federal/provincial rate of 14%.</p> <p><b>(5)</b> 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%.</p>
BC	7.0	12.0	
SK	6.0	11.0	
MB <sup>(1)</sup>	7.0	12.0	
ON <sup>(2)</sup>	8.0	13.0	
QC <sup>(3)</sup>	9.975	14.975	
NS <sup>(4)</sup>	9.0	14.0	
NB, PEI, NL <sup>(5)</sup>	10.0	15.0	
AB, YT, NWT, NU	0.0	5.0	