

Tax Facts for Ontario Residents

PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS IN 2016/2015

Taxable Income	Marginal Tax Rate					
	Salary		Public Company Dividends ⁽¹⁾⁽²⁾		Private Company Dividends ⁽²⁾	
	2016	2015	2016	2015	17% gross up 2016	18% gross up 2015
\$1 - \$11,474	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$11,475 - \$41,536	20.05%	20.05%	0.00%	0.00%	6.15%	5.35%
\$41,537 - \$45,282	24.15%	24.15%	0.00%	0.00%	10.95%	10.19%
\$45,283 - \$73,145	29.65%	31.15%	6.39%	8.46%	17.39%	18.45%
\$73,146 - \$83,075	31.48%	32.98%	8.92%	10.99%	19.53%	20.61%
\$83,076 - \$86,177	33.89%	35.39%	12.24%	14.31%	22.35%	23.45%
\$86,178 - \$90,563	37.91%	39.41%	17.79%	19.86%	27.05%	28.19%
\$90,564 - \$140,388	43.41%	43.41%	25.38%	25.38%	33.48%	32.91%
\$140,389 - \$150,000	46.41%	46.41%	29.52%	29.52%	36.99%	36.45%
\$150,001 - \$200,000	47.97%	47.97%	31.67%	31.67%	38.82%	38.29%
\$200,001 - \$220,000	51.97%	47.97%	37.19%	31.67%	43.50%	38.29%
Greater than \$220,000	53.53%	49.53%	39.34%	33.82%	45.33%	40.13%

(1) Includes dividends from CCPCs from income in excess of business limit

(2) Marginal rates are based on cash dividends received, not taxable amount

TAX RATES ON CORPORATE INCOME

	2016	2015
CCPC Active Income		
< \$500,000	15.00%	15.50%
> \$500,001	26.50%	26.50%
CCPC Investment Income		
Interest	50.17%	46.17%
Capital Gains	25.08%	23.09%

PRESCRIBED INTEREST RATES

	Q1	Q2	Q3	Q4
2016	1%	1%	1%	1%
2015	1%	1%	1%	1%

Note: These rates are for shareholder loans—refunds add 2%, overdue balances add 4%

TFSA LIMIT

Lifetime Contribution	Annual Limit	
	2016	2015
\$46,500	\$5,500	\$10,000

RRSP LIMITS

	2017	2016	2015
RRSP Deduction Limit	\$26,010	\$25,370	\$24,930
Income Required to Maximize RRSP	\$144,500	\$140,944	\$138,500
Deadline	March 1	March 1	Feb. 29

CPP LIMITS

Year	CPP Limit	Maximum Pensionable Earnings
2016	\$2,544.30	\$54,900
2015	\$2,479.95	\$53,600

EI MAXIMUM

Employee	Employer	Maximum Insurable Earnings
\$955.04	\$1,337.06	\$50,800
\$930.60	\$1,302.84	\$49,500

EHT EXEMPTION

Payroll <\$5 Million
\$450,000
\$450,000

CLAWBACK OF OLD AGE SECURITY

	2016	2015
OAS Benefit	TBD	\$6,771.75
15% Clawback for income greater than:	\$73,756	\$72,809
No OAS benefit for income greater than:	TBD	\$117,954

CAPITAL GAINS ON QUALIFIED SMALL BUSINESS SHARES

	2016	2015
Lifetime Exemption	\$824,176	\$813,600

Tax Facts for Ontario Residents

AUTOMOBILE AMOUNTS

Claim Description	2016	2015
Tax-exempt car reimbursements		
first 5,000 km	\$0.54/km	\$0.55/km
after 5,000 km	\$0.48/km	\$0.49/km
CCA threshold—Class 10.1	\$30,000	
Interest expense limit	\$300/month	
Leasing limit per month	\$800/mo+taxes	
Operating expense benefit (standby charge)	\$0.26/km	\$0.27/km

PENSION SPLITTING WITH SPOUSES

	65 or Older	Under 65
Pension Annuity Payments	Yes	Yes
RRIF Payments	Yes	No*
RRSP Annuity Payments	Yes	No*
RRSP Lump-Sum Withdrawals	No	No
Canada Pension Plan Benefits	No	No
Old Age Security Benefits	No	No

* Except if received due to the death of a spouse

TAX FILINGS/INSTALMENTS

DUE DATE

Corporate Tax Returns (T2)	6 months after year end
Corporations must make their tax payment for the current fiscal year:	
• If you have an active operating business	3 months after year end
• For other companies, such as holding companies	2 months after year end
Note: Corporations should also continue to make their respective monthly or quarterly instalments for the subsequent fiscal year, if required to do so.	
T4 Return—Summary of Remuneration Paid	February 28, 2017
T5 Return—Return of Investment Income (for interest and dividends)	February 28, 2017
Trust Returns (T3)	March 31, 2017
2016 Personal Tax Returns:	
• Individual	April 30, 2017
• Individual with self-employment income	June 15, 2017
• Taxes Payable	April 30, 2017
2016 Instalment Due Dates: Personal Tax and Trust & Estates :	Q1 (March 15) ; Q2 (June 15); Q3 (September 15); Q4 (December 15)
HST Return - Annual Filer	3 months after year end
HST Return - Quarterly Filer	1 month after end of quarter
2016 HST Instalments Due Dates : Annual Filer December 2016 Year End	Q1 (April 30); Q2 (July 31); Q3 (October 31); Q4 (January 31, 2017)
EHT Instalments (Payroll > \$600,000)	Monthly
2016 EHT Return	March 15, 2017

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 upon to replace specific professional advice.