

Tax Facts for Ontario Residents

PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS

2018 Taxable Income	MARGINAL TAX RATE		
	Salary	Public Company Dividends ⁽¹⁾⁽²⁾ 38% gross up	Private Company Dividends ⁽²⁾ 16% gross up
	2018	2018	2018
\$1 - \$11,809	0.00%	0.00%	0.00%
\$11,810 - \$42,960	20.05%	0.00%	8.00%
\$42,961 - \$46,605	24.15%	0.00%	12.76%
\$46,606 - \$75,657	29.65%	6.39%	19.14%
\$75,658 - \$85,923	31.48%	8.92%	21.26%
\$85,924 - \$89,131	33.89%	12.24%	24.06%
\$89,132 - \$93,208	37.91%	17.79%	28.72%
\$93,209 - \$144,489	43.41%	25.38%	35.10%
\$144,490 - \$150,000	46.41%	29.52%	38.58%
\$150,001 - \$205,842	47.97%	31.67%	40.39%
\$205,843 - \$220,000	51.97%	37.19%	45.03%
Greater than \$220,000	53.53%	39.34%	46.84%

(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

		2018	2017
CCPC Active Income	< \$500,000	13.50%	15.00%
	> \$500,001	26.50%	26.50%
CCPC Investment Income	Interest	50.17%	50.17%
	Refundable tax	30.67%	30.67%
	Capital Gains	25.08%	25.08%
	Refundable tax	15.34%	15.34%

Note: For investment income, tax refundable at a rate of \$38.33 for every \$100 of taxable dividends paid by the corporation

CLAWBACK OF OLD AGE SECURITY

	2018	2017
OAS Benefit	TBD	\$6,978.87
15% Clawback for income greater than:	\$75,910	\$74,788
No OAS benefit for income greater than:	TBD	\$121,314

TFSA LIMIT

Lifetime Contribution	Annual Limit	
	2018	2017
\$57,500	\$5,500	\$5,500

RRSP LIMITS

	2018	2017
RRSP Deduction Limit	\$26,230	\$26,010
Income Required to Maximize RRSP	\$145,722	\$144,500
Deadline	March 1	March 1

CPP LIMITS

Year	CPP Limit	Maximum Pensionable Earnings
2018	\$2,593.80	\$55,900
2017	\$2,564.10	\$55,300

EI MAXIMUM

Employee	Employer	Maximum Insurable Earnings
\$858.22	\$1,201.51	\$51,700
\$836.19	\$1,170.67	\$51,300

EHT EXEMPTION

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

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PRESCRIBED INTEREST RATES

	Q1	Q2	Q3	Q4
2018	1%	TBD	TBD	TBD
2017	1%	1%	1%	1%

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

AUTOMOBILE AMOUNTS

Claim Description	2018	2017
Tax-exempt car reimbursements:		
• first 5,000 km	\$0.55/km	\$0.54/km
• after 5,000 km	\$0.49/km	\$0.48/km
CCA threshold—Class 10.1	\$30,000	\$30,000
Interest expense limit	\$300/mo	\$300/mo
Leasing limit per month	\$800+tax	\$800+tax
Operating expense benefit (standby charge)	\$0.26/km	\$0.25/km

CAPITAL GAINS ON QUALIFIED SMALL BUSINESS SHARES

	2018	2017
Lifetime Exemption	\$848,252	\$835,716

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
- For other companies, such as holding companies

3 months after year end

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

T5 Return—Return of Investment Income
(for interest and dividends)

February 28

Trust Returns (T3)

March 31

Personal Tax Returns:

- Individual
- Individual with self-employment income
- Taxes Payable

April 30

June 15

April 30

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

HST Instalments Due Dates : Annual Filer December Year End

Q1 (April 30); Q2 (July 31);
Q3 (October 31); Q4 (January 31 of the following year)

EHT Instalments (Payroll > \$600,000)

Monthly

EHT Return

March 15 of the following year

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.