

2018 CORPORATE TAX RATES^(a)

Combined Federal and Provincial

	First \$500,000 for Qualifying Business ^{(b)(c)}	Basic Business	Basic M&P Business	Investment income CCPC ^(d)	Other
Quebec	17.24% ^{(e), (f), (g)}	26.70% ^(h)	26.70% ^(h)	50.37% ^(h)	26.70% ^(h)
Ontario	13.50% ⁽ⁱ⁾	26.50%	25.00%	50.17%	26.50%
Alberta	12.00%	27.00%	27.00%	50.67%	27.00%
British Columbia	12.00%	27.00%	27.00%	50.67%	27.00%
Manitoba	10.00%	27.00%	27.00%	50.67%	27.00%
New Brunswick	12.62%	29.00%	29.00%	52.67%	29.00%
Newfoundland & Labrador	13.00%	30.00%	30.00%	53.67%	30.00%
Nova Scotia	13.00%	31.00%	31.00%	54.67%	31.00%
Prince Edward Island	14.00%	31.00%	31.00%	54.67%	31.00%
Saskatchewan	12.00%	27.00%	25.00%	50.67%	27.00%

(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) The Federal small business rate was reduced from 10.5% to 10% effective January 1, 2018.

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

(e) Employees of the corporation, or of an associated corporation, must work and be remunerated for 5,500 hours for the current and previous taxation year or be a corporation in the primary or manufacturing sector. For corporations with less than 5,000 remunerated hours, the rate is 21.7%

(f) For qualifying M&P businesses, the combined rate is 14%.

(g) The small business rate was reduced from 8% to 7% effective March 28, 2018.

(h) The general income tax rate is reduced by 0.1% every year until 2020.

(i) The small business rate was reduced from 4.5% to 3.5% effective January 1, 2018.

2018 COMBINED TOP PERSONAL TAX RATES

	Income	Eligible Dividends	Ineligible Dividends	Capital Gains
Quebec	53.31%	39.89% ^(a)	44.83% ^(a)	26.65%
Ontario	53.53%	39.34%	46.84%	26.76%
Alberta	48.00%	31.71%	41.64%	24.00%
British Columbia	49.80%	34.20%	43.73%	24.90%
Manitoba	50.40%	37.78%	45.92%	25.20%
New Brunswick	53.30%	33.51%	46.88%	26.65%
Newfoundland & Labrador	51.30%	42.61%	43.81%	25.65%
Nova Scotia	54.00%	41.58%	47.33%	27.00%
Prince Edward Island	51.37%	34.22%	44.26%	25.69%
Saskatchewan	47.50%	29.64%	39.60%	23.75%

(a) Dividends tax rate as of March 28, 2018.

2018 SELECT U.S. TAX RATES

	Personal ^(a)			Corporate ^(a)
	Income	Long-Term Capital Gains	Qualified Dividends	Business Income ^(b)
California ^(c)	49.30%	32.30%	32.30%	27.98%
Florida	37.00%	20.00%	20.00%	25.35%
New York ^(d)	45.82%	28.82%	28.82%	26.14%

U.S. Estate Tax (Top Marginal Rate): 40%
 U.S. Estate Tax Exemption: \$11,200,000

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

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

(c) California individual income tax rate does not include surtax on income in excess of \$1,000,000.

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

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

(f) An additional 3.8% tax is imposed on investment income when the income exceeds \$200,000 if the taxpayer is not married, \$125,000 if married filing separately or \$250,000 if married filing jointly.

2018 PERSONAL TAX RATES^{(a), (b)}

Quebec Residents

Quebec					Federal					Combined					Marginal Rates				
Taxable Income	Tax	Marginal Rate on Excess	Tax	Marginal Rate on Excess	Tax	Marginal Rate on Excess	Tax	Marginal Rate on Excess	Eligible Dividends Actual ^(c)	Ineligible Dividends Actual ^(c)	Capital Gains								
\$15,012	\$0	15.00%	\$401	12.53%	\$401	27.53%	4.33%	14.93%	13.77%										
43,055	4,206	20.00%	3,914	12.53%	8,120	32.53%	11.23%	20.73%	16.26%										
46,605	4,916	20.00%	4,358	17.12%	9,274	37.12%	17.55%	26.06%	18.56%										
86,105	12,816	24.00%	11,120	17.12%	23,936	41.12%	23.07%	30.70%	20.56%										
93,208	14,521	24.00%	12,336	21.71%	26,857	45.71%	29.41%	36.02%	22.86%										
104,765	17,295	25.75%	14,845	21.71%	32,140	47.46%	31.82%	38.05%	23.73%										
144,489	27,524	25.75%	23,469	24.22%	50,993	49.97%	35.28%	40.97%	24.98%										
205,842	43,322	25.75%	38,325	27.56%	81,647	53.31%	39.89%	44.83%	26.65%										

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

(b) Does not include the Contribution to the Health Services Fund.

(c) Dividends tax rate as of March 28, 2018.

	Spouse	65 and over	Pension	Donation	Medical
Quebec ^(a)	\$3,731	\$1,392 ^(b)	\$671	53.31% ^(c)	32.53% ^(d)

(a) Adjusted for Quebec abatement.

(b) Maximum credit that is gradually reduced when family income exceeds \$34,030.

(c) Applies to donations in excess of \$200 to which the First-Time Donor's Super Credit is not applicable.

(d) Applies to medical expenses in excess of the lesser of 3% of net income and \$2,302 for federal purposes and 3% of family income for Quebec purposes.

2018 INVESTMENT YIELDS ^(a)

An Interest Rate of	Tax	An Eligible Dividend Rate of ^(b)	An Ineligible Dividend Rate of ^(b)	A Capital Gain Rate of
2%	Gives	1.55%	1.69%	1.27%
4%	the same	3.11%	3.39%	2.55%
6%	after-tax	4.66%	5.08%	3.82%
8%	as	6.21%	6.77%	5.09%

(a) Based on 53.31% marginal rate for a Quebec taxpayer.

(b) Dividend rate as of March 28, 2018.

SALARY VS. DIVIDEND

Comparison of Net Cash Retained by Shareholders ^(a)

Quebec Resident 53.31% Marginal Rate	Salary ^(b)	Dividend ^(c)
First \$500,000 Qualifying Business	\$ 448	\$ 457 ^(d)
First \$500,000 Qualifying Business (M&P)	448	474 ^(d)
Basic Business and Other Income	448	441
Investment Income CCPC	448	443 ^{(d), (e)}

(a) Assumes corporation has \$1,000 of income available for disbursement to owner/manager.

(b) Only takes into account levy for QHSF paid by corporation at top rate of 4.26%.

(c) Dividend rate as of March 28, 2018.

(d) Assumes dividends paid are ineligible.

(e) Net-of-dividend refund.

INCOME THAT CAN BE RECEIVED TAX-FREE

Interest	Capital Gain	Eligible Dividend	Ineligible Dividend
\$11,809	\$23,618	\$39,210	\$22,262

SALES TAX RATES IN CANADA

Province	GST Rate ^(a)	HST Rate ^(b)	PST Rate ^(c)	Total
Quebec	5.00%	-	9.975%	14.975%
Ontario	-	13.00%	-	13.00%
Alberta	5.00%	-	-	5.00%
British Columbia	5.00%	-	7.00%	12.00%
Manitoba	5.00%	-	8.00%	13.00%
New Brunswick	-	15.00%	-	15.00%
Newfoundland & Labrador	-	15.00%	-	15.00%
Nova Scotia	-	15.00%	-	15.00%
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

EFFECTIVE JULY 1, 2018 - QUEBEC

RICHTER INCOME TAX TABLES

MONTRÉAL

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