

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)}

Ontario Residents

Ontario			Federal			Combined			Marginal Rates		
Taxable Income	Tax	Marginal Rate on Excess	Tax	Marginal Rate on Excess	Tax	Marginal Rate on Excess	Eligible Dividends Actual	Ineligible Dividends Actual	Capital Gains		
\$10,354	\$0	5.05%	\$0	15.00%	\$0	20.05%	0.00%	8.00%	10.03%		
42,961	1,647	9.15%	4,673	15.00%	6,319	24.15%	0.00%	12.76%	12.08%		
46,606	1,980	9.15%	5,219	20.50%	7,200	29.65%	6.39%	19.14%	14.83%		
75,654	4,638	10.98%	11,175	20.50%	15,813	31.48%	8.92%	21.26%	15.74%		
85,924	5,766	13.39%	13,280	20.50%	19,045	33.89%	12.24%	24.06%	16.95%		
89,134	6,195	17.41%	13,938	20.50%	20,133	37.91%	17.79%	28.72%	18.95%		
93,209	6,905	17.41%	14,773	26.00%	21,678	43.41%	25.38%	35.10%	21.70%		
144,490	15,833	17.41%	28,106	29.00%	43,939	46.41%	29.52%	38.58%	23.20%		
150,001	16,792	18.97%	29,704	29.00%	46,497	47.97%	31.67%	40.39%	23.98%		
205,843	27,385	18.97%	45,898	33.00%	73,284	51.97%	37.19%	45.03%	25.98%		
220,001	30,071	20.53%	50,571	33.00%	80,642	53.53%	39.34%	46.84%	26.76%		

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

(b) Does not include the Ontario Health Premium.

	Spouse	65 and over	Pension	Donation	Medical
Ontario	\$2,215	\$1,355 ^(a)	\$372	50.41% ^(b)	20.05% ^(c)

(a) Maximum credit that is gradually reduced when income exceeds \$37,635.
 (b) Applies to donations in excess of \$200 to which the First-Time Donor's Super credit is not applicable.
 (c) Applies to medical expenses in excess of the lesser of 3% of net income and \$2,302 for federal purposes and the lesser of 3% of net income and \$2,343 for Ontario purposes.

2018 INVESTMENT YIELDS ^(a)

An Interest Rate of	Tax	An Eligible Dividend Rate of	An Ineligible Dividend Rate of	A Capital Gain Rate of
2%	Gives	1.53%	1.75%	1.27%
4%	the same	3.06%	3.50%	2.54%
6%	after-tax	4.60%	5.24%	3.81%
8%	as	6.13%	6.99%	5.08%

(a) Analysis is based on 53.53% marginal rate for an Ontario taxpayer.

SALARY VS. DIVIDEND

Comparison of Net Cash Retained by Shareholders ^(a)

Ontario Resident 53.53% Marginal Rate	Salary ^(b)	Dividend
First \$500,000 Qualifying Business	\$ 456	\$ 460 ^(c)
Basic Business	456	446
Basic M&P Business	456	455
Investment Income CCPC	456	428 ^{(c), (d)}
Other Income	456	446

(a) Assumes corporation has \$1,000 of income available for disbursement to owner/manager.
 (b) Takes into account Employee Health Tax paid by the corporation at the top rate of 1.95%.
 (c) Assumes dividends paid are ineligible.
 (d) Net-of-dividend refund.

INCOME THAT CAN BE RECEIVED TAX-FREE

Interest	Capital Gain	Eligible Dividend	Ineligible Dividend
\$10,354	\$20,708	\$51,809	\$30,733

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 - ONTARIO

RICHTER INCOME TAX TABLES

TORONTO

181 Bay St., #3320
 Bay Wellington Tower
 Toronto ON M5J 2T3
 416.488.2345

