

2020 Tax Table Quick Calculation

This table cannot be used if taxable income includes Canadian dividends.
This table does not include the Ontario Health Premium.

| Taxable Income | Federal Income Tax | Ontario Income Tax | Total Tax | Marginal Tax Rate for Regular Income | Marginal Tax Rate for Eligible Dividend | Marginal Tax Rate for Non-eligible Dividend | Marginal Tax Rate for Capital Gains |
|----------------|--------------------|--------------------|-----------|--------------------------------------|---|---|-------------------------------------|
| \$ | \$ | \$ | \$ | % | % | % | % |
| 12,298 | 0 | 0 | 0 | 15.00 | 0.00 | 9.24 | 7.50 |
| 44,740 | 4,727 | 1,714 | 6,441 | 24.15 | 0.00 | 13.95 | 12.07 |
| 48,535 | 5,296 | 2,061 | 7,357 | 29.65 | 6.39 | 20.28 | 14.83 |
| 78,783 | 11,496 | 4,830 | 16,326 | 31.48 | 8.92 | 22.38 | 15.74 |
| 89,482 | 13,690 | 6,004 | 19,694 | 33.89 | 12.24 | 25.16 | 16.95 |
| 92,825 | 14,375 | 6,452 | 20,827 | 37.91 | 17.79 | 29.78 | 18.95 |
| 97,069 | 15,244 | 7,191 | 22,435 | 43.41 | 25.38 | 36.10 | 21.71 |
| 100,000 | 16,007 | 7,701 | 23,708 | 43.41 | 25.38 | 36.10 | 21.71 |
| 150,000 | 29,007 | 16,405 | 45,412 | 44.97 | 27.53 | 37.90 | 22.49 |
| 150,473 | 29,130 | 16,495 | 45,625 | 48.19 | 31.97 | 41.60 | 24.09 |
| 180,000 | 37,757 | 22,096 | 59,853 | 48.19 | 31.97 | 41.60 | 24.09 |
| 214,368 | 47,799 | 28,615 | 76,414 | 51.98 | 37.19 | 45.95 | 25.99 |
| 220,000 | 49,658 | 29,684 | 79,342 | 53.53 | 39.34 | 47.74 | 26.76 |

Ontario Health Premium 2020

| Taxable Income | Tax |
|-----------------------|-------------|
| Up to \$ 20,000 | Nil |
| \$20,000 to \$36,000 | Up to \$300 |
| \$36,001 to \$48,000 | Up to \$450 |
| \$48,001 to \$72,000 | Up to \$600 |
| \$72,001 to \$200,000 | Up to \$750 |
| Over \$200,000 | Up to \$900 |

Maximum Contributions

2020

| | |
|-----------------------|------------|
| CPP employee/employer | \$2,898.00 |
| CPP Self-employed | \$5,796.00 |
| EI employee portion | \$856.36 |
| EI employer portion | \$1,198.90 |
| RRSP | \$27,230 |
| TFSA | \$6,000 |

Top Marginal Rates For Ontario

| Income Type | 2018 | 2019 | 2020 |
|------------------------|--------|--------|--------|
| Salary, Interest, Etc. | 53.53% | 53.53% | 53.53% |
| Non-eligible Dividends | 46.84% | 47.40% | 47.74% |
| Gross-up | 16% | 15% | 15% |
| Eligible Dividends | 39.34% | 39.34% | 39.34% |
| Gross-up | 38% | 38% | 38% |
| Capital Gain | 26.76% | 26.76% | 26.76% |

Automobile Rates

| Effective Date | Max. Ded'n per km (1 st 5,000km/excess) | Operating cost benefit | |
|-----------------|--|------------------------|------------------------|
| For 2020 | 59/53 | 28 | |
| For 2019 | 58/52 | 28 | |
| Effective Date | Cost Limit | Monthly Lease Limit | Monthly Interest Limit |
| For 2019 & 2020 | \$30,000 + HST | \$800.00 + HST | \$300 |

Federal Prescribed Interest Rates per Quarter

| | 1 st | 2 nd | 3 rd | 4 th |
|---|-----------------|-----------------|-----------------|-----------------|
| 2017 | 3% | 3% | 3% | 3% |
| 2018 | 3% | 4% | 4% | 4% |
| 2019 | 4% | 4% | 4% | 4% |
| 2020 | 4% | | | |
| Rate is <u>2% higher</u> for late or deficient income tax payments and unremitted tax withholdings | | | | |
| Rate is 2% lower for interest paid to corporations for 2013 and subsequent years and deemed interest on employee, shareholder and spousal loans | | | | |

CORPORATE INCOME TAXES IN ONTARIO – December 31, 2020 Year End

| | ABI & NO M&P | | | ABI & M&P | | | CCPC |
|-----------------------------------|--------------|--------------------|--------------|--------------|--------------------|--------------|-------------------|
| | Low Rate* | High Rate Clawback | High Rate | Low Rate* | High Rate Clawback | High Rate | Investment Income |
| Basic Federal Rate | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 |
| Basic Ontario Rate | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> | <u>11.50</u> |
| Combine Rate | 49.50 | 49.50 | 49.50 | 49.50 | 49.50 | 49.50 | 49.50 |
| Federal Abatement | (10.00) | (10.00) | (10.00) | (10.00) | (10.00) | (10.00) | (10.00) |
| Refundable Tax | - | - | - | - | - | - | 10.67 |
| General Rate Reduction | - | (13.00) | (13.00) | - | - | - | - |
| Federal SBD | (19.00) | - | - | (19.00) | - | - | - |
| Ontario SBD | (8.30) | - | - | (8.30) | - | - | - |
| Federal M&P Deduction | - | - | - | - | (13.00) | (13.00) | - |
| Ontario M&P Deduction | - | - | - | - | (1.50) | (1.50) | - |
| Total Combined Rate – 2019 | 12.20 | 26.50 | 26.50 | 12.20 | 25.00 | 25.00 | 50.17 |

* Active business income < \$500,000

Maximum Actual Non-eligible Dividends On Which No Tax Is Payable

Amount: \$26,870 (grossed up - \$30,900)

Assumptions: Single person
No other income
Basic personal non-refundable tax credit only

No Alternative Minimum Tax (AMT) would apply on the Non-eligible dividend in this situation

Note: No Federal Tax is payable however there still is an Ontario tax of \$300.00 representing the Ontario Health Premium (OHP)

Maximum Actual Eligible Dividends On Which No Tax Is Payable

Amount: \$52,297 (grossed up - \$72,170)

Assumptions: Single person
No other income
Basic personal non-refundable tax credit only

No Alternative Minimum Tax (AMT) would apply on the eligible dividend in this situation

Note: No Federal Tax is payable however there still is an Ontario tax of \$642.50 representing the Ontario Health Premium (OHP)