

## New Brunswick

### Combined federal and provincial personal income tax rates - 2019<sup>1</sup>

Taxable income			New Brunswick				
Lower limit	Upper limit		Basic tax <sup>2</sup>	Rate on excess	Marginal rate on		
					Eligible dividend income <sup>3</sup>	Other dividend income <sup>3</sup>	Capital gains <sup>4</sup>
\$ -	to	\$ 12,069	\$ -	0.00%	0.00%	0.00%	0.00%
12,070	to	17,134	-	15.00%	0.00%	6.87%	7.50%
17,135	to	39,301 <sup>5</sup>	760	27.68%	0.00%	18.28%	13.84%
39,302	to	42,592	6,895	24.68%	0.00%	14.83%	12.34%
42,593	to	47,630	7,708	29.82%	1.13%	20.75%	14.91%
47,631	to	85,184	9,210	35.32%	8.69%	27.07%	17.66%
85,185	to	95,259	22,474	37.02%	11.04%	29.03%	18.51%
95,260	to	138,491	26,204	42.52%	18.63%	35.35%	21.26%
138,492	to	147,667	44,586	43.84%	20.45%	36.87%	21.92%
147,668	to	157,778	48,609	46.84%	24.59%	40.32%	23.42%
157,779	to	210,371	53,345	49.30%	27.99%	43.15%	24.65%
210,372	and up		79,273	53.30%	33.51%	47.75%	26.65%

1. The tax rates reflect budget proposals and news releases to 15 June 2019. Where the tax is determined under the alternative minimum tax provisions (AMT), the above table is not applicable. AMT may be applicable where the tax otherwise payable is less than the tax determined by applying the relevant AMT rate to the individual's taxable income adjusted for certain preference items.
2. The tax determined by the table should be reduced by the applicable federal and provincial tax credits (see chart below), other than the basic personal tax credits, which have been reflected in the calculations.
3. The rates apply to the actual amount of taxable dividends received from taxable Canadian corporations. Eligible dividends are those paid by public corporations and private companies out of earnings that have been taxed at the general corporate tax rate (the dividend must be designated by the payor corporation as an eligible dividend). Where the dividend tax credit exceeds the federal and provincial tax otherwise payable on the dividends, the rates do not reflect the value of the excess credit that may be used to offset taxes payable from other sources of income. This assumption is consistent with prior year rates.
4. The rates apply to the actual amount of the capital gain. The capital gains exemption on qualified farm and fishing property and small business corporation shares may apply to eliminate the tax on those specific properties.
5. Individuals resident in New Brunswick on 31 December 2019 with taxable income up to \$17,134 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction is clawed back for income in excess of \$17,134 until the reduction is eliminated, resulting in an additional 3% of provincial tax on income between \$17,135 and \$39,301.

A chart of the most common non-refundable tax credits is available on the next page

## New Brunswick

### Federal and provincial personal tax credits - 2019<sup>1</sup>

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see note 2 above) <sup>2</sup>	\$ 1,810	\$ 994
Spousal credit (reduced when spouse's income over \$0 (federal) and \$872 (provincial)) <sup>2</sup>	1,810	844
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$872 (provincial)) <sup>2</sup>	1,810	844
Infirm dependant aged 18 or over (reduced when dependant's income over \$6,878 (provincial))	-	469
Caregiver credit (reduced when the particular person's income exceeds \$16,766 (federal) and \$16,554 (provincial))	1,071	469
Age credit (65 and over) <sup>3</sup>	1,124	485
Disability credit	1,262	804
Pension income (maximum)	300	97
Canada employment credit	183	-
Credits as a percentage of:		
Tuition fees <sup>4</sup>	15.00%	9.68%
Medical expenses <sup>5</sup>	15.00%	9.68%
Charitable donations		
- First \$200	15.00%	9.68%
- Remainder <sup>6</sup>	29% / 33%	17.95%
CPP contributions <sup>7</sup>	15.00%	9.68%
EI premiums	15.00%	9.68%

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.
2. A federal caregiver tax credit of \$335 may be available in respect of a spouse, dependant or child who is dependent on the individual by reason of mental or physical infirmity.
3. The maximum federal age credit of \$1,124 occurs at \$37,790 of net income and declines to nil as net income rises to \$87,750. The maximum provincial age credit of \$485 occurs at \$37,311 of net income and declines to nil as net income rises to \$70,725.
4. The provincial tuition tax credit has been restored after its elimination in 2017. In addition, provincial tuition tax credits that would have been available in 2017 and 2018 may be claimed in 2019 and subsequent years.
5. The federal credit applies to eligible medical expenses that exceed the lesser of \$2,352 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,322 and 3% of net income.
6. The federal tax credit rate of 33% applies to charitable donations in excess of \$200 to the extent the individual has taxable income in excess of \$210,371; otherwise, a federal tax credit rate of 29% applies.
7. One-half of CPP paid by self-employed individuals is deductible in computing taxable income.