

## Manitoba

### Combined federal and provincial personal income tax rates - 2020<sup>1</sup>

Taxable income			Manitoba				
Lower limit	to	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	\$ 9,838	\$ -	0.00%	0.00%	0.00%	0.00%
9,839	to	13,229	-	10.80%	3.86%	11.52%	5.40%
13,230	to	33,389	366	25.80%	3.86%	18.38%	12.90%
33,390	to	48,535	5,568	27.75%	6.56%	20.63%	13.88%
48,536	to	72,164	9,771	33.25%	14.12%	26.95%	16.63%
72,165	to	97,069	17,627	37.90%	20.53%	32.30%	18.95%
97,070	to	150,473	27,066	43.40%	28.12%	38.62%	21.70%
150,474	to	214,368 <sup>5</sup>	50,243	46.62%	32.57%	42.33%	23.31%
214,369	and up		80,030	50.40%	37.78%	46.67%	25.20%

1. The tax rates reflect budget proposals and news releases to January 15, 2020. 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 (see Note 5 below).
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. The basic personal amount is comprised of two basic elements: the existing personal amount (\$12,298 for 2020) and an additional amount (\$931 for 2020). The additional amount is gradually phased out for individuals with taxable income in excess of \$150,473 and is fully eliminated for individuals with taxable income in excess of \$214,368. Consequently, the additional amount is clawed back on taxable income in excess of \$150,473 until the additional tax credit of \$140 is eliminated, resulting in an additional 0.22% of federal income tax on taxable income between \$150,474 and \$214,368.

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

Source: Ernst & Young Electronic Publishing Services Inc.

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### Federal and provincial personal tax credits - 2020<sup>1</sup>

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see notes 2 and 5 above) <sup>2,3</sup>	\$ 1,845	\$ 1,063
Spousal credit (reduced when spouse's income over \$0) <sup>2,3</sup>	1,845	986
Equivalent-to-spouse credit (reduced when dependant's income over \$0) <sup>2,3</sup>	1,845	986
Infirm dependant aged 18 or over (reduced when dependant's income over \$5,115 (provincial))	-	389
Caregiver credit (reduced when the particular person's income is over \$17,085 (federal) and \$12,312 (provincial))	1,091	389
Age credit (65 and over) <sup>4</sup>	1,146	403
Disability credit	1,286	667
Pension income (maximum)	300	108
Education amount - per month	-	43
Canada employment credit	187	-
Child fitness and arts credits <sup>5</sup>	-	108
Credits as a percentage of:		
Tuition fees	15.00%	10.80%
Medical expenses <sup>6</sup>	15.00%	10.80%
Charitable donations		
- First \$200	15.00%	10.80%
- Remainder <sup>7</sup>	29% / 33%	17.40%
CPP contributions <sup>8</sup>	15.00%	10.80%
EI premiums	15.00%	10.80%

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.

2. The federal tax value of the basic personal credit, the spousal credit and the equivalent-to-spouse credit represents the amount available to taxpayers in the highest tax bracket. An additional amount may be available for individuals with taxable income below \$214,368 (see Note 5 to the chart above).

3. A federal caregiver tax credit of \$341 may be available in respect of a spouse, dependant or child who is dependent on the individual by reason of mental or physical infirmity.

4. The maximum federal age credit of \$1,146 occurs at \$38,508 of net income and declines to nil as net income rises to \$89,422. The maximum provincial age credit of \$403 occurs at \$27,749 of net income and declines to nil as net income rises to \$52,602.

5. The child fitness credit may be available for an individual up to 24 years of age. Additional amounts may be available for a child with a disability.

6. The federal credit applies to medical expenses that exceed the lesser of \$2,397 and 3% of net income. The provincial credit applies to medical expenses that exceed the lesser of \$1,728 and 3% of net income.

7. 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 \$214,368; otherwise, a federal tax credit rate of 29% applies.

8. One-half of CPP paid by self-employed individuals is deductible in computing taxable income.