

Corporate investment income tax rates* – 2022

Includes all rate changes announced up to January 15, 2022

| | Investment income earned by Canadian-controlled private corporations (CCPCs) (%) | | Investment income earned by other corporations (non-CCPCs) (%) | |
|---------------------------|--|---|--|---|
| Federal | 38.67 ^{1,2} | | 15.00 ³ | |
| | Provincial/ territorial rates: | Combined federal and provincial/ territorial rates: | Provincial/ territorial rates: | Combined federal and provincial/ territorial rates: |
| Newfoundland and Labrador | 15.00 | 53.67 | 15.00 | 30.00 |
| Prince Edward Island | 16.00 | 54.67 | 16.00 | 31.00 |
| Nova Scotia | 14.00 | 52.67 | 14.00 | 29.00 |
| New Brunswick | 14.00 | 52.67 | 14.00 | 29.00 |
| Quebec | 11.50 | 50.17 | 11.50 | 26.50 |
| Ontario | 11.50 | 50.17 | 11.50 | 26.50 |
| Manitoba | 12.00 | 50.67 | 12.00 | 27.00 |
| Saskatchewan | 12.00 | 50.67 | 12.00 | 27.00 |
| Alberta ⁴ | 8.00 | 46.67 | 8.00 | 23.00 |
| British Columbia | 12.00 | 50.67 | 12.00 | 27.00 |
| Northwest Territories | 11.50 | 50.17 | 11.50 | 26.50 |
| Nunavut | 12.00 | 50.67 | 12.00 | 27.00 |
| Yukon | 12.00 | 50.67 | 12.00 | 27.00 |

*Rates represent calendar-year rates unless indicated otherwise.

Notes:

1. For taxation years ending after 2015, the refundable additional Part I tax on investment income earned by a CCPC is 10.67% and the resulting federal rate applicable to investment income earned by a CCPC is 38.67%. The additional refundable tax as well as a portion of the regular Part I tax paid on the investment income is refundable to the CCPC as follows: 30.67% of the investment income is added to the CCPC's non-eligible refundable dividend tax on hand account (or its refundable dividend tax on hand (RDTOH) account for taxation years beginning before 2019) and is refundable at a rate of 38.33% of taxable dividends paid. The 13.00% federal general rate reduction does not apply to investment income earned by a CCPC.
2. In June 2018, the government enacted changes to the RDTOH regime that limit the circumstances in which the payment of eligible dividends triggers a dividend refund, effective for taxation years beginning after 2018, subject to transitional rules. Under these rules, eligible dividends may be paid only out of a private corporation's eligible refundable dividend tax on hand account.
3. The federal general rate reduction of 13.00% applies to the base federal rate of 28.00% for active business income not eligible for other incentives, as well as to investment income earned by a non-CCPC.
4. Alberta has accelerated the tax cuts that were enacted in 2019, by reducing the province's general corporate income tax rate from 10.00% to 8.00% effective July 1, 2020. The rate was originally scheduled to be reduced from 10.00% to 9.00% on January 1, 2021 and to 8.00% on January 1, 2022. The general corporate income tax rate was already reduced to 11.00% effective July 1, 2019 and to 10.00% effective January 1, 2020.