

## Ontario

### Combined federal and provincial personal income tax rates - 2022<sup>1,5</sup>

Taxable income		Ontario					
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 \$ 14,398	\$ -	0.00%	0.00%	0.00%	0.00%	
14,399	to 16,230	-	15.00%	0.00%	6.87%	7.50%	
16,231	to 21,319 <sup>6</sup>	275	25.10%	0.00%	11.61%	12.55%	
21,320	to 46,226	1,552	20.05%	0.00%	9.24%	10.03%	
46,227	to 50,197	6,546	24.15%	0.00%	13.95%	12.08%	
50,198	to 81,409	7,505	29.65%	7.56%	20.28%	14.83%	
81,410	to 92,454	16,759	31.48%	8.92%	22.38%	15.74%	
92,455	to 95,907	20,236	33.89%	12.24%	25.16%	16.95%	
95,908	to 100,392	21,407	37.91%	17.79%	29.78%	18.95%	
100,393	to 150,000	23,107	43.41%	25.38%	36.10%	21.70%	
150,001	to 155,625	44,641	44.97%	27.53%	37.90%	22.48%	
155,626	to 220,000 <sup>7</sup>	47,171	48.35%	32.20%	41.78%	24.18%	
220,001	to 221,708 <sup>7</sup>	78,297	49.91%	34.35%	43.58%	24.96%	
221,709	and up	79,149	53.53%	39.34%	47.74%	26.76%	

1. The tax rates include the provincial surtaxes and reflect budget proposals and news releases up to June 1, 2022. The rates do not include the Ontario Health Premium (see note 5 below). 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. Effective for 2017 and subsequent taxation years, provincial surtax and the Ontario tax reduction are pro-rated if the individual is a multijurisdictional filer.
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 7 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. Where applicable, the provincial surtax has been applied prior to deducting the dividend tax credit.
4. The rates apply to the actual amount of the capital gain. The capital gains exemption on qualified farm or fishing property and small business corporation shares may apply to eliminate the tax on those specific properties.
5. Individuals resident in Ontario on December 31, 2022 with taxable income in excess of \$20,000 must pay the Ontario Health Premium. The premium ranges from \$nil to \$900 depending on the individual's taxable income, with the top premium being payable by individuals with taxable income in excess of \$200,599.
6. Individuals resident in Ontario on December 31, 2022 with taxable income up to \$16,230 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction (\$257 of Ontario tax) is clawed back for income in excess of \$16,230 until the reduction is eliminated, resulting in an additional 5.05% of provincial tax on income between \$16,231 and \$21,319.
7. The federal basic personal amount comprises two elements: the base amount (\$12,719 for 2022) and an additional amount (\$1,679 for 2022). The additional amount is reduced for individuals with net income in excess of \$155,625 and is fully eliminated for individuals with net income in excess of \$221,708. Consequently, the additional amount is clawed back on net income in excess of \$155,625 until the additional tax credit of \$252 is eliminated; this results in additional federal income tax (e.g., 0.38% on ordinary income) on net income between \$155,626 and \$221,708.

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 - 2022<sup>1</sup>

	Federal credit	Provincial credit <sup>2,7</sup>
Amount of credits:		
Basic personal credit (see notes 2 and 7 above) <sup>3,4</sup>	\$ 1,908	\$ 878
Spousal credit (reduced when spouse's income over \$0 (federal) and \$946 (provincial)) <sup>3,4</sup>	1,908	745
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$946 (provincial)) <sup>3,4</sup>	1,908	745
Caregiver credit (reduced when particular person's income over \$17,670 (federal) and \$17,965 (provincial))	1,129	414
Age credit (65 and over) <sup>5</sup>	1,185	275
Disability credit <sup>6</sup>	1,331	709
Pension income (maximum)	300	118
Canada employment credit	193	-
Credits as a percentage of:		
Tuition fees	15.00%	-
Medical expenses <sup>8</sup>	15.00%	7.88%
Charitable donations		
- First \$200	15.00%	7.88%
- Remainder <sup>9</sup>	29% / 33%	17.41%
CPP contributions <sup>10</sup>	15.00%	7.88%
EI premiums	15.00%	7.88%

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.
2. The tax value of each provincial tax credit includes the reduction in provincial surtax as it would apply to taxpayers in the highest tax bracket (except for the age credit).
3. 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 \$221,708 (see Note 7 to the chart above).
4. A federal caregiver tax credit of \$352 may be available in respect of a spouse, dependant or child who is dependent on the individual by reason of mental or physical infirmity.
5. The maximum federal age credit of \$1,185 occurs at \$39,826 of net income and declines to nil as net income rises to \$92,480. The maximum provincial age credit of \$275 occurs at \$40,495 of net income and declines to nil as net income rises to \$76,762.
6. A federal supplement of \$776 is available for an individual who is under 18 years of age, reduced by the total child care and attendant care expenses claimed for the individual in excess of \$3,030. A provincial supplement of \$413 is available for an individual who is under 18 years of age, reduced for the total child care and attendant care expenses claimed for the individual in excess of \$3,075.
7. A provincial non-refundable tax credit may be available for low-income working individuals and families, providing a maximum credit of \$875 for a single individual and \$1,750 for couples. The credit is reduced by 5% of the greater of the individual's net income exceeding \$32,500 and family net income exceeding \$65,000.
8. The credit applies to eligible medical expenses that exceed the lesser of \$2,479 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,522 and 3% of net income.
9. 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 \$221,708; otherwise, a federal tax credit rate of 29% applies.
10. One-half of CPP paid by self-employed individuals is deductible in computing taxable income.