

New Brunswick

Combined federal and provincial personal income tax rates - 2023¹

Taxable income			New Brunswick				
Lower limit		Upper limit	Basic tax ²	Rate on excess	Marginal rate on		
					Eligible dividend income ³	Other dividend income ³	Capital gains ⁴
\$ -	to	\$ 15,000	\$ -	0.00%	0.00%	0.00%	0.00%
15,001	to	20,384	-	15.00%	0.00%	6.87%	7.50%
20,385	to	45,218 ⁵	808	27.40%	0.00%	17.96%	13.70%
45,219	to	47,715	7,612	24.40%	0.00%	14.51%	12.20%
47,716	to	53,359	8,221	29.00%	0.00%	19.80%	14.50%
53,360	to	95,431	9,858	34.50%	7.56%	26.13%	17.25%
95,432	to	106,717	24,373	36.50%	10.32%	28.43%	18.25%
106,718	to	165,430	28,492	42.00%	17.91%	34.75%	21.00%
165,431	to	176,756 ⁶	53,152	45.32%	22.49%	38.57%	22.66%
176,757	to	235,675 ⁶	58,284	48.82%	27.32%	42.59%	24.41%
235,676	and up		87,046	52.50%	32.40%	46.83%	26.25%

1. The tax rates reflect budget proposals and news releases to June 1, 2023. 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 6 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. Individuals resident in New Brunswick on December 31, 2023 with taxable income up to \$20,384 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 \$20,384 until the reduction is eliminated, resulting in an additional 3% of provincial tax on income between \$20,385 and \$45,218.
6. The federal basic personal amount comprises two elements: the base amount (\$13,520 for 2023) and an additional amount (\$1,480 for 2023). The additional amount is reduced for individuals with net income in excess of \$165,430 and is fully eliminated for individuals with net income in excess of \$235,675. Consequently, the additional amount is clawed back on net income in excess of \$165,430 until the additional tax credit of \$222 is eliminated; this results in additional federal income tax (e.g., 0.32% on ordinary income) on net income between \$165,431 and \$235,675.

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

New Brunswick

Federal and provincial personal tax credits - 2023¹

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see notes 2 and 6 above) ^{2,3}	\$ 2,028	\$ 1,171
Spousal credit (reduced when spouse's income over \$0 (federal) and \$977 (provincial)) ^{2,3}	2,028	918
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$977 (provincial)) ^{2,3}	2,028	918
Infirm dependant aged 18 or over (reduced when dependant's income over \$7,705 (provincial))	-	511
Caregiver credit (reduced when the particular person's income exceeds \$18,783 (federal) and \$18,546 (provincial))	1,200	510
Age credit (65 and over) ⁴	1,259	528
Disability credit ⁵	1,414	875
Pension income (maximum)	300	94
Canada employment credit	205	-
Credits as a percentage of:		
Tuition fees	15.00%	9.40%
Medical expenses ⁶	15.00%	9.40%
Charitable donations		
- First \$200	15.00%	9.40%
- Remainder ⁷	29% / 33%	17.95%
CPP contributions ⁸	15.00%	9.40%
EI premiums	15.00%	9.40%

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 net income below \$235,675 (see Note 6 to the chart above).
3. A federal caregiver tax credit of \$375 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 \$1,259 occurs at \$42,335 of net income and declines to nil as net income rises to \$98,309. The maximum provincial age credit of \$528 occurs at \$41,799 of net income and declines to nil as net income rises to \$79,233.
5. A federal supplement of \$825 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 \$3,221. A provincial supplement of \$510 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 \$3,180.
6. The federal credit applies to eligible medical expenses that exceed the lesser of \$2,635 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,601 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 \$235,675; 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.