

Ontario

Combined federal and provincial personal income tax rates - 2023^{1,5}

Taxable income			Ontario				
Lower limit	to	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	17,291	-	15.00%	0.00%	6.87%	7.50%
17,292	to	22,716 ⁶	344	25.10%	0.00%	11.61%	12.55%
22,717	to	49,231	1,705	20.05%	0.00%	9.24%	10.03%
49,232	to	53,359	7,022	24.15%	0.00%	13.95%	12.08%
53,360	to	86,696	8,019	29.65%	7.56%	20.28%	14.83%
86,697	to	98,463	17,903	31.48%	8.92%	22.38%	15.74%
98,464	to	102,139	21,607	33.89%	12.24%	25.16%	16.95%
102,140	to	106,717	22,853	37.91%	17.79%	29.78%	18.95%
106,718	to	150,000	24,589	43.41%	25.38%	36.10%	21.70%
150,001	to	165,430	43,378	44.97%	27.53%	37.90%	22.48%
165,431	to	220,000 ⁷	50,316	48.29%	32.11%	41.71%	24.14%
220,001	to	235,675 ⁷	76,666	49.85%	34.26%	43.50%	24.92%
235,676	and up		84,479	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, 2023. 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, 2023 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, 2023 with taxable income up to \$17,291 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction (\$274 of Ontario tax) is clawed back for income in excess of \$17,291 until the reduction is eliminated, resulting in an additional 5.05% of provincial tax on income between \$17,292 and \$22,716.
7. 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

Source: Ernst & Young Electronic Publishing Services Inc.

Ontario

Federal and provincial personal tax credits - 2023¹

	Federal credit	Provincial credit ^{2,7}
Amount of credits:		
Basic personal credit (see notes 2 and 7 above) ^{3,4}	\$ 2,028	\$ 935
Spousal credit (reduced when spouse's income over \$0 (federal) and \$1,007 (provincial)) ^{3,4}	2,028	794
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$1,007 (provincial)) ^{3,4}	2,028	794
Caregiver credit (reduced when particular person's income over \$18,783 (federal) and \$19,133 (provincial))	1,200	441
Age credit (65 and over) ⁵	1,259	293
Disability credit ⁶	1,414	755
Pension income (maximum)	300	129
Canada employment credit	205	-
Credits as a percentage of:		
Tuition fees	15.00%	-
Medical expenses ⁸	15.00%	7.88%
Charitable donations		
- First \$200	15.00%	7.88%
- Remainder ⁹	29% / 33%	17.41%
CPP contributions ¹⁰	15.00%	7.88%
El 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 \$235,675 (see Note 7 to the chart above).
4. 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.
5. 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 \$293 occurs at \$43,127 of net income and declines to nil as net income rises to \$81,747.
6. 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 \$440 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 \$3,275.
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 \$2,635 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,686 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 \$235,675; 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.