

## Northwest Territories

### Combined federal and territorial personal income tax rates - 2024<sup>1</sup>

Taxable income		Northwest Territories				
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 \$ 15,705	\$ -	0.00%	0.00%	0.00%	0.00%
15,706	to 17,373	-	15.00%	0.00%	6.87%	7.50%
17,374	to 50,597	250	20.90%	0.00%	6.87%	10.45%
50,598	to 55,867	7,194	23.60%	0.00%	9.86%	11.80%
55,868	to 101,198	8,438	29.10%	7.56%	16.18%	14.55%
101,199	to 111,733	21,629	32.70%	8.53%	20.32%	16.35%
111,734	to 164,525	25,074	38.20%	16.12%	26.65%	19.10%
164,526	to 173,205	45,241	40.05%	18.67%	28.77%	20.03%
173,206	to 246,752 <sup>5</sup>	48,717	43.37%	23.25%	32.59%	21.68%
246,753	and up	80,611	47.05%	28.33%	36.82%	23.53%

1. The tax rates reflect budget proposals and news releases to June 1, 2024. 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 territorial 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 territorial 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 2024 federal budget proposes to increase the capital gains inclusion rate for individuals from one-half to two-thirds on the portion of capital gains realized in the year exceeding \$250,000, for capital gains realized on or after June 25, 2024. The annual \$250,000 threshold will not be prorated for 2024 and will apply only in respect of net capital gains realized on or after June 25, 2024. For purposes of this table, it is assumed that the net capital gains realized on or after June 25, 2024, do not exceed \$250,000; therefore, the inclusion rate remains at one-half. 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 federal basic personal amount comprises two elements: the base amount (\$14,156 for 2024) and an additional amount (\$1,549 for 2024). The additional amount is reduced for individuals with net income in excess of \$173,205 and is fully eliminated for individuals with net income in excess of \$246,752. Consequently, the additional amount is clawed back on net income in excess of \$173,205 until the additional tax credit of \$232 is eliminated; this results in additional federal income tax (e.g., 0.32% on ordinary income) on net income between \$173,206 and \$246,752.

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

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### Federal and territorial personal tax credits - 2024<sup>1</sup>

	Federal credit	Territorial credit
Amount of credits:		
Basic personal credit (see notes 2 and 5 above) <sup>2,3</sup>	\$ 2,123	\$ 1,025
Spousal credit (reduced when spouse's income over \$0) <sup>2,3</sup>	2,123	1,025
Equivalent-to-spouse credit (reduced when dependant's income over \$0) <sup>2,3</sup>	2,123	1,025
Infirm dependant aged 18 or over (reduced when dependant's income over \$8,170 (territorial))	-	340
Caregiver credit (reduced when the particular person's income over \$19,666)	1,256	340
Age credit (65 and over) <sup>4</sup>	1,319	501
Disability credit <sup>5</sup>	1,481	831
Pension income (maximum)	300	59
Education amount - per month	-	24
Canada employment credit	215	-
Credits as a percentage of:		
Tuition fees	15.00%	5.90%
Medical expenses <sup>6</sup>	15.00%	5.90%
Charitable donations		
- First \$200	15.00%	5.90%
- Remainder <sup>7</sup>	29% / 33%	14.05%
CPP contributions <sup>8</sup>	15.00%	5.90%
EI premiums	15.00%	5.90%

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 \$246,752 (see Note 5 to the chart above).
3. A federal caregiver tax credit of \$392 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 \$1,319 occurs at \$44,325 of net income and declines to nil as net income rises to \$102,925. The maximum territorial age credit of \$501 occurs at \$44,325 of net income and declines to nil as net income rises to \$100,979.
5. A federal supplement of \$864 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 \$3,373. A territorial supplement of \$339 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 \$3,372.
6. The credit applies to eligible medical expenses that exceed the lesser of \$2,759 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 \$246,752; 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.