

# 2017 Financial Planning & Insurance Advisory — Quick Reference Guide (as of June 2017)

## Combined federal, provincial and territorial income tax for individuals (ordinary income as of June 2017)

Taxable Income (\$)	Federal Income Tax	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL and Lab.	YK	NT	NU	Cdn. Non-Resident*
20,000	1,255	1,750	1,386	1,678	2,413	1,751	1,865	2,233	2,267	2,415	2,214	1,790	1,592	1,530	4,440
30,000	2,755	3,756	3,886	4,253	4,993	3,756	4,718	4,701	4,672	4,895	4,584	3,930	3,682	3,430	6,660
40,000	4,255	5,791	6,386	6,828	7,740	5,761	7,570	7,169	7,667	7,696	7,194	6,070	5,772	5,330	8,880
50,000	5,979	8,286	9,110	9,723	10,740	8,310	10,902	10,321	10,886	10,800	10,369	8,541	8,314	7,641	11,432
60,000	8,029	11,106	12,160	13,048	14,065	11,275	14,614	13,853	14,445	14,230	13,869	11,491	11,224	10,391	14,466
70,000	10,079	13,926	15,210	16,373	17,482	14,240	18,326	17,385	18,162	17,835	17,369	14,441	14,134	13,141	17,500
80,000	12,129	16,808	18,260	19,698	21,272	17,310	22,037	20,917	21,879	21,555	20,977	17,391	17,044	15,891	20,534
90,000	14,179	19,920	21,310	23,023	25,062	20,691	25,933	24,583	25,596	25,275	24,607	20,341	20,200	18,690	23,568
100,000	16,679	23,648	24,810	26,797	29,302	24,931	30,420	28,734	29,821	29,471	28,686	23,895	23,919	22,089	27,267
150,000	29,908	44,024	43,507	46,817	51,231	46,865	54,273	50,441	51,800	51,886	50,145	42,720	43,522	40,010	46,847
200,000	44,408	65,874	64,487	68,692	74,431	70,850	79,255	75,040	76,800	75,571	73,503	63,620	65,047	60,260	68,307
250,000	60,796	89,612	87,849	92,455	99,519	97,191	105,814	101,578	103,688	101,144	99,041	86,408	88,460	82,398	92,561
300,000	77,296	113,462	111,349	116,330	124,719	123,955	132,467	128,228	130,688	126,829	124,691	109,308	111,985	104,648	116,981
400,000	110,296	161,162	159,310	164,080	175,119	177,485	185,772	181,528	184,688	178,199	175,991	155,108	159,035	149,148	165,821
500,000	143,296	208,862	207,310	211,830	225,519	231,015	239,077	234,828	238,688	229,569	227,291	200,908	206,085	193,648	214,661
1,000,000	308,296	447,362	447,310	450,580	477,519	498,663	505,602	501,328	508,688	486,419	483,791	440,908	441,335	416,148	458,861

- < This table cannot be used if taxable income includes Canadian dividends.
- < Tax includes federal, provincial and territorial tax (and surtax, where applicable), but does not take into account minimum tax.
- < In calculating tax, only the basic personal non-refundable tax credit, both federal and provincial/territorial, have been considered. The non-refundable credits for EI and CPP/QPP contributions, the northern resident deduction, low income tax reductions and credits and refunds of GST and provincial sales taxes have not been considered.
- < This table does not include health premiums.
- < \*Assumes the non-resident will not qualify for the basic personal tax credit. A non-resident can only claim this credit if all or substantially all (i.e. 90% or more) of their worldwide income is included in taxable income earned in Canada for the year.
- < \*In lieu of provincial / territorial tax, non-residents pay an additional 48% of basic federal tax on income taxable in Canada that is not earned in a province or territory.

## Top Marginal Tax Rates (%) As of June 2017

Type	Federal Income Tax	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL and Lab.	YK	NT	NU	Cdn. Non-Resident*
Ordinary income	33.00%	47.70%	48.00% <sup>1</sup>	47.75%	50.40%	53.53% <sup>2</sup>	53.31%	53.30%	54.00%	51.37%	51.30%	48.00% <sup>3</sup>	47.05%	44.50%	48.84%
Non-eligible dividends	26.30%	40.95%	41.29% <sup>1</sup>	39.62%	45.74%	45.30% <sup>2</sup>	43.84%	46.25%	46.97%	43.87%	43.62%	40.18% <sup>3</sup>	35.72%	36.35%	38.92%
Eligible dividends	24.81%	31.30%	31.71% <sup>1</sup>	30.33%	37.78%	39.34% <sup>2</sup>	39.83%	33.51%	41.58%	34.22%	42.61%	24.81% <sup>3</sup>	28.33%	33.08%	36.72%
Capital gains	16.50%	23.85%	24.00% <sup>1</sup>	23.88%	25.20%	26.76% <sup>2</sup>	26.65%	26.65%	27.00%	25.69%	25.65%	24.00% <sup>3</sup>	23.53%	22.25%	24.42%

- < Dividends and proceeds from the disposition of taxable Canadian property earned by non-residents are subject to a federal withholding tax of 25% and the rate of such withholding may be lowered where a tax treaty applies.
- < Generally, eligible dividends are dividends paid from income which is subject to the general corporate tax rate, excluding investment income.
- < Generally, non-eligible dividends are those paid by CCPCs from income eligible for the Small Business Deduction or from investment income.
- < A taxpayer's ability to claim the full dividend tax credit will be dependent on the other sources of income earned, with the higher rate applying if the taxpayer has no other income.
- < A non-resident will pay tax on taxable income below **\$11,635** if the non-resident does not qualify for the federal personal basic tax credit.
- < Non-resident rates for interest and dividends apply only in limited cases; generally, interest (other than most interest paid to arm's-length non-residents) and dividends are subject to Part XIII non-resident withholding tax.
- < Applies to incomes over **\$202,800** — i.e. highest federal tax bracket. Unless the highest provincial tax bracket applies as otherwise indicated.

1.Incomes over \$303,900      2.Incomes over \$220,000      3.Incomes over \$500,000

## Maximum contribution limits

Year	RRSP <sup>1</sup>	TFSA	RPP <sup>2</sup>
2016	\$25,370	\$5,500	\$26,010
2017	\$26,010	\$5,500	\$26,230
2018	\$26,230	Indexed to nearest \$500	Indexed

- Annual RRSP contributions are limited to the lesser of 18% of your earned income from the prior year or the annual maximum contribution noted above plus any carry-forward contribution room.
- The RPP annual contribution limits apply to defined contribution pension plans only.

## Maximum capital gains exemption

Year	QSBC Shares	Farming/Fishing Property
2016	\$824,176	\$1,000,000
2017	\$835,716	\$1,000,000

## 2017 U.S. gifts and estate tax

- < U.S. citizens and U.S. domiciliaries are subject to estate and gift tax at a progressive rate of 18-40%.
- < The combined lifetime gift and estate exemption amount is USD \$5.49 million in 2017
- < Non-U.S. citizens with U.S. situs assets over USD \$60,000 and worldwide assets over USD \$5.49 million

Giftor	Receiver	Gift tax annual exclusion
U.S. citizen	Other than spouse	USD \$14,000 per donee
U.S. citizen	U.S. spouse	Unlimited
U.S. citizen	Non-U.S. spouse	USD \$149,000

## RRIF annual minimum withdrawal amounts

Fair market value of RRIF multiplied by prescribed factors below:

Age on Dec 31st	Non-qualifying RRIF Min. Factor	Age on Dec 31st	Non-qualifying RRIF Min. Factor
71	0.0528	84	0.0808
72	0.0540	85	0.0851
73	0.0553	86	0.0899
74	0.0567	87	0.0955
75	0.0582	88	0.1021
76	0.0598	89	0.1099
77	0.0617	90	0.1192
78	0.0636	91	0.1306
79	0.0658	92	0.1449
80	0.0682	93	0.1634
81	0.0708	94	0.1879
82	0.0738	95 or older	0.2000
83	0.0771		

- RRSPs must be converted by the end of the year in which the plan holder turns 71.
- For annuitants under 71 years of age, Annual Minimum Payment for non-qualifying RIF = (value of RIF at beginning of the year \* 1/(90-planholder's or spouse's age))

## Pension income splitting rules

- < **For people age 65 and older**, eligible pension income includes annuity and registered retirement income fund (including life income fund) payments, registered retirement savings plan (RRSP) annuity payments (not withdrawals), and the taxable part of life annuity payments from a superannuation or pension fund or plan.
- < **For individuals younger than 65**, eligible pension income includes the taxable part of life annuity payments from a superannuation or pension fund or plan and certain payments if they are received as a result of the death of a spouse or common-law partner.

## CPP/QPP & OAS thresholds

Maximum CPP/QPP @ 65 for 2017:	\$1,114.17/month
Maximum OAS Pension for 2017:	\$578.53/month (Q1) changes quarterly

## OAS Pension Recovery Tax ("OAS Clawback") — Income Thresholds

Income Year	Income Level Clawback Begins at:	Full Clawback at:	Clawback Period
2015	\$72,809	\$118,055	July 2016 – June 2017
2016	\$73,756	\$119,512	July 2017 – June 2018

## Withholding tax rates for RRSP and RRIF withdrawals<sup>1</sup>

Amount	All provinces excluding Quebec <sup>2</sup>	Quebec <sup>3</sup>
Up to \$5,000	10%	(5% + 16%) = 21%
\$5,000.01 to \$15,000	20%	(10% + 16%) = 26%
Above \$15,000	30%	(15% + 16%) = 31%

- There is no withholding tax on RRIF minimum amounts
- Rates apply to RRSP Withdrawals and RRIF withdrawals in excess of RRIF minimums
- Quebec applies a flat 16% withholding tax on all RRIF withdrawals excluding RRIF minimum payment amounts. Federal withholding tax rates will be added on to RRIF withdrawals in excess of RRIF minimum payments of up to \$5,000 (5%), \$5,001 to \$15,000 (10%), and over \$15,000 (15%) respectively

## Probate fees

Province	Estate Size	Fee/tax
British Columbia	< First \$25,000	< \$0
	< \$25,000 to \$50,000	< 0.6% + \$200 admin fee
	< Over \$50,000	< \$150 + 1.40% of excess + \$200 admin fee
Alberta	< First \$10,000	< \$35
	< \$10,000 to \$250,000	< Progressive to \$400
	< Over \$250,000	< \$525
Saskatchewan	< All Estates	< 0.70%
Manitoba	< First \$10,000	< \$70
	< Over \$10,000	< \$70 + 0.70% of excess
Ontario	< \$1,000 or less	< \$0
	< First \$50,000	< 0.50%
	< Over \$50,000	< \$250 + 1.50% of excess
Quebec	< Notarial Wills	< No fee
	< Verification of Wills for a natural person	< \$106
	< Verification of Wills for a legal person	< \$119
New Brunswick	< First \$5,000	< \$25
	< \$5,000 to \$20,000	< Progressive to \$100
	< Over \$20,000	< \$100 + 0.50% of excess
Nova Scotia	< First \$10,000	< \$83
	< \$10,000 to \$100,000	< Progressive to \$1,002.65
	< Over \$100,000	< \$1,002.65 + 1.695% of excess
Prince Edward Island	< First \$10,000	< \$50
	< \$10,000 to \$100,000	< Progressive to \$400
	< Over \$100,000	< \$400 + 0.40% of excess
Newfoundland & Labrador	< First \$1,000	< \$60
	< Over \$1,000	< \$60 + 0.60%
Yukon	< \$25,000 or less	< \$0
	< Over \$25,000	< \$140
Northwest Territories & Nunavut	< Less than \$10,000	< \$25
	< \$10,000 to \$250,000	< Progressive to \$300
	< Over \$250,000	< \$400

## Attribution rules

Type	Gift	No or low interest loan	Loan at prescribed or commercial rate
<b>Spouse</b>			
Income	Attributed to 'giftor'	Attributed to lender	No attribution
Capital Gains	Attributed to 'giftor'	Attributed to lender	No attribution
Second Generation Income	No attribution	No attribution	No attribution
<b>Children under 18</b>			
Income	Attributed to 'giftor'	Attributed to lender	No attribution
Capital Gains	No attribution	No attribution	No attribution
Second Generation Income	No attribution	No attribution	No attribution

\*No attribution for Child over 18