

2025 Income Tax Rates

Corporate Rates			
Type of income	Federal	Ontario	Total
CCPC to \$500,000 (active business income)	9.00%	3.20%	12.20%
CCPC excess of \$500,000 (active)	15.00%	11.50%	26.50%
CCPC (Investment) [*net to 19.5% when dividend out]	38.67%	11.50%	*50.17%
Personal Service Business income	33.00%	11.50%	44.50%
Basic (other than CCPC)	15.00%	11.50%	26.50%
M & P (other than CCPC)	15.00%	10.00%	25.00%
Investments (other than CCPC)	15.00%	11.50%	26.50%

CCPC = Canadian Controlled Private Corporation M & P = Manufacturing and Processing
Part VI tax of 38 1/3% applies to certain dividends received. Fully refunded when dividend out to individuals.

Personal Rates						
Taxable income	Federal	Ontario	Ontario Surtax	Total (Ordinary)	Eligible Dividend	Other Dividend
\$1 – \$52,886	15.00%	5.05%	0.00%	20.05%	0.00%	9.24%
52,887 – 57,375	15.00%	9.15%	0.00%	24.15%	0.00%	13.95%
57,376 – 93,132	20.50%	9.15%	0.00%	29.65%	6.39%	20.28%
93,133 – 105,775	20.50%	9.15%	1.83%	31.48%	8.92%	22.38%
105,776 – 109,727	20.50%	11.16%	2.23%	33.89%	12.24%	25.16%
109,728 – 114,750	20.50%	11.16%	6.25%	37.91%	17.79%	29.78%
114,751 – 150,000	26.00%	11.16%	6.25%	43.41%	25.38%	36.10%
150,001 – 177,882	26.00%	12.16%	6.81%	44.97%	27.53%	37.90%
177,883 – 220,000	29.38%	12.16%	6.81%	48.29%	32.11%	41.72%
220,001 – 253,414	29.38%	13.16%	6.81%	49.85%	34.26%	43.51%
253,415 +	33.00%	13.16%	7.37%	53.53%	39.34%	47.74%

Only one half of a capital gain is included in taxable income and taxed at the regular rates. The other half is tax free.

Personal Amount	Federal	Ontario
Basic personal amount (BPA)	\$ 16,129*	\$12,747
Spouse or common-law partner amount	16,129*	10,823
Amount for an eligible dependent	16,129*	10,535
Age Amount	9,028	6,223
Caregiver amount – (maximum)	8,601	6,008
Disability amount – (maximum)	10,138	10,298
Pension income amount	2,000	1,762
Canada employment credit (max)	1,471	N/A

*Amount would be reduced up to \$1,591 for Taxable Income from \$177,822 to \$253,414

RRSP Contribution Limit (Dollar Limit)

2024	31,560
2025	32,490

(If you have an employer pension plan, the limit is reduced by the pension adjustment)

OAS Clawback Thresholds (based on Net Income)

Starting	93,454
Maximum	157,490

Tax rates are approximate and are not meant for exact tax determination. Does not include the effects of any applicable tax credits, deductions, or the Ontario Health Premium.

The content of this pamphlet is prepared by **IMPACT CPA LLP** for information only and are not intended to provide professional advice as individual situations will differ. We would be please to discuss your specific situation and tailor a tax plan to meet your requirements.

Canada Pension Plan Contributions

Contribution rate	5.95 %
Max. pensionable earnings	\$ 71,300
Annual basic exemption	3,500
Max. contributory earnings	67,800
Max. employee/employer contribution	4,034.10
Max. Self-employed contribution	8,068.20
Second additional rate (CPP2)	4%
CPP2 starting income amount	71,300
CPP2 max. income amount	81,200

Employment Insurance Premiums

Premium rate	1.64%
Maximum annual insurable earnings	\$ 65,700
Maximum employee premium	1,077.48
Maximum employer premium	1,508.47

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