

2023 Ontario Combined Federal and Provincial Marginal Tax Rates

Individual Taxable Income	Basic Tax on Salary, Interest, Pensions, and Foreign Income	Rate on Excess	2023 Marginal Tax Rates		
			Capital Gains	Canadian Dividend Income ¹	
				Eligible Dividends	Non-Eligible Dividends
\$0 - \$15,000	\$ -	0.00%	0.00%	0.00%	0.00%
\$15,000 - \$17,285	\$ -	15.00%	7.50%	-0.03%	6.87%
\$17,285 - \$22,705 ²	\$ 343	25.10%	12.55%	-13.69%	11.61%
\$22,705 - \$49,231	\$ 1,703	20.05%	10.03%	-6.86%	9.24%
\$49,231 - \$53,359	\$ 7,022	24.15%	12.08%	-1.20%	13.95%
\$53,359 - \$86,697	\$ 8,019	29.65%	14.83%	6.39%	20.28%
\$86,697 - \$98,464	\$ 17,903	31.48%	15.74%	8.92%	22.38%
\$98,464 - \$102,140	\$ 21,607	33.89%	16.95%	12.24%	25.16%
\$102,140 - \$106,717	\$ 22,853	37.91%	18.96%	17.79%	29.78%
\$106,717 - \$150,000	\$ 24,588	43.41%	21.71%	25.38%	36.10%
\$150,000 - \$165,430	\$ 43,378	44.97%	22.49%	27.53%	37.90%
\$165,430 - \$220,000	\$ 50,316	48.29%	24.15%	32.11%	41.71%
\$220,000 - \$235,675	\$ 76,668	49.85%	24.93%	34.26%	43.50%
Over \$235,675	\$ 84,482	53.53%	26.77%	39.34%	47.74%

¹ Marginal tax rate for taxable dividends, grossed-up at 138% for eligible dividends and 115% for non-eligible dividends. Ontario health tax is not included in the figures above.

² Individuals resident in Ontario on December 31, 2023 with taxable income up to \$17,285 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 \$17,285 until the reduction is eliminated, resulting in an additional 5.05% of provincial tax on income between \$17,285 and \$22,705.

Basic Personal Amount	2023	Tax Credit Rate
Ontario	\$11,865	5.05%
Federal maximum, income < \$165,430	\$15,000	15.00%
Federal minimum, income > \$235,675	\$13,521	15.00%

Corporate Taxable Income	Active Business Income	2023 Calendar Year Tax Rates		
		Investment Income ⁶		
		Eligible Dividends ³	Interest, Rents & Foreign Income ⁴	Capital Gains ⁵
Federal rate	9.00%	38.33%	38.67%	19.33%
Ontario rate	3.20%	-	11.50%	5.75%
CCPC up to SBD limit ⁶	12.20%	38.33%	50.17%	25.08%
Federal rate	15.00%	38.33%	38.67%	19.33%
Ontario rate	3.20%	-	11.50%	5.75%
CCPC over fed SBD limit ⁷	18.20%	38.33%	50.17%	25.08%
Federal rate	15.00%	38.33%	38.67%	19.33%
Ontario rate	11.50%	-	11.50%	5.75%
CCPC over SBD limit	26.50%	38.33%	50.17%	25.08%
Federal rate	15.00%	38.33%	15.00%	7.50%
Ontario rate	11.50%	-	11.50%	5.75%
Non-CCPC income	26.50%	38.33%	26.50%	13.25%

CCPC = Canadian Controlled Private Corporation

³ All of the tax is refundable at a rate of 38.33% of eligible dividends paid by a private corporation.

⁴ A portion of the tax (30.67% of income) is refundable at a rate of 38.33% of non-eligible dividends paid by a CCPC.

⁵ A portion of the tax (15.33% of income) is refundable at a rate of 38.33% of non-eligible dividends paid by a CCPC.

⁶ The small business deduction limit of \$500,000 will be reduced at a rate of \$5 for every \$1 of adjusted aggregate investment income (AII) in excess of \$50,000 in the prior corporate taxation year. The \$50,000 exclusion is shared amongst associated corporations.

⁷ Ontario does not follow the federal SBD limit reduction from investment income for active business income

Note: The 2023 tax figures represent known rates as of January 2023.

All rates are subject to change pursuant to future legislative announcements.

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