

2011 CORPORATE INCOME TAX RATES

Updated August 26, 2011

	Effective January 1, 2011	Effective January 1, 2012
Combined Federal and British Columbia		
Active Business Income (CCPC):		
First \$500,000 (SBD)	13.50%	11.00%
Over \$500,000	26.50%	25.00%
Other corporations	26.50%	25.00%
M&P Income:		
First \$400,000	19.00%	16.50%
Over \$400,000	26.50%	26.50%
Other corporations	15.00%	13.50%
Investment Income ¹:		
CCPC	44.67%	44.67%
CCPC's after 26 2/3% refunded	18.00%	18.00%
Federal Rates		
Basic rate	38.00%	38.00%
Federal tax abatement	10.00%	10.00%
Small business deduction (SBD)	17.00%	17.00%
General tax reduction – over \$500,000	11.50%	13.00%
Manufacturing and processing deduction	11.50%	11.50%
Refundable investment tax	6.67%	6.67%
Refundable portion of Part IV tax	26.67%	26.67%
Small business limit	\$ 500,000	\$ 500,000
British Columbia Rates		
Basic rate	10.00%	10.00%
Rate on taxable income eligible for SBD ²	2.50%	0.00%
Small business limit	\$ 500,000	\$ 500,000

NOTES:

- 1) 26 2/3% of a CCPC's investment income is added to its Refundable Dividend Tax On Hand (RDTOH). This amount is refundable at a rate of \$1 for every \$3 of taxable dividends paid by the CCPC.
- 2) The decrease in the rate from 2.5% to 0% is effective April 1, 2012.