

2012 CORPORATE INCOME TAX RATES

Updated February 15, 2012

(Rates were substantively enacted as at December 31, 2011)

	Effective January 1, 2012	Effective January 1, 2013
Combined Federal and British Columbia		
Active Business Income (CCPC):		
First \$500,000 (SBL)	13.50%	13.50%
Over \$500,000	25.00%	25.00%
Other corporations	25.00%	25.00%
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	13.00%	13.00%
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	2.50%	2.50%
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.