

CORPORATE INCOME TAX RATES

Updated March 8, 2018

	Substantively Enacted for 2019	Effective January 1, 2018	Effective January 1, 2017
Combined Federal and British Columbia			
Active Business Income (CCPC):			
First \$500,000 (SBL)	11.00%	12.00%	13.00%
Over \$500,000	27.00%	27.00%	26.00%
Other corporations	27.00%	27.00%	26.00%
Investment Income ¹:			
CCPC	50.67%	50.67%	49.67%
CCPC's after refundable portion	20.00%	20.00%	19.00%
Federal Rates			
Basic rate	38.00%	38.00%	38.00%
Federal tax abatement	10.00%	10.00%	10.00%
General tax reduction – over \$500,000	13.00%	13.00%	13.00%
Small business deduction (SBD)	19.00%	18.00%	17.50%
Refundable investment tax	10.67%	10.67%	10.67%
Refundable portion of Part IV tax	30.67%	30.67%	30.67%
Small business limit	\$ 500,000	\$ 500,000	\$ 500,000
Part IV tax rate	38.33%	38.33%	38.33%
British Columbia Rates			
Basic rate	12.00%	12.00%	11.00%
Rate on taxable income eligible for SBD	2.00%	2.00%	2.50%
Small business limit	\$ 500,000	\$ 500,000	\$ 500,000

NOTES:

1) **Pre 2016** - 26.67% of a CCPC's investment income is added to its Refundable Dividend Tax On Hand (RDTOH). This amount is refundable at a rate of 33.33% or, in other terms, \$1 for every \$3 of taxable dividends paid by the CCPC.

2016 and later - 30.67% of a CCPC's investment income is added to its Refundable Dividend Tax On Hand (RDTOH). This amount is refundable at a rate of 38.33% or, in other terms, \$1 for every \$2.61 of taxable dividends paid by the CCPC.