

## CORPORATE INCOME TAX RATES

Updated January 23, 2019

	Substantively Enacted for 2020	Effective January 1, 2019	Effective January 1, 2018
<b>Combined Federal and British Columbia</b>			
<b>Active Business Income (CCPC):</b>			
First \$500,000 (SBL)	11.00%	11.00%	12.00%
Over \$500,000	27.00%	27.00%	27.00%
Other corporations	27.00%	27.00%	27.00%
<b>Investment Income <sup>1</sup>:</b>			
CCPC	50.67%	50.67%	50.67%
CCPC's after refundable portion	20.00%	20.00%	20.00%
<b>Federal Rates</b>			
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%	19.00%	18.00%
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%
<b>British Columbia Rates</b>			
Basic rate	12.00%	12.00%	12.00%
Rate on taxable income eligible for SBD	2.00%	2.00%	2.00%
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.