

2021 Tax Rates

PERSONAL MARGINAL TAX RATES (Combined Federal & Ontario)

From	To	Income & Interest	Eligible Dividend	Ineligible Dividend	Capital Gain
\$	\$	%	%	%	%
\$ -	\$ 13,808	-	-	-	-
13,809	15,850	15.00	-	6.87	7.50
15,851	20,821	25.10	-	11.61	12.55
20,822	45,142	20.05	-	9.24	10.03
45,143	49,020	24.15	-	13.95	12.08
49,021	79,500	29.65	7.56	20.28	14.83
79,501	90,287	31.48	8.92	22.38	15.74
90,288	93,656	33.89	12.24	25.16	16.95
93,657	98,040	37.91	17.79	29.78	18.95
98,041	150,000	43.41	25.38	36.10	21.70
150,001	151,978	44.97	27.53	37.90	22.48
151,979	216,511	48.29	32.11	41.71	24.15
216,512	220,000	51.97	37.19	45.95	25.98
220,001	and up	53.53	39.34	47.74	26.76

CORPORATE INCOME TAX RATES: FOR ACTIVE BUSINESS INCOME (Combined Federal & Ontario Rates)

TAX YEAR	INCOME ELIGIBLE FOR SMALL BUSINESS DEDUCTION (SBD) (UP TO \$500,000)	M&P INCOME NOT ELIGIBLE FOR FEDERAL SBD	GENERAL INCOME NOT ELIGIBLE FOR SBD (NON-M&P INCOME)	INVESTMENT INCOME
2019	12.50%	25.00%	26.50%	50.17%
2020	12.20%	25.00%	26.50%	50.17%
2021	12.20%	25.00%	26.50%	50.17%

PERSONAL TAX RATE: HOW MUCH TAX DO WE PAY? (Combined Federal & Ontario Rates)

Taxable Income	Tax Payable	After-Tax Income	Average Tax Rate	Marginal Tax Rate	Marginal Rate on Capital Gains	Marginal Rate on Eligible Dividends	Marginal Rate on Ineligible Dividends
\$	\$	\$	%	%	%	%	%
13,808	-	13,808	-	-	-	-	-
15,000	179	14,821	1.19	15.00	7.50	-	6.87
20,000	1,347	18,653	6.74	25.10	12.55	-	11.61
25,000	2,392	22,608	9.57	20.05	10.03	-	9.24
30,000	3,394	26,606	11.31	20.05	10.03	-	6.24
35,000	4,397	30,603	12.56	20.05	10.03	-	9.24
40,000	5,399	34,601	13.50	20.05	10.03	-	9.24
45,000	6,402	38,598	14.23	20.05	10.03	-	9.24
50,000	7,657	42,343	15.31	29.65	14.83	7.56	20.28
55,000	9,140	45,860	16.62	29.65	14.83	7.56	20.28
60,000	10,622	49,378	17.70	29.65	14.83	7.56	20.28
65,000	12,105	52,895	18.62	29.65	14.83	7.56	20.28
70,000	13,587	56,413	19.41	29.65	14.83	7.56	20.28
75,000	15,070	59,930	20.09	29.65	14.83	7.56	20.28
80,000	16,561	63,439	20.70	31.48	15.74	8.92	22.38
85,000	18,135	66,865	21.34	31.48	15.74	8.92	22.38
90,000	19,709	70,291	21.90	31.48	1574.00	8.92	22.38
95,000	21,451	73,549	22.58	37.91	18.95	17.79	29.78
100,000	23,454	76,546	23.45	43.41	21.70	25.38	36.10
110,000	27,795	82,205	25.27	43.41	21.70	25.38	36.10
120,000	32,136	87,864	26.78	43.41	21.70	25.38	36.10
130,000	36,477	93,523	28.06	43.41	21.70	25.38	36.10
140,000	40,818	99,182	29.16	43.41	21.70	25.38	36.10
150,000	45,159	104,841	30.11	43.41	21.70	25.38	36.10
160,000	49,923	110,077	31.20	48.19	24.15	32.11	41.71
175,000	57,166	117,834	32.67	48.29	24.15	32.11	41.71
200,000	69,239	130,761	34.62	48.29	24.15	32.11	41.71
220,000	79,026	140,974	35.92	51.97	25.98	37.19	45.95
250,000	95,084	154,916	38.03	53.53	26.76	39.34	47.74
300,000	121,849	178,151	40.62	53.53	26.76	39.34	47.74
400,000	175,379	224,621	43.84	53.53	26.76	39.34	47.74
500,000	228,908	271,092	45.78	53.53	26.76	39.34	47.74
600,000	282,438	317,562	47.07	53.53	26.76	39.34	47.74
750,000	362,732	387,268	48.36	53.53	26.76	39.34	47.74
900,000	443,027	456,973	49.23	53.53	26.76	39.34	47.74
1,000,000	496,556	503,444	49.66	53.53	26.76	39.34	47.74

* The taxes above do not include contributions to Canada Pension Plan (CPP) and Employment Insurance (EI)

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NON-RESIDENTS: PERSONAL TAX RATES

Taxable Income		Tax Rate %	Maximum Tax to pay \$
From - \$	To - \$		
-	49,020	22	10,882
49,021	98,040	30.34	25,755
98,041	151,978	38.48	46,510
151,979	216,511	42.92	74,207
216,512	and up	48.84	

NON-RESIDENTS: CORPORATE TAX RATE

Active business income	25.00
Investment income	26.50

TAX FREE SAVINGS ACCOUNT – TFSA

Tax Free Saving Account - TFSA		
Year	TFSA Annual Limit*	
2009-2012	\$ 5,000	\$ 20,000
2013-2014	5,500	31,000
2015	\$ 10,000	\$ 41,000
2016-2018	5,500	57,500
2019 - 2021	\$ 6,000	\$ 75,500

*In order to qualify for the limit you MUST have filed tax return for each of the years since 2009. If you did not, you MUST reduce the limit for each year that tax return was not file of the middle column.

*Also, if you withdrew funds from your TFSA account and would like to re-deposit the funds back, we recommend you wait for the next year to do that. Or call us before making the deposit.

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PERSONAL TAX CREDITS – ONTARIO: HOW MUCH ARE THEY WORTH?

Tax Credit	Credit Value (\$)	Notes
Basic personal credit	2,720	
Spousal credit	2,591	When Spouse income is NIL
Equivalent-to-spouse credit	2,591	When Dependant's income is NIL
Caregiver credit	1,506	Reduced when dependant's income is over \$17,256 (Federal) \$17,544 (Ontario)
Age credit	1,425	Reduced when income is over \$38,893, And eliminated at net income of \$90,313
Disability credit	1,991	
Pension income (Maximum)	418	
Canada employment credit	189	
Credits as a percentage of:	Credit Value (%)	Notes
Tuition fees	15	
Medical Expenses	23	For Medical expenses that exceed the lesser of \$2,421 and 3% of net income
Charitable donations -Fist \$200	23	
– Remainder	46	When taxable income is below \$214,368
– Remainder	50	For taxable income above \$216,511
CPP contribuitons	23	50% of CPP paid by Self-employed individule is deductible from taxable income
EI premiums	23	

MAXIMUM CPP & EI CONTRIBUTIONS

TAX YEAR		CPP			EI		
		Rate	Maximum Contribution	Max. Annual Pensionable Earning	Rate	Max. Annual Premium	Max. Annual Insurable Earning
2019	Employee	5.10%	2,748.90	\$57,400	1.62%	860.22	\$53,100
	Self-Employeed	10.20%	5,497.80		n/a		
2020	Employee	5.25%	2,898.00	\$58,700	1.58%	856.36	\$54,200
	Self-Employeed	10.50%	5,796.00		n/a		
2021	Employee	5.45%	3,166.45	\$61,600	1.58%	889.54	\$56,300
	Self-Employeed	10.90%	6,332.90		n/a		

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Canada Pension Plan – CPP Benefits

Conditions	2019	2020	2021
Maximum Monthly Retirement Pension (at the age 65)	1,155	1,176	1,204
Maximum Monthly Post-Retirement Benefit	29	29	30
Maximum Monthly Disability Pension	1,362	1,388	1,414
Monthly Disabled contributor Child Benefit	250	255	258
Monthly Survivor's Pension under age 65	627	638	651
Monthly Survivor's Pension over age 65	693	706	722
Monthly Orphan's Benefits	250	255	258
Monthly Combined Retirement (age 65) & Survivor	1,155	1,176	1,204
Monthly Combined Disability & Survivor	1,362	1,388	1,414
Maximum Death Benefit	2,500	2,500	2,500
Begin collecting before age 65 <ul style="list-style-type: none"> • Benefit reduced by 0.6% per month to a maximum of 36%. 			
Begin collecting at age 70 <ul style="list-style-type: none"> • Benefit increased by 0.7% per month (42% increase) 			
Continue Working – Paying past age 65 <ul style="list-style-type: none"> • Maximum enhanced benefit - \$30.09/mo 			

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