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**CPA COMMON FINAL EXAMINATION  
REFERENCE SCHEDULE**

**Present Value of Tax Shield for Amortizable Assets**

Present value of total tax shield from CCA for a new asset acquired on or after January 1, 2024, and before January 1, 2028, other than those eligible for immediate expensing, which would normally be subject to the half-year rule.

$$= \frac{CdT}{(d+k)}$$

Present value of total tax shield from CCA for a new asset acquired after November 20, 2018, and before January 1, 2024, or, under proposed legislation, on or after January 1, 2025, and before January 1, 2030, other than those eligible for immediate expensing.

$$= \frac{CdT}{(d+k)} \left( \frac{1+1.5k}{1+k} \right)$$

**Notation for above formula:**

$C$  = net initial investment

$T$  = corporate tax rate

$k$  = discount rate or time value of money

$d$  = maximum rate of capital cost allowance

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### Selected Prescribed Automobile Amounts

<b>Item</b>	<b>2025</b>	<b>2026</b>
Maximum depreciable cost — Class 10.1	\$38,000 + sales tax	\$39,000 + sales tax
Maximum depreciable cost — Class 54	\$61,000 + sales tax	\$61,000 + sales tax
Maximum monthly deductible lease cost	\$1,100 + sales tax	\$1,100 + sales tax
Maximum monthly deductible interest cost	\$350	\$350
Operating cost benefit — employee	34¢ per km of personal use	34¢ per km of personal use
Non-taxable automobile allowance rates		
— first 5,000 kilometres	72¢ per km	73¢ per km
— balance	66¢ per km	67¢ per km

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## Individual Federal Income Tax Rates \*

For 2025, under substantively-enacted legislation as of November 30, 2025:

<b>If taxable income is between</b>	<b>Tax on base amount</b>	<b>Tax on excess</b>
\$0 and \$57,375	\$0	15%
\$57,376 and \$114,750	\$8,606	20.5%
\$114,751 and \$177,882	\$20,368	26%
\$177,883 and \$253,414	\$36,782	29%
\$253,415 and any amount	\$58,687	33%

For 2025, under proposed legislation:

<b>If taxable income is between</b>	<b>Tax on base amount</b>	<b>Tax on excess</b>
\$0 and \$57,375	\$0	14.5%
\$57,376 and \$114,750	\$8,319	20.5%
\$114,751 and \$177,882	\$20,081	26%
\$177,883 and \$253,414	\$36,496	29%
\$253,415 and any amount	\$58,400	33%

For 2026, under substantively-enacted legislation as of November 30, 2025:

<b>If taxable income is between</b>	<b>Tax on base amount</b>	<b>Tax on excess</b>
\$0 and \$58,523	\$0	15%
\$58,524 and \$117,045	\$8,778	20.5%
\$117,046 and \$181,440	\$20,775	26%
\$181,441 and \$258,482	\$37,518	29%
\$258,483 and any amount	\$59,860	33%

For 2026, under proposed legislation:

<b>If taxable income is between</b>	<b>Tax on base amount</b>	<b>Tax on excess</b>
\$0 and \$58,523	\$0	14%
\$58,524 and \$117,045	\$8,193	20.5%
\$117,046 and \$181,440	\$20,190	26%
\$181,441 and \$258,482	\$36,933	29%
\$258,483 and any amount	\$59,275	33%

\* Under Bill C-4, which was not substantively enacted by November 30, 2025, the tax rate on the lowest tax bracket would be reduced to 14.5% for 2025 and 14% for 2026 and subsequent years. Use the table under substantively-enacted legislation (15% on the lowest bracket) for objective-format questions, and use either table in case responses.

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## Selected indexed amounts for purposes of computing income tax

Personal tax credits are a maximum of 15% of the following amounts:

Item	2025	2026
Basic personal amount, and spouse, common-law partner, or eligible dependant amount for individuals whose net income for the year is greater than or equal to the amount at which the 33% tax bracket begins	\$14,538	\$14,829
Basic personal amount, and spouse, common-law partner, or eligible dependant amount for individuals whose net income for the year is less than or equal to the amount at which the 29% tax bracket begins	16,129	16,452
Age amount if 65 or over in the year	9,028	9,208
Net income threshold for age amount	45,522	46,432
Canada employment amount	1,471	1,501
Disability amount	10,138	10,341
Canada caregiver amount for children under age 18, and addition to spouse, common-law partner, or eligible dependant amount with respect to the Canada caregiver amount	2,687	2,740
Canada caregiver amount for other infirm dependants age 18 or older (maximum amount)	8,601	8,773
Net income threshold for Canada caregiver amount	20,197	20,601
Adoption expense credit limit	19,580	19,972

Other indexed amounts are as follows:

Item	2025	2026
Medical expense tax credit — 3% of net income ceiling	\$2,834	\$2,890
Old age security repayment threshold	93,454	95,323
Annual TFSA dollar limit	7,000	7,000
RRSP dollar limit	32,490	33,810
Lifetime capital gains exemption	1,250,000	1,275,000

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## Canada Pension Plan (CPP) and Québec Pension Plan (QPP)

The QPP applies to employment and self-employment income earned in Québec. The CPP applies to employment and self-employment income earned in all other provinces.

Item	2025	2026
Maximum pensionable earnings	\$71,300	\$74,600
Basic exemption amount	3,500	3,500
Maximum contributory earnings	67,800	71,100
Contribution rate - CPP	5.95%	5.95%
Maximum annual employee and employer contribution – CPP	4,034.10	4,230.45
Contribution rate – QPP	6.40%	6.30%
Maximum annual employee and employer contribution – QPP	4,339.20	4,479.30
Additional maximum pensionable earnings	81,200	85,000
Second additional contribution rate (CPP2 / QPP2)	4.00%	4.00%
Maximum annual employee and employer second additional contribution (CPP2 / QPP2)	396	416

The deduction for CPP or QPP enhanced contributions is equal to first additional contributions (1% of contributory earnings) plus second additional contributions (CPP2 / QPP2). Base contributions (the remainder of CPP or QPP contributions) may be claimed as a non-refundable tax credit.

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### Prescribed interest rates (base rates)

Year	Jan. 1 – Mar. 31	Apr. 1 – June 30	July 1 – Sep. 30	Oct. 1 – Dec. 31
2026	3	3		
2025	4	4	3	3
2024	6	6	5	5

This is the rate used for taxable benefits for employees and shareholders from interest-free and low-interest loans. The rate is 4 percentage points higher for overdue income taxes payments and unremitted withholdings. The rate is 2 percentage points higher for tax refunds to taxpayers, with the exception of corporations, for which the base rate is used.

### Maximum capital cost allowance rates for selected classes

Class	Rate	Additional information
Class 1	4%	For all buildings except those below
Class 1	6%	For buildings acquired for first use after March 18, 2007, and ≥ 90% of the square footage is used for non-residential activities
Class 1	10%	For buildings acquired for first use after March 18, 2007, and ≥ 90% of the square footage is used for manufacturing and processing activities
Class 8	20%	
Class 10	30%	
Class 10.1	30%	
Class 12	100%	
Class 13	N/A	Straight-line over original lease period plus one renewal period (minimum 5 years and maximum 40 years)
Class 14	N/A	Straight-line over length of life of property
Class 14.1	5%	For property acquired after December 31, 2016
Class 17	8%	
Class 29	50%	Straight-line
Class 43	30%	
Class 44	25%	
Class 45	45%	
Class 50	55%	
Class 53	50%	
Class 54	30%	