

TAX APPENDIX 2026

2026 INDIVIDUAL FEDERAL INCOME TAX RATES

<u>If taxable income is between</u>		<u>Tax on base amount</u>	<u>Tax on excess</u>
\$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	\$36,932	29%
\$258,483	and any amount	\$59,274	33%

2026 SELECTED NON-REFUNDABLE TAX CREDITS INDEXED AMOUNTS PERMITTED TO INDIVIDUALS FOR PURPOSES OF COMPUTING FEDERAL INCOME TAX

The tax credits are 14% of the following amounts:

Basic personal amount (if net income (NI) \geq 33% tax bracket)	\$14,829
Basic personal amount (if net income (NI) \leq 29% tax bracket)	16,452
Spouse, common-law partner or eligible dependant amount (if NI \geq 33% tax bracket)	14,829
Spouse, common-law partner or eligible dependant amount (if NI \leq 29% tax bracket)	16,452
Net income threshold for Spouse, ... partner or eligible dependant amount	0
Age amount if 65 or over in the year	9,208
Net income threshold for Age amount	46,432
Canada Caregiver amount (CCA) (children under age 18)	2,740
Canada Caregiver amount (CCA) (infirm dependants age 18 or older)	8,773
Net income threshold for Canada caregiver amount (CCA)	20,601
Disability amount	10,341
Supplement for children with disabilities	6,032
Adoption expenses credit limit	19,972
Canada employment amount	1,501
Medical expenses	2,890
Pension	2,000

Other amounts:

CPP (Canada Pension Plan)	$74,600 \text{ (YMPE)} - 3,500 = 71,100 / (5.95\%) / 4,230$
CPP2 (additional Canada Pension Plan)	$85,000 \text{ (YAMPE)} / (4.00\%) / 416$
EI (Employment Insurance)	$68,900 / (1.63\%) / 1,123$
Annual Tax-Free Savings Account (TFSA) limit	7,000
Federal Political contribution	$3/4 (400) / 1/2 (750) / 1/3 (1,275)$
RRSP dollar limit	33,810
Dividends (Non-eligible / Eligible)	$15\% / 38\% + 10.38\% / 20.73\%$
Basic amount for GST credit	46,432
Basic amount for OAS clawback	95,323
Canada training credit (CTC) minimum working income threshold / (max NI)	12,058 (177,882)
Lifetime capital gains exemption / deduction on QSBC & farm	1,275,000 / 637,500

CORPORATE FEDERAL INCOME TAX RATE

The tax payable by a corporation on its taxable income under Part I of the *Income Tax Act* is 38% before any additions and/or deductions.

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MAXIMUM CAPITAL COST ALLOWANCE RATES FOR SELECTED CLASSES

Class 1.....	4%	For all buildings except those below	
Class 1.....	6%	used for non-residential activities	
Class 1.....	10%	used for manufacturing and processing activities	
Class 3.....	5%		
Class 6.....	10%		
Class 8.....	20%		
Class 10.....	30%		
Class 10.1.....	30%		
Class 12.....	100%		
Class 13.....		Original lease period plus one renewal period (minimum 5 years and maximum 40 years)	
Class 14.....		Length of life of property	
Class 14.1.....	5%	For property acquired after December 31, 2016	
Class 16.....	40%		
Class 17.....	8%		
Class 29.....	50%	Straight-line	
Class 38.....	30%		
Class 39.....	25%	Class 53	50%
Class 43.....	30%	Class 54	30%
Class 43.1.....	30%	Class 55	40%
Class 44.....	25%	Class 56	30%
Class 45.....	45%	Class 57	8%
Class 46.....	30%	Class 58	20%
Class 50.....	55%	Class 59	100%
Class 52.....	100%	Class 60	30%

2026 SELECTED PRESCRIBED AUTOMOBILE AMOUNTS

Maximum depreciable cost - Class 10.1	\$39,000 + GST + PST
Maximum depreciable cost - zero-emission passenger vehicle	\$61,000 + GST + PST
Maximum monthly deductible lease cost	\$1,100 + GST + PST
Maximum monthly deductible interest cost	\$350
Operating cost benefit - employee	34¢ / 31¢ per kilometre of personal use
Non-taxable car allowance benefit limits	
- first 5,000 km	73¢ per kilometre
- balance	67¢ per kilometre

PRESCRIBED INTEREST RATES (base rates)

<u>Year</u>	<u>Jan. 1 - Mar. 31</u>	<u>Apr. 1 - June 30</u>	<u>July 1 - Sept. 30</u>	<u>Oct. 1 - Dec. 31</u>
2026	3	3		
2025	4	4	3	3
2024	6	6	5	5
2023	4	5	5	5

This is the rate used for taxable benefits for employees and shareholders, low-interest loans and other related-party transactions.

The rate is 4 percentage points higher for late or deficient income tax payments and unremitted withholdings.

The rate is 2 percentage points higher for tax refunds to taxpayers with exception of corporations, for which the base rate is used.