



TAX FACTS 2025

Ontario Personal Income Tax Rates

Taxable Income		Salary, Interest, Taxable Capital Gains	Dividends (assuming only dividend income)	
			Eligible	Non-eligible
		Marginal Rate		
\$ -	\$ 52,886	20.05%	0.00%	9.24%
52,887	57,375	24.15%	0.00%	13.95%
57,376	93,132	29.65%	6.39%	20.28%
93,133	105,775	31.48%	8.92%	22.38%
105,776	109,727	33.89%	12.24%	25.16%
109,728	114,750	37.91%	17.79%	29.78%
114,751	150,000	43.41%	25.38%	36.10%
150,001	177,882	44.97%	27.53%	37.90%
177,883	220,000	48.29%	32.11%	41.72%
220,001	253,414	49.85%	34.26%	43.51%
253,415	over	53.53%	39.34%	47.74%

Maximum tax-free dividend:

Eligible = \$56,100

Non-eligible = \$35,200

OAS Clawback:

Benefits repaid for income starting at \$93,454

Ontario Personal Tax Payable (After Basic Personal Credit)

Taxable Income*	Tax Payable**	Taxable Income*	Tax Payable**
\$10,000	\$ -	\$ 90,000	\$ 19,048
20,000	947	100,000	22,139
30,000	3,252	120,000	29,479
40,000	5,407	150,000	42,502
50,000	7,562	200,000	65,720
60,000	10,003	300,000	117,120
70,000	12,968	400,000	170,650
80,000	16,083	500,000	224,179

* Assumes income is only Salary, Interest, and Taxable Capital Gains

** Tax payable includes Ontario Health Premium

RRSP, TFSA, & FHSA Contribution Limits

Maximum Earned Income	RRSP Dollar Limit	TFSA Dollar Limit	TFSA Cumulative Limit*	FHSA Dollar Limit**
\$180,500	\$32,490	\$7,000	\$102,000	\$8,000

*Maximum Cumulative amount assuming no prior year contributions, and the taxpayer was 18 or older in 2009, and has been a Canadian resident since 2009.

**Annual limit, accumulating from the year the account opens, up to \$40,000 lifetime.

Penalty for Excess Contributions:

If \$2,000 or less & RRSP

No penalty

Excess over \$2,000 or TFSA or FHSA

1% of excess per month until withdrawn

Capital Gains Deduction Limits

Qualified Small Business Corporation	\$1,250,000*
Qualified Farming/Fishing Property	\$1,250,000*

* Proposed limit and resumption of indexation of the LCGE in 2026 are not yet enacted. If not passed, the default will be indexation for 2025. Proposed amount based on September 23, 2024, Notice of Ways and Means Motion

Corporate Income Tax Rates (Federal & Ontario)

	Federal	Ontario	Combined
General	15.00%	11.50%	26.50%
Manufacturing	15.00%	10.00%	25.00%
Small Business*	9.00%	3.20%	12.20%
Small Business**	15.00%	3.20%	18.20%
Investment*	38.67%	11.50%	50.17%

*CCPC only without any limitations on the Small Business Limit

**CCPC with limitations on the Federal Small Business Limit due to high passive income

Historical Dividend Gross Up Rates

Eligible	2007-2009	2010	2011	2012-2025
	45%	44%	41%	38%
Non-eligible	2014-2015	2016-2017	2018	2019-2025
	18%	17%	16%	15%

Automobile Limits

Tax-Exempt Employee Travel Allowances

First 5,000 kilometres	\$0.72 per km*
Excess	\$0.66 per km*

*Inclusive of HST

**Plus HST

Deduction Limits

Capital cost passenger vehicles	\$38,000**
Capital cost zero-emission passenger vehicles	\$61,000**
Leasing cost	\$1,100/month**

Payroll Taxes

CPP Contributions

Contributory Earnings	\$ 71,300
Basic Exemption	<u>3,500</u>
Contributory Base	<u>\$ 67,800</u>

Maximum Annual Contributions

Employee	\$4,034.10	5.95%
Employer	\$4,034.10	5.95%

Enhanced CPP Contributions*

2nd Contributory Earnings	\$ 81,200
1st Contributory Earnings	<u>71,300</u>
Contributory Base	<u>\$ 9,900</u>

Maximum Annual Contributions

Employee	\$396.00	4%
Employer	\$396.00	4%

* Note that these contributions are applicable to earnings over the first threshold, as shown above.

Employment Insurance

Maximum Insurable Earnings	\$ 65,700
WSIB Maximum Insurable Earnings	\$ 117,000

Maximum Annual Premiums

Employee	\$1,077.48	1.64%
Employer	\$1,508.47	2.30%

Tax rates are approximate as of January 1, 2025, and are not meant for exact tax determination.