

Personal Wealth & Tax Reference Card

Ontario – 2023*



Combined federal-province marginal tax rates

Income from	Regular income, Interest, Foreign	Capital Gains	Canadian Dividends	
			Eligible	Non-Eligible
11,865	5.05%	2.53%	-6.83%	2.37%
15,000	20.05%	10.03%	-6.86%	9.24%
49,231	24.15%	12.08%	-1.20%	13.95%
53,359	29.65%	14.83%	6.39%	20.28%
86,696	31.48%	15.74%	8.92%	22.38%
98,463	33.89%	16.95%	12.24%	25.16%
102,139	37.91%	18.95%	17.79%	29.78%
106,717	43.41%	21.70%	25.38%	36.10%
150,000	44.97%	22.48%	27.53%	37.90%
165,430	48.29%	24.14%	32.11%	41.71%
220,000	49.85%	24.92%	34.27%	43.51%
235,675	53.53%	26.76%	39.34%	47.74%

Tax on low income is generally offset by the basic personal tax credit, federal 15,000 and 11,865 for province. Tax rate at each bracket applies to income earned up to the next bracket.

After-tax spendable cash, estimated using average tax rates

Income level	Tax paid to level	Average tax rate	Approximate net spendable cash		
			Annually	Monthly	Weekly
20,000	1,161	5.80%	18,839	1,570	362
40,000	5,171	12.93%	34,829	2,902	670
60,000	9,988	16.65%	50,012	4,168	962
80,000	15,918	19.90%	64,082	5,340	1,232
100,000	22,128	22.13%	77,872	6,489	1,498
120,000	30,246	25.21%	89,754	7,479	1,726
140,000	38,928	27.81%	101,072	8,423	1,944
160,000	47,766	29.85%	112,234	9,353	2,158
180,000	57,244	31.80%	122,756	10,230	2,361
200,000	66,902	33.45%	133,098	11,092	2,560
300,000	118,807	39.60%	181,193	15,099	3,484
500,000	225,866	45.17%	274,134	22,845	5,272
1,000,000	493,514	49.35%	506,486	42,207	9,740

Calculated using basic personal credits only. Actuals will vary by individual circumstances. Right three columns can be used for rough estimate of available cash for budgeting purposes.

Common personal income tax credits (for 2022 tax reporting) and tax-based public support payments

Name of credit	Federal amount	Credit @ 15%	Province amount	Credit @ 5.05%
Basic personal amount	14,398	2,160	11,141	563
Spouse/common-law partner (CLP) or eligible dependent	14,398	2,160	9,460	478
Caregiver amount: Dependant(s) age 18 or older	7,525	1,129	5,252	265
Caregiver amount: Infirm children under age 18	2,350	353	See	Caregiver
Age 65 amount (15% phase-out Federal: 39,826 to 92,479 Province: 40,495 to 76,762)	7,898	1,185	5,440	275
Pension income amount	2,000	300	1,541	78
Tuition (part-time and full-time)	actual	calculated	actual	calculated
Disability amount for self	8,870	1,331	9,001	455
Supplement for children with disabilities	5,174	776	5,250	265
Adoption expenses	17,131	865	13,593	686
Medical expense, above lesser of amount or 3% of net income	2,479	calculated	2,522	calculated
Canada pension plan (CPP) premiums paid (Max 2022 pensionable earnings \$64,900)*	3,500	525	3,500	177
Employment insurance (EI) premiums paid (Max 2022 insurable earnings \$60,300)*	953	143	1,002	51
Charitable donations: First \$200 \$200+ \$200+ at top bracket	15% 29% 33%		5.05% 11.16% 11.16%	
Political donation credit rate varies in stages		650		1,410
GST/HST refundable credit (Paid Jan, Apr, Jul, Oct)	Jul '22 – Apr '23: Single 77, Couple / Single parent 153, Up to 4 children each 40 Jul '23 – Apr '24: Single 81, Couple / Single parent 163, Up to 4 children each 43	(5% phase-out from 2021 adjusted family net income/AFNI of 39,826) (5% phase-out from 2022 AFNI of 42,335)		
Canada child benefit (CCB) (Paid monthly on 20th)	Jul '22 – Jun '23: Under-6 583; Age 6-17 492 Jul '23 – Jun '24: Under-6 620; Age 6-17 523	(7% phase from 2021 AFNI of 32,797) (7% phase from 2022 AFNI of 34,863)	Child disability benefit (CDB) 2,985 CDB 3,173	(3.2% phase from 71,060) (3.2% phase from 75,537)

Credit value is the amount (or lesser/actual outlay) times credit rate. Unused age or pension credit may be transferred from a spouse/common-law partner. Disability credit and tuition up to \$5,000 may be transferred from a spouse/CLP or dependent. * For 2023, CPP premium is 5.95% up to \$3,754 at \$66,600 pensionable earnings, and EI premium is 1.63% up to \$1,002 at \$61,500 insurable earnings.

Registered tax savings plans and allowances – 2023

RRSP	30,780	TFSA	6,500	RPP	31,560	RESP	50,000	RDSP	200,000	ALDA	160,000	LCGE	971,190
Registered retirement savings plan annual contribution room is lesser of amount above, and 18% of last year's earned income. Maximum credit for 2023 is reached at 2022 income of 171,000.		Tax-free savings account annual room is equal to the previous year's withdrawals plus the annual TFSA dollar limit above. Cumulative contribution room since inception in 2009 is 88,000.		This is the limit for a defined contribution (DC) registered pension plan. The defined benefit (DB) RPP limit is 3,507/yr of service (1/9 of DC). The deferred profit sharing plan (DPSP) limit is 15,780 (half of DC).		This is the lifetime contribution limit for registered education savings plans. Up to 500 in grants (1,000 with carry forward) is available annually, to a 7,200 lifetime maximum. Free bond money is also available.		This is the lifetime contribution limit for registered disability savings plans. Up to 3,500 in grants is available annually, to a 70,000 lifetime maximum. Up to 20,000 in free bond money is also available.		This is the lifetime limit for the purchase of an advanced life deferred annuity, which allows an annuitant to defer commencing annuity payments up until the end of the year they turn 85.		This is the lifetime capital gains exemption on qualifying shares of a small business corporation. It is shared with the 1,000,000 exemption for farm and fisheries businesses.	

Retirement plan withdrawal rates

Age	All RRIFs minimum	LIF maximums by regulating jurisdiction				
		AB	BC	ON	NB NL SK	MB QC NS Federal
60	3.33%		6.85%	6.70%	5.30%	
61	3.45%		6.94%	6.80%	5.38%	
62	3.57%		7.04%	6.90%	5.47%	
63	3.70%		7.14%	7.00%	5.57%	
64	3.85%		7.26%	7.10%	5.67%	
65	4.00%		7.38%	7.20%	5.79%	
66	4.17%		7.52%	7.30%	5.92%	
67	4.35%		7.67%	7.40%	6.06%	
68	4.55%		7.83%	7.60%	6.22%	
69	4.76%		8.02%	7.70%	6.40%	
70	5.00%		8.22%	7.90%	6.61%	
71	5.28%		8.45%	8.10%	6.83%	
72	5.40%		8.71%	8.30%	7.10%	
73	5.53%		9.00%	8.50%	7.39%	
74	5.67%		9.34%	8.80%	7.74%	
75	5.82%		9.71%	9.10%	8.14%	
76	5.98%		10.15%	9.40%	8.60%	
77	6.17%		10.66%	9.80%	9.14%	
78	6.36%		11.25%	10.30%	9.76%	
79	6.58%		11.96%	10.80%	10.50%	
80	6.82%		12.82%	11.50%	11.39%	
81	7.08%		13.87%	12.10%	12.48%	
82	7.38%		15.19%	12.90%	13.84%	
83	7.71%		16.90%	13.80%	15.59%	
84	8.08%		19.19%	14.80%	17.93%	
85	8.51%		22.40%	16.00%	21.21%	
86	8.99%		27.23%	17.30%	26.13%	
87	9.55%		35.29%	18.90%	34.33%	
88	10.21%		51.46%	20.00%	50.74%	
89	10.99%		100.00%	20.00%	100.00%	
90	11.92%		100.00%	20.00%	100.00%	
91	13.06%		100.00%	20.00%	100.00%	
92	14.49%		100.00%	20.00%	100.00%	
93	16.34%		100.00%	20.00%	100.00%	
94	18.79%		100.00%	20.00%	100.00%	
95+	20.00%		100.00%	20.00%	100.00%	

Age on Dec 31, 2022. RRIF is registered retirement income fund. LIF (originating from a RPP) is life income fund. Earliest shown age is 60, but RRIF min and LIF max rates apply at all ages. Below 71, RRIF minimum is 1/[90-age]. Some regulators require conversion to annuity at 80.

Public pension and support programs

Program	Monthly	Annual
Canada Pension Plan (CPP), retirement at 65	1,307	15,679
Post-retirement benefit, at age 65	40	483
Disability benefit, maximum	1,539	18,464
Post-retirement disability benefit	559	6,705
Survivor's pension, younger than 65	708	8,495
Survivor's pension, 65 and older	784	9,407
Child of disabled or deceased contributor	282	3,381
Combined survivor and retirement pension, age 65	1,313	15,758
Combined survivor pension and disability benefit	1,543	18,513
Death benefit, one-time payment	2,500	one-time
Old Age Security (OAS), age 65 (15% phase)	79,845	688
OAS, age 75 or older	79,845	756
Allowance (age 60-64) if spouse GIS & OAS	38,592	1,306
Allowance for Survivor, age 60-64	28,080	1,557
Guaranteed income supplement (GIS) (50% phase)	20,832	1,027
If spouse/CLP receives full OAS pension	27,552	618
If spouse/CLP does not receive OAS	49,920	1,027
If spouse/CLP receives an Allowance	38,592	618

Showing max 2023 CPP, indexed annually, reduced by 0.6%/mth if begun before age 65 to \$10,034 at 60, or enhanced 0.7%/mth up to \$22,264 at 70. Showing max 2023-Q1 OAS & GIS, indexed quarterly. OAS enhanced by 0.6%/mth for deferral past 65 up to \$11,221 at 70. Show phase-outs apply to July 2022 to June 2023 program year based on 2021 income.

Tax planning strategies (generally for non-registered investments unless otherwise noted)

- Gift to spouse or minor child – Attribution of all passive/investment income (except capital gains of a minor), but no attribution of reinvested / '2nd-generation' income
- Gift or loan to adult child – No attribution except if intended to lower lending parent's taxes
- Spouse/employee loan – No attribution if at CRA quarterly prescribed rate (4% in 2023-Q1)
- Spousal RRSP – No attribution unless withdrawn in deposit year +2 calendar years
- Pension split with spouse – Up to 50% may be elected annually at tax reporting time
- Gift to spouse for TFSA – No attribution of earnings or growth, except if avoidance series
- CPP/QPP credit sharing – Election to split credits between spouses on start of pensions
- Family expenses & taxes – High earner pays, allowing low income spouse to invest
- Charitable giving – Claim both spouses' donations on one return to maximize credit
- Canadian dividends – Claim all by lower income spouse if it increases spouse credit
- Capital losses – Claim against capital gains currently, 3 years back, or forward indefinitely
- Investment loan – Interest deductible against any income, limited in Quebec
- Investment fees – Deductible against any income, limited in Quebec
- Life insurance – Death benefit generally tax-free; investment growth potentially tax-free

RRSP/RRIF withholding tax rates

Withdrawal	General	Quebec
Up to 5,000	10%	5%
5,001 - 15,000	20%	10%
15,000 +	30%	15%

RRIF minimum rate is 0%. Non-resident rate is 25% unless reduced by treaty.

Land transfer – Province

Land Transfer Tax is 0.5% up to 55,000, 1% up to 250,000, 1.5% up to 400,000, 2% up to 2,000,000 and 2.5% on excess. Additional rules and charges may apply in the Toronto area. There is also a 15% non-resident speculation tax.

Estate administration – Province

Estate Administration Tax is 1.5%, with the first \$50,000 of estate assets exempt. Real estate is valued net of mortgage/encumbrances.

Important tax dates

RRSP contributions	Mar 01, 2023
File/pay personal tax	May 01, 2023
Self-employed - File	Jun 15, 2023
- Pay	May 01, 2023
Instalments	15th of Mar Jun Sep Dec
Last trade day (T+2)	Dec 27, 2023

For more information, please consult your financial advisor and tax professional.

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* PROVISIONAL VERSION pending any changes in federal and provincial annual budgets – Compiled Jan, 2023