



Personal Tax Rates

Combined Top Marginal Tax Rates For Individuals—2024

	Interest and Regular Income	Capital Gains ¹	Eligible Dividends	Non-eligible Dividends
British Columbia	53.50%	26.75/35.67%	36.54%	48.89%
Alberta	48.00	24.00/32.00	34.31	42.30
Saskatchewan ²	47.50	23.75/31.67	29.64	41.34
Manitoba	50.40	25.20/33.60	37.79	46.67
Ontario	53.53	26.76/35.69	39.34	47.74
Quebec	53.31	26.65/35.54	40.11	48.70
New Brunswick	52.50	26.25/35.00	32.40	46.83
Nova Scotia	54.00	27.00/36.00	41.58	48.27
Prince Edward Island ³	51.75	25.88/34.50	36.20	47.63
Newfoundland and Labrador	54.80	27.40/36.53	46.20	48.96
Yukon	48.00	24.00/32.00	28.92	44.05
Northwest Territories	47.05	23.53/31.37	28.33	36.82
Nunavut	44.50	22.25/29.67	33.08	37.79

Notes

- (1) The lifetime capital gains exemption limit for qualified farm property, qualified fishing property and qualified small business corporation shares increased to \$1,016,836 (from \$971,190) for 2024. The 2024 federal budget proposed to increase the lifetime capital gains exemption to \$1.25 million (from \$1,016,836) and would apply to dispositions that occur on or after June 25, 2024. The increased lifetime capital gains exemption is proposed to be indexed annually for inflation starting in 2026.

The 2024 federal budget proposed to increase the capital gains inclusion rate to 66.67% (from 50%) on capital gains realized annually above \$250,000 by individual taxpayers for gains realized on or after June 25, 2024. Quebec announced that it will harmonize its rules to also increase the capital gains inclusion rate to 66.67%.

The 2024 federal budget also proposed to introduce the Canadian Entrepreneurs' Incentive that will allow an individual taxpayer to use a 33.33% inclusion rate for the disposition of qualifying shares, subject to a lifetime limit of \$2 million in capital gains per individual that draft legislation released on August 12, 2024 proposes to phase in by increments of \$400,000 per year beginning in 2025.

- (2) Saskatchewan increased the province's DTC rate that applies to non-eligible dividends to 2.52% (from 2.11%) of taxable dividends, effective January 1, 2024. The rate will further increase to 2.94% effective January 1, 2025 and to 3.36% effective January 1, 2026. Accordingly, the combined top marginal tax rate on non-eligible dividends will decrease to 40.86% effective January 1, 2025 and to 40.37% effective January 1, 2026 (assuming no further rate changes).
- (3) Prince Edward Island's top marginal personal tax rate on interest and regular income increased to 18.75% (from 16.7%), effective January 1, 2024. The province also eliminated its 10% surtax beginning in 2024. The province's 2024 budget proposed to increase the top marginal personal tax rate on interest and regular income to 19%, effective January 1, 2025.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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