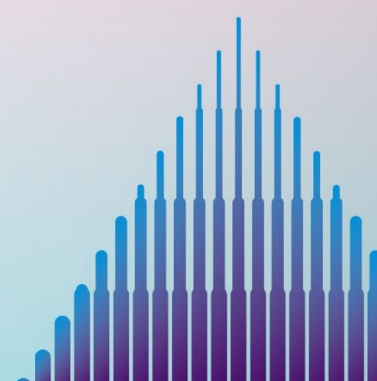




TaxNewsNow

Canada



November 7, 2023

CRA Prescribed Rates Rise for Q1 2024

The CRA prescribed income tax interest rates for taxable benefits, overpaid taxes and underpaid taxes rise by 1% for Q1 2024

The CRA prescribed income tax interest rates for taxable benefits, overpaid taxes and underpaid taxes will all increase by 1% in the first quarter of 2024 (January 1, 2024 – March 31, 2024).

The interest rate on overdue income taxes and penalties will increase to 10% (from 9%). The prescribed rate for refunds of overpaid taxes will increase to 8% (from 7%) for non-corporate taxpayers and 6% (from 5%) for corporate taxpayers. Finally, the prescribed rate that applies to taxable benefits for employees and shareholders from interest-free and low-interest loans, as well as to prescribed rate family income-splitting loans will also increase to 6% (from 5%).

Prescribed rates for 2024 and 2023 are as follows:

	Taxable Benefits	Overpaid Taxes		Underpaid Taxes
		Corporations	Others	
2024				
January 1 – March 31	6%	6%	8%	10%
2023				
October 1 – December 31	5%	5%	7%	9%
July 1 – September 30	5%	5%	7%	9%
April 1 – June 30	5%	5%	7%	9%
January 1 – March 31	4%	4%	6%	8%

For more information, contact your KPMG adviser.

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