



TaxNewsFlash

Canada

Highlights of the 2025 New Brunswick Budget

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New Brunswick's Finance Minister delivered the province's 2025 budget on March 18, 2025. The budget anticipates a deficit of \$399 million for 2024-25 and projects deficits of \$549 million (\$599 million after a \$50 million contingency for the potential effect of United States tariffs) for 2025-26 and \$447 million for 2026-27. The budget does not include changes to the corporate or personal tax rates, nor does it announce new or expanded tax credits. The province has established a support package of \$112 million, including a \$25 million investment in a business support program offered through Opportunities New Brunswick, to address the uncertainty of United States tariffs.

Business tax changes

Corporate income tax rates

The budget does not announce changes to the province's corporate income tax rates. As a result, New Brunswick's corporate income tax rates remain as follows:

Corporate Income Tax Rates — As of January 1, 2025		
	New Brunswick	Combined Federal and New Brunswick
General	14%	29%
M&P	14%	29%
Small business ¹	2.5%	11.5%

¹ On first \$500,000 of active business income.

Personal tax changes

Personal income tax rates

The budget does not announce changes to personal income tax rates. As a result, New Brunswick's personal income tax rates effective January 1, 2025 are as follows:

Personal Combined Federal/New Brunswick Top Marginal Rates	
	2025
Interest and regular income	52.50%
Capital gains	26.25% ¹
Eligible dividends	32.40%
Non-eligible dividends	46.83%

¹ The capital gains rate is based on the legislated ½ inclusion rate.

We can help

Your KPMG adviser can help you assess the effect of this year's New Brunswick budget on your personal finances or business affairs, and point out ways to realize any tax savings.

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