Personal Tax Rates

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2026

	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
Federal[1]	14.00%	Up to $58,523		
	20.50	58,524–117,045		
	26.00	117,046–181,440		
	29.00	181,441–258,482		
	33.00	258,483 and over		
British Columbia[2]	5.60%	Up to $50,363		
	7.70	50,364–100,728		
	10.50	100,729–115,648		
	12.29	115,649–140,430		
	14.70	140,431–190,405		
	16.80	190,406–265,545		
	20.50	265,546 and over		
Alberta[3]	8.00%	Up to $61,200		
	10.00	61,201–154,259		
	12.00	154,260–185,111		
	13.00	185,112–246,813		
	14.00	246,814–370,220		
	15.00	370,221 and over		
Saskatchewan[4]	10.50%	Up to $54,532		
	12.50	54,533–155,805		
	14.50	155,806 and over		
Manitoba[5]	10.80%	Up to $47,000		
	12.75	47,001–100,000		
	17.40	100,001 and over		
Ontario[6]	5.05%	Up to $53,891		
	9.15	53,892–107,785	20%	$5,818
	11.16	107,786–150,000	36	7,446
	12.16	150,001–220,000		
	13.16	220,001 and over		
Quebec[7]	14.00%	Up to $54,345		
	19.00	54,346–108,680		
	24.00	108,681–132,245		
	25.75	132,246 and over		

Refer to notes on the following pages.

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.

© 2026 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2026

	Tax Rates	Tax Brackets	Surtax Rates	Surtax Thresholds
New Brunswick[4]	9.40% 14.00 16.00 19.50	Up to $52,333 52,334–104,666 104,667–193,861 193,862 and over		
Nova Scotia[8]	8.79% 14.95 16.67 17.50 21.00	Up to $30,995 30,996–61,991 61,992–97,417 97,418–157,124 157,125 and over		
Prince Edward Island[9]	9.50% 13.47 16.60 17.62 19.00 20.00	Up to $33,928 33,929–65,820 65,821–106,890 106,891–142,250 142,251–200,000 200,001 and over		
Newfoundland and Labrador[10]	8.70% 14.50 15.80 17.80 19.80 20.80 21.30 21.80	Up to $44,678 44,679–89,354 89,355–159,528 159,529–223,340 223,341–285,319 285,320–570,638 570,639–1,141,275 1,141,276 and over		
Yukon[4]	6.40% 9.00 10.90 12.80 15.00	Up to $58,523 58,524–117,045 117,046–181,440 181,441–500,000 500,001 and over		
Northwest Territories[4]	5.90% 8.60 12.20 14.05	Up to $53,003 53,004–106,009 106,010–172,346 172,347 and over		
Nunavut[4]	4.00% 7.00 9.00 11.50	Up to $55,801 55,802–111,602 111,603–181,439 181,440 and over		

Refer to notes on the following page.

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.

© 2026 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Federal and Provincial/Territorial Income Tax Rates and Brackets for 2026

Notes

(1) The federal tax brackets are indexed each year by a calculated inflation factor, which is based on the change in the average federal inflation rate over the 12-month period ending September 30 of the previous year compared to the change in the rate for the same period of the year prior to that. The federal inflation factor is 2.0% for 2026.

The federal government decreased the rate applicable to the lowest tax bracket from 15% to 14.5% for 2025 and to 14% for the 2026 and later taxation years.

(2) British Columbia indexes its tax brackets using the same formula as that used federally, but uses the provincial inflation rate rather than the federal rate in the calculation. The inflation factor for this province is 2.2% for 2026.

British Columbia's 2026 budget proposed to increase the lowest personal income tax rate to 5.6% (from 5.06%), effective for the 2026 and subsequent taxation years. The province's 2026 budget also proposed to freeze the indexation of personal income tax bracket thresholds (to inflation), effective for the 2027 through to the 2030 taxation years.

(3) Alberta indexes its tax brackets using the same formula as that used federally, but uses the provincial inflation rate rather than the federal rate in the calculation. However, the province introduced a 2.0% limit that applies to its inflation factor, effective January 1, 2025. The inflation factor for this province is 2.0% for 2026.

(4) Saskatchewan, New Brunswick, Yukon, Northwest Territories and Nunavut index their tax brackets using the same formula as that used federally. The inflation factor for these provinces and territories is 2.0% for 2026.

(5) Manitoba paused the indexation of the province's tax brackets, beginning with the 2025 tax year.

(6) Ontario indexes its tax brackets and surtax thresholds using the same formula as that used federally but uses the provincial inflation rate rather than the federal rate in the calculation. The inflation factor for this province is 1.9% for 2026.

Ontario surtax of 20% applies to the provincial income tax (before surtax) in excess of $5,818. Ontario surtax of 36% applies in addition to the 20% surtax (i.e., a total surtax of 56%) to the provincial income tax (before surtax) in excess of $7,446. The surtax effectively increases the top marginal tax rate for Ontario residents to 20.53% (13.16% x 156%).

Ontario resident individuals with taxable income over $20,000 are also required to pay a Health Premium each year (see the table "Provincial Health Premiums").

(7) Quebec indexes its tax brackets using the same formula as that used federally, but uses the provincial inflation rate, excluding changes in liquor and tobacco taxes, rather than the federal rate in the calculation. The inflation factor for this province is 2.05% for 2026.

Quebec residents are required to make payments to the province's Health Services Fund (see the table "Provincial Health Premiums").

(8) Nova Scotia introduced indexation of the province's tax brackets, beginning with the 2026 tax year. The inflation factor for this province is 1.6% for 2026.

(9) Prince Edward Island does not index its tax brackets.

Prince Edward Island introduced a new provincial personal income tax rate of 20% on taxable income exceeding $200,000, effective January 1, 2026.

(10) Newfoundland and Labrador indexes its tax brackets using the same formula as that used federally but uses the provincial inflation rate rather than the federal rate in the calculation. The inflation factor for this province is 1.1% for 2026.

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.

© 2026 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.