Other Tax Rates

Prescribed Interest Rates–2025[1]

	Jan. to Mar. (Q1)	Apr. to Jun. (Q2)	Jul. to Sept. (Q3)	Oct. to Dec. (Q4)
Federal[2]				
Base rate	4.0%	4.0%	3.0%	3.0%
Tax debts	8.0	8.0	7.0	7.0
Tax refunds – corporations	4.0	4.0	3.0	3.0
Tax refunds – other taxpayers	6.0	6.0	5.0	5.0
Pertinent loans or indebtedness (PLOI)[3]	7.78	7.08	6.62	6.69
Alberta[4]				
Tax debts	8.0	8.0	7.0	7.0
Tax refunds	2.0	2.0	1.5	1.5
Quebec[5]				
Tax debts	9.0	8.0	8.0	8.0
Tax refunds	3.5	3.5	3.0	3.0

Notes

(1) The rates in these tables do not apply to underpaid and overpaid capital taxes. For the applicable prescribed interest rates for capital tax debts and refunds see the tables "Prescribed Interest Rates for Capital Taxes".

(2) The federal base rate applies to taxable benefits for employees and shareholders, low-interest loans and other related-party transactions. The rate for tax debts applies to all tax debts, penalties, insufficient instalments, and unpaid employee income tax, Canada Pension Plan contributions and Employment Insurance premiums.

All provinces other than Alberta and Quebec use the federal interest rates for corporate income tax refunds and debts. All provinces other than Quebec use the federal interest rates for individual income tax refunds and debts.

Interest charged on tax debts is not deductible in calculating taxable income. Interest received on tax refunds must be included in taxable income in the year received. For any period of time where interest is calculated both on tax refunds and debts, the two amounts may be offset. Interest will be payable only on the net balance owing, with the rate of interest depending on whether there is a net overpayment or underpayment.

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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Prescribed Interest Rates–2026[1]

	Jan. to Mar. (Q1)	Apr. to Jun. (Q2)	Jul. to Sept. (Q3)	Oct. to Dec. (Q4)
Federal[2]				
Base rate	3.0%	3.0%	3.0%	3.0%
Tax debts	7.0	7.0	7.0	7.0
Tax refunds – corporations	3.0	3.0	3.0	3.0
Tax refunds – other taxpayers	5.0	5.0	5.0	5.0
Pertinent loans or indebtedness (PLOI)[3]	6.36	6.20	6.30	6.29
Alberta[4]				
Tax debts	7.0	7.0	7.0	7.0
Tax refunds	1.5	1.5	1.5	1.5
Quebec[5]				
Tax debts	8.0	7.0	7.0	7.0
Tax refunds	2.75	2.75	3.0	3.0

Notes, continued

(3) The prescribed interest quarterly rate is used to determine the deemed interest income inclusion from a pertinent loan or indebtedness (PLOI). This rate is generally the average yield of Government of Canada 90-day Treasury Bills sold during the first month of the preceding quarter (rounded to two decimal places) plus 4%.

(4) The Alberta rates indicated in the table apply to corporate income taxes.

(5) The Quebec rates indicated in the table apply to personal income taxes, as well as corporate income and capital taxes. Quebec also charges an additional 10% per year on underpaid instalments if less than 75% of the required amount (90% for corporations) is paid.

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