



TaxNewsFlash

Canada

Highlights of the 2026 New Brunswick Budget

March 17, 2026

No. 2026-15

New Brunswick's Finance Minister delivered the province's 2026 budget on March 17, 2026. The budget anticipates a deficit of \$1.39 billion for 2026-27 and projects deficits of \$1.31 billion for 2027-28 and \$1.27 for 2028-29. The budget does not include any new changes to the corporate or personal income tax rates. New Brunswick announced it intends to bring forward proposed legislative amendments to the Small Business Investor Tax Credit and a review of property tax exemptions.

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, 2026		
	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, 2026 are as follows:

Personal Combined Federal/New Brunswick Top Marginal Rates	
	2026
Interest and regular income	52.50%
Capital gains	26.25%
Eligible dividends	32.40%
Non-eligible dividends	46.83%

We can help

Your KPMG adviser can help you assess the effect of the tax changes in this year's New Brunswick budget on your personal finances or business affairs, and point out ways to realize any tax savings. We can also keep you abreast of the progress of these proposals as they make their way into law.

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