

## TAX RESOURCE GUIDE 2020

### PERSONAL TAX RATES

Ontario 2020				Ontario 2019			
Taxable Income (\$)	Ordinary (%)	Dividend (%)	Capital Gains (%)	Taxable Income (\$)	Ordinary (%)	Dividend (%)	Capital Gains (%)
0 to 44,740	20	9	10	0 to 43,906	20	9	10
44,740 to 48,535	24	14	12	43,906 to 47,630	24	14	12
48,535 to 78,783	30	20	15	47,630 to 77,313	30	20	15
78,783 to 89,482	21	22	16	77,313 to 87,813	31	22	16
89,482 to 92,825	34	25	17	87,813 to 91,101	34	25	17
92,825 to 97,069	38	30	19	91,101 to 95,259	38	29	19
97,069 to 150,000	43	36	22	95,259 to 147,667	43	36	22
150,000 to 150,473	45	38	22	147,667 to 150,000	46	39	23
150,473 to 214,368	48	41	24	150,000 to 210,371	48	41	24
214,368 to 220,000	52	46	26	210,371 to 220,000	52	46	26
220,000 and up	53	48	27	220,000 and up	53	47	27

Lower tax rates are not affected by moving to the next bracket

RRSP (max)	TFSA (max)
2018 = \$26,230	2018 = \$5,500
2019 = \$26,500	2019 = \$6,000
2020 = \$27,230	2020 = \$6,000

## OLD AGE SECURITY RECOVERY TAX

Repayment calculation is based on 15% of the difference between your income and the minimum threshold amount for the year.

Recovery Tax Period	Income Year	Minimum Income Recovery Threshold	Maximum Income Recovery Threshold
July 2019 – June 2020	2018	\$75,910	\$123,386
July 2020 – June 2021	2019	\$77,580	\$125,696
July 2021 – June 2022	2020	\$79,054	\$128,137

## CORPORATE TAX RATES (FEDERAL & ONTARIO)

Taxable Income (\$)	Regular (%)	Investment (%)
0 to 500,000	12.5	50.2
500,001 and up	26.5	50.2

**Federal corporate tax rate:** 9% on 1<sup>st</sup> 500K; 15% on balance

**Ontario corporate tax rate:** 3.2% on 1<sup>st</sup> 500K; 11.5% on the balance

**Quebec corporate tax rate:** 5% on 1<sup>st</sup> 500K; 11.5% on the balance

30% (30% - 2016) of the investment tax is refundable; dividends received from Canadian corporations are taxed at 38% (38% - 2017) (all refundable)

A refund is obtained when a taxable dividend is declared, at a ratio of 1:2

## MILEAGE RATES

**January 2020:** 1<sup>st</sup> 5,000 km @ \$0.59/km; remaining balance @ \$0.53/km

**January 2019:** 1<sup>st</sup> 5,000 km @ \$0.58/km; remaining balance @ \$0.52/km

**January 2018:** 1<sup>st</sup> 5,000 km @ \$0.55/km; remaining balance @ \$0.49/km

### AUTOMOBILE LIMITS

Capital cost: \$30,000 plus tax

Lease: \$800 per month plus tax

Interest: \$300 per month

### TRAVEL PER DIEM RATES

Meals and incidentals:  
\$91.50

Non-commercial  
accommodation: \$50

### MEAL EXPENSES

\$17 x 3 meals/day = \$51/day

### MOVING EXPENSES

\$0.58/km

## PAYROLL LIMITS

	2020	2019
<b>Canada Pension Plan (CPP)</b>		
Contribution Rate	5.25%	5.1%
Employee Maximum	\$2,898	\$2,749
Exemption	\$3,500	\$3,500
Maximum Pensionable Earnings	\$58,700	\$57,400
<b>Employment Insurance (EI)</b>		
Contribution Rate	1.58%	1.62%
Employee Maximum (\$)	\$856.36	\$860
Maximum Earnings	\$54,200	\$53,100
<b>WSIB (ON) Maximum Earnings</b>	\$95,400	\$92,600
<b>RRSPs</b>	\$27,230	\$26,500
<b>Basic Personal Exemption (Federal)</b>	\$12,298	\$12,069
<b>Basic Personal Exemption (Ontario)</b>	\$10,783	\$10,582

**CPP Notes:** Must be over 18; employer pays same as employee; 10% of CPP maximum earnings needed in 4 of the last 6 years to qualify for the CPP disability pension

**EI Notes:** Employer pays 1.4 times employee; owners exempt

#### LATE FILING PENALTIES

##### CORPORATE

5% + 1%/month (12 months maximum)

10% + 2%/month (20 months maximum)  
– for repeat offenders in past 3 years

##### T4/T5/T4A,T3

\$10 per day to a maximum of \$1,000.

\$15 per day to a maximum of \$1,500 if you have 51-500 slips

#### INSTALMENTS DATES

March 15      September 15

June 15      December 15