



## 2017-2018 TAX FACTS FOR ALBERTA RESIDENTS

### TAX RATES ON CORPORATE INCOME FOR 2018 AND 2017

| <i>CCPC Active Income</i>               | <i>Dec 2018</i> | <i>Dec 2017</i> |
|---|-----------------|-----------------|
| \$ 0—\$ 500,000                         | 12.00%          | 12.50%          |
| > \$ 500,000                            | 27.00%          | 27.00%          |
| <i>CCPC Investment Income</i>           | <i>Dec 2018</i> | <i>Dec 2017</i> |
| Interest                                | 50.67%          | 50.67%          |
| Interest (net of refundable taxes)      | 20.00%          | 20.00%          |
| Capital Gains                           | 25.33%          | 25.33%          |
| Capital Gains (net of refundable taxes) | 10.00%          | 10.00%          |

### RRSP LIMITS

| <i>Year</i> | <i>RRSP Deduction Limit</i> | <i>Prior Year Earned Income Required to Maximize RRSP</i> |
|-------------|-----------------------------|---|
| 2019        | \$ 26,500                   | \$ 147,222  |
| 2018        | \$ 26,230                   | \$ 145,722  |
| 2017        | \$ 26,010                   | \$ 144,500  |

### CPP & EI LIMITS

| <i>Year</i> | <i>CPP Limit</i> | <i>Maximum Pensionable Earnings</i> | <i>EI—Employee Limit</i> | <i>EI—Employer Limit</i> | <i>EI—Maximum Insurable Earnings</i> |
|-------------|------------------|-------------------------------------|--------------------------|--------------------------|--------------------------------------|
| 2018        | \$ 2,593.80      | \$ 55,900                           | \$ 858.22                | \$ 1,201.51              | \$ 51,700                            |
| 2017        | \$ 2,564.10      | \$ 55,300                           | \$ 836.19                | \$ 1,170.67              | \$ 51,300                            |

**Note: Employer and employees pay the same CPP amount.**

### PRESCRIBED INTEREST RATES

(Note: These rates are for overdue balances, refunds subtract 2%, corporate refunds and shareholder loans subtract 4%)

| <i>Quarter</i> | <i>2018</i> | <i>2017</i> | <i>2016</i> |
|----------------|-------------|-------------|-------------|
| 1st quarter    | 5%          | 5%          | 5%          |
| 2nd quarter    |             | 5%          | 5%          |
| 3rd quarter    |             | 5%          | 5%          |
| 4th quarter    |             | 5%          | 5%          |

### AUTOMOBILE AMOUNTS

| <i>Claim Description</i>  | <i>2018</i>    | <i>2017</i>    |
|---|----------------|----------------|
| Tax-exempt vehicle allowances   |                |                |
| —first 5,000 km   | 55 cents/km    | 54 cents/km    |
| —after 5,000 km   | 49 cents/km    | 48 cents/km    |
| <small>(Note: the rates are 4 cents/km higher in Yukon, Nunavut, and the Northwest Territories)</small> |                |                |
| CCA threshold—Class 10.1  | \$30,000       | \$30,000       |
| Interest expense limit  | \$300/month    | \$300/month    |
| Leasing limit per month (subject to further limitations)  | \$800/mo+taxes | \$800/mo+taxes |
| Operating expense benefit re: standby charge—general rate   | 26 cents/km    | 25 cents/km    |

### PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS IN 2018

| <i>Taxable Income</i> | <i>Marginal Tax Rate On Salary</i> | <i>Marginal Tax Rate on Ineligible Dividends</i> | <i>Marginal Tax Rate on Eligible Dividends</i> |
|-----------------------|------------------------------------|--|--|
| \$ 0—\$ 46,605        | 25.00%                             | 14.95%   | 0.00%  |
| \$ 46,605 —\$ 93,208  | 30.50%                             | 21.34%   | 7.56%  |
| \$ 93,208—\$128,145   | 36.00%                             | 27.72%   | 15.15%   |
| \$128,145—\$144,489   | 38.00%                             | 30.04%   | 17.91%   |
| \$144,489—\$153,773   | 41.00%                             | 33.52%   | 22.05%   |
| \$153,773—\$205,031   | 42.00%                             | 34.68%   | 23.43%   |
| \$205,031—\$205,842   | 43.00%                             | 35.84%   | 24.81%   |
| \$205,842—\$307,547   | 47.00%                             | 40.48%   | 30.33%   |
| > \$307,547           | 48.00%                             | 41.64%   | 31.71%   |

### PENSION SPLITTING WITH SPOUSES

|                              | <i>65 or Older</i> | <i>Under 65</i> |
|------------------------------|--------------------|-----------------|
| Pension Annuity Payments     | Yes                | Yes             |
| RRIF Payments                | Yes                | No *            |
| RRSP Annuity Payments        | Yes                | No *            |
| RRSP Lump-Sum Withdrawals    | No                 | No              |
| Canada Pension Plan Benefits | No                 | No              |
| Old Age Security Benefits    | No                 | No              |

\* Except if received due to the death of a spouse

### CLAWBACK OF OLD AGE SECURITY

| <i>Year</i> | <i>Start of Clawback @ 15% of the amount by</i> |
|-------------|---|
| 2018        | \$75,910  |
| 2017        | \$74,788  |

### COMMON PERSONAL TAX CREDITS

|   | <i>Federal</i> |             | <i>Alberta</i> |             |
|---|----------------|-------------|----------------|-------------|
|   | <i>2018</i>    | <i>2017</i> | <i>2018</i>    | <i>2017</i> |
| Basic personal amount                                 | \$11,809       | \$11,635    | \$18,915       | \$18,690    |
| Spousal amount or eligible dependant amount (maximum) | \$11,809       | \$11,635    | \$18,915       | \$18,690    |
| Age amount (maximum)                                  | \$ 7,333       | \$ 7,225    | \$ 5,271       | \$ 5,208    |
| Pension income amount (maximum)                       | \$ 2,000       | \$ 2,000    | \$ 1,456       | \$ 1,439    |
| Disability amount                                     | \$ 8,235       | \$ 8,113    | \$14,590       | \$14,417    |
| Canada employment amount (maximum)                    | \$ 1,195       | \$ 1,178    | \$ 0           | \$ 0        |

Note: Above federal tax credits are applied at 15% and Alberta tax credits are applied at 10%.

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