



## 2020-2021 TAX FACTS FOR ALBERTA RESIDENTS

### TAX RATES ON CORPORATE INCOME FOR 2020 AND 2021

<i>CCPC Active Income</i>	<i>Dec 2021</i>	<i>Dec 2020</i>
\$ 0—\$ 500,000	11.00%	11.00%
> \$ 500,000	23.00%	24.00%
<i>CCPC Investment Income</i>	<i>Dec 2021</i>	<i>Dec 2020</i>
Interest	46.67%	47.67%
Interest (net of refundable taxes)	16.00%	17.00%
Capital Gains	23.33%	23.83%
Capital Gains (net of refundable taxes)	8.00%	8.50%

### RRSP LIMITS

<i>Year</i>	<i>RRSP Deduction Limit</i>	<i>Prior Year Earned Income Required to Maximize RRSP</i>
2022	\$ 29,210	\$ 162,278
2021	\$ 27,830	\$ 154,611
2020	\$ 27,230	\$ 151,278

### 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>
2021	\$ 3,166.45	\$ 61,600	\$ 889.54	\$ 1,245.36	\$ 56,300
2020	\$ 2,898.00	\$ 58,700	\$ 856.36	\$ 1,198.90	\$ 54,200

**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>2021</i>	<i>2020</i>	<i>2019</i>
1st quarter	5%	6%	6%
2nd quarter	5%	6%	6%
3rd quarter		5%	6%
4th quarter		5%	6%

### AUTOMOBILE AMOUNTS

<i>Claim Description</i>	<i>2021</i>	<i>2020</i>
Tax-exempt vehicle allowances —first 5,000 km —after 5,000 km	59 cents/km 53 cents/km	59 cents/km 53 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	27 cents/km	28 cents/km

### PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS IN 2021

<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—\$ 49,020	25.00%	15.86%	2.57%
\$ 49,020 —\$ 98,040	30.50%	22.17%	10.16%
\$ 98,040—\$131,220	36.00%	28.50%	17.75%
\$131,220—\$151,978	38.00%	30.80%	20.51%
\$151,978—\$157,464	41.00%	34.25%	24.65%
\$157,464—\$209,952	42.00%	35.40%	26.03%
\$209,952—\$216,511	43.00%	36.55%	27.41%
\$216,511—\$314,928	47.00%	41.15%	32.93%
> \$314,928	48.00%	42.30%	34.31%

### 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>
2021	\$79,845
2020	\$79,054

### COMMON PERSONAL TAX CREDITS

	<i>Federal</i>		<i>Alberta</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Basic personal amount	\$13,808*	\$13,229*	\$19,369	\$19,369
Spousal amount or eligible dependant amount (maximum)	\$13,808*	\$13,229*	\$19,369	\$19,369
Age amount (maximum)	\$ 7,713	\$ 7,637	\$ 5,397	\$ 5,397
Pension income amount (maximum)	\$ 2,000	\$ 2,000	\$ 1,491	\$ 1,491
Disability amount	\$ 8,662	\$ 8,576	\$14,940	\$14,940
Canada employment amount (maximum)	\$ 1,257	\$ 1,245	\$ 0	\$ 0

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

\*\$13,808 (13,229) is the increased amount, it is reduced to \$12,421(12,298) for individuals with net income above \$216,511 (214,368), with gradual reduction beginning at net income above \$151,978 (150,473).

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