



2020-2021 TAX FACTS FOR ALBERTA RESIDENTS

TAX RATES ON CORPORATE INCOME FOR 2020 AND 2021

CCPC Active Income	Dec 2021	Dec 2020
\$ 0—\$ 500,000	11.00%	11.00%
> \$ 500,000	23.00%	24.00%
CCPC Investment Income	Dec 2021	Dec 2020
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

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

CPP & EI LIMITS

Year	CPP Limit	Maximum Pensionable Earnings	EI—Employee Limit	EI—Employer Limit	EI—Maximum Insurable Earnings
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%)

Quarter	2021	2020	2019
1st quarter	5%	6%	6%
2nd quarter	5%	6%	6%
3rd quarter	5%	5%	6%
4th quarter		5%	6%

AUTOMOBILE AMOUNTS

Claim Description	2021	2020
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

Taxable Income	Marginal Tax Rate On Salary	Marginal Tax Rate on Ineligible Dividends	Marginal Tax Rate on Eligible Dividends
\$ 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

	65 or Older	Under 65
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

Year	Start of Clawback @ 15% of the amount by
2021	\$79,845
2020	\$79,054

COMMON PERSONAL TAX CREDITS

	Federal		Alberta	
	2021	2020	2021	2020
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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