Kenway Mack Slusarchuk Stewart LLP
Chartered Professional Accountants

Celebrating 35+ years

2025-2026 TAX FACTS FOR ALBERTA RESIDENTS

TAX RATES ON CORPORATE INCOME FOR 2025 AND 2026

CCPC Active Income	Dec 2026	Dec 2025
$ 0—$ 500,000	11.00%	11.00%
> $ 500,000	23.00%	23.00%

CCPC Investment Income	Dec 2026	Dec 2025
Interest	46.67%	46.67%
Interest (net of refundable taxes)	16.00%	16.00%
Capital Gains	23.33%	23.33%
Capital Gains (net of refundable taxes)	8.00%	8.00%

RRSP LIMITS

Year	RRSP Deduction Limit	Prior Year Earned Income Required to Maximize RRSP
2027	$ 35,390	$ 196,611
2026	$ 33,810	$ 187,833
2025	$ 32,490	$ 180,500

CPP & EI LIMITS

Year	CPP Limit	Maximum Pensionable Earnings	EI—Employee Limit	EI—Employer Limit	EI—Maximum Insurable Earnings
2026	$ 4,646.45	$ 85,000	$ 1,123.07	$ 1,572.30	$ 68,900
2025	$ 4,430.10	$ 81,200	$1,077.48	$1,508.47	$ 65,700

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	2026	2025	2024
1st quarter	7%	8%	10%
2nd quarter	7%	8%	10%
3rd quarter	7%	7%	9%
4th quarter	7%	7%	9%

AUTOMOBILE AMOUNTS

Claim Description	2026	2025
Tax-exempt vehicle allowances		
—first 5,000 km	73 cents/km	72 cents/km
—after 5,000 km	67 cents/km	66 cents/km
(Note: the rates are 4 cents/km higher in Yukon, Nunavut, and the Northwest Territories)		
CCA threshold—Class 10.1	$39,000	$38,000
Interest expense limit	$350/month	$350/month
Leasing limit per month (subject to further limitations)	$1,100/ mo+taxes	$1,100/mo+taxes
Operating expense benefit re: standby charge—general rate	34 cents/km	34 cents/km

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PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS IN 2026

Taxable Income	Marginal Tax Rate	Marginal Tax Rate on Ineligible Dividends	Marginal Tax Rate on Eligible Dividends
$ 0—$ 58,523	22.00%	12.41%	0.00%
$ 58,523 —$ 61,200	28.50%	19.89%	7.40%
$ 61,200 —$117,045	30.50%	22.17%	10.16%
$117,045—$154,259	36.00%	28.50%	17.75%
$154,259—$181,440	38.00%	30.80%	20.51%
$181,440—$185,111	41.00%	34.25%	24.65%
$185,111—$246,813	42.00%	35.40%	26.03%
$246,813—$258,482	43.00%	36.55%	27.41%
$258,452—$370,220	47.00%	41.15%	32.93%
> $370,220	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 which Net income exceeds
2026	$95,323
2025	$93,454

COMMON PERSONAL TAX CREDITS

	Federal		Alberta	
	2026	2025	2026	2025
Basic personal amount	$16,452*	$16,129*	$22,769	$22,323
Spousal amount or eligible dependant amount (maximum)	$16,452*	$16,129*	$22,769	$22,323
Age amount (maximum)	$ 9,208	$ 9,028	$ 6,345	$ 6,221
Pension income amount (maximum)	$ 2,000	$ 2,000	$ 1,753	$ 1,719
Disability amount	$ 10,341	$ 10,138	$17,563	$17,219
Canada employment amount (maximum)	$ 1,501	$ 1,471	$ 0	$ 0

Note: Above federal tax credits are applied at 14% for 2026 (14.5% for 2025) and Alberta tax credits are applied at 8% for 2026 and 2025.

*$16,452 (16,129) is the increased amount, it is reduced to $14,829 (14,538) for individuals with net income above $258,482 (253,414), with gradual reduction beginning at net income above $181,440 (177,882).

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