

2026 TAX FACTS

Personal Income Tax Rates (Including Surtaxes)					Corporate Income Tax Rates (Calendar Year-Ends)			
Taxable Income		Tax*	Marginal Rate	Dividends**	Federal	Ontario	Combined	
From	To		Eligible	Non-Eligible	Basic	15.00%	11.50%	26.50%
-	53,891	7,142	19.05%	-8.24%	Manufacturing	15.00%	10.00%	25.00%
53,892	58,523	8,215	23.15%	-2.58%	Small Business	9.00%	3.20%	12.20%
58,524	94,907	19,003	29.65%	6.39%	Investment - CCPC	38.67%	11.50%	50.17%
94,908	107,785	23,057	31.48%	8.92%	Investment - Non-CCPC	15.00%	11.50%	26.50%
107,786	111,814	24,422	33.89%	12.24%				
111,815	117,045	26,405	37.91%	17.79%				
117,046	150,000	40,711	43.41%	25.38%				
150,001	181,440	54,849	44.97%	27.53%				
181,441	220,000	73,458	48.26%	32.07%				
220,001	258,482	92,630	49.82%	34.22%				
258,483	Excess	-	53.53%	39.34%				
* calculated on the upper limit of each bracket ("to" column) allowing for the basic personal credit only and excluding Ontario Health Premium.					Future Corporate Tax Rates (Calendar Year-Ends)			
					2025	2026	2027	
					Basic	26.50%	26.50%	26.50%
					Manufacturing	25.00%	25.00%	25.00%
					Small Business	12.20%	12.20%	12.20%
					Investment - CCPC	50.17%	50.17%	50.17%
					Investment - Non-CCPC	26.50%	26.50%	26.50%
					Income Earned Personally Vs. Income Earned Through a Corporation (Calendar Year-Ends)			
					Based on tax bracket at:	43.41%	48.26%	53.53%
					ABI Eligible for SBD (<\$500,000)			
					Initial corporate tax	12.20	12.20	12.20
					Tax on distribution	31.70	36.59	41.92
					Deferral/(Prepayment)	43.90	48.79	54.12
					(Cost)/Savings	31.21	36.06	41.33
					(0.49)	(0.54)	(0.59)	
					ABI Eligible for Ontario SBD Only			
					Initial corporate tax	18.20	18.20	18.20
					Tax on distribution (eligible dividends only)	20.76	26.23	32.18
					Deferral/(Prepayment)	38.96	44.43	50.38
					(Cost)/Savings	25.21	30.06	35.33
						4.45	3.83	3.15
					General Rate Income			
					Initial corporate tax	26.50	26.50	26.50
					Tax on distribution (eligible dividends only)	18.65	23.57	28.92
					Deferral/(Prepayment)	45.15	50.07	55.42
					(Cost)/Savings	16.91	21.76	27.03
						(1.74)	(1.81)	(1.89)
					Canadian Investment Income w/ Refundable Part I Tax			
					Initial corporate tax	50.17	50.17	50.17
					Net of NERDTOH refund	19.50	19.50	19.50
					Canadian Dividend Income Subject to Part IV Tax			
					Initial corporate tax	38.33	38.33	38.33
					Net of ERDTOH refund***	-	-	-
					Tax on distribution (eligible dividends)	25.38	32.07	39.34
					Deferral/(Prepayment)	25.38	32.07	39.34
					(Cost)/Savings	(12.95)	(6.26)	1.01
						-	-	-
					Other			
					OAS repayment (15% of excess)	\$ 93,454		
					EI clawback limit (1.25 x max insurable earnings)	\$ 86,125		
					2025 RRSP dollar limit	\$ 32,490		
					2026 RRSP dollar limit	\$ 33,810		
					2026 TFSA limit	\$ 7,000		
					*** assumes full recovery of ERDTOH			