

TAX RATES – 2025

INDIVIDUALS

ONTARIO												
SALARY AND OTHER INCOME			DIVIDENDS									
Taxable Income (\$)	Taxes Payable (\$)*	Marginal Rate (%) **	Regular					Eligible				
			Actual Dividend Received (\$) ***	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%) **	Actual Dividend Received (\$) ***	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%) **
First 12,747	0	0.00	First 27,124	(2,419)	(644)	0	0.00	First 38,323	(2,419)	(644)	0	0.00
12,747 to 16,129	0	5.05	27,124 to 35,240	(557)	0	0	2.37	38,323 to 41,576	(2,431)	(3,262)	0	0.00
16,129 to 52,886	171	20.05	35,240 to 45,988	0	193	193	9.24	41,576 to 67,487	(2,431)	(3,300)	0	0.00
52,886 to 57,375	7,541	24.15	45,988 to 49,891	738	448	1,186	13.95	67,487 to 73,717	(471)	(3,604)	0	0.00
57,375 to 93,132	8,625	29.65	49,891 to 80,984	1,006	724	1,730	20.28	73,717 to 76,649	0	(3,520)	0	7.56
93,132 to 105,775	19,227	31.48	80,984 to 91,978	5,107	2,928	8,036	22.38	76,649 to 79,512	222	(3,480)	222	7.56
105,775 to 109,727	23,207	33.89	91,978 to 95,415	6,557	3,939	10,496	25.16	79,512 to 83,152	438	(3,347)	438	7.56
109,727 to 114,750	24,546	37.91	95,415 to 99,783	7,011	4,350	11,361	29.78	83,152 to 108,696	714	(2,973)	714	15.15
114,750 to 150,000	26,450	43.41	99,783 to 130,435	7,587	5,075	12,661	36.10	108,696 to 111,617	4,584	(362)	4,584	15.15
150,000 to 177,882	41,752	44.97	130,435 to 154,680	13,569	10,159	23,728	37.90	111,617 to 128,900	5,027	0	5,027	27.53
177,882 to 220,000	54,291	48.29	154,680 to 191,304	18,300	14,615	32,916	41.72	128,900 to 159,420	7,646	2,139	9,785	32.11
220,000 to 253,414	74,628	49.85	191,304 to 220,360	26,844	21,347	48,191	43.51	159,420 to 183,633	13,667	5,917	19,584	34.26
In excess of 253,414	91,283	53.53	In excess of 220,360	33,622	27,209	60,832	47.74	In excess of 183,633	18,444	9,435	27,879	39.34

QUÉBEC												
SALARY AND OTHER INCOME			DIVIDENDS									
Taxable Income (\$)	Taxes Payable (\$)*	Marginal Rate (%) **	Regular					Eligible				
			Actual Dividend Received (\$) ***	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%) **	Actual Dividend Received (\$) ***	Federal Tax (\$)*	Provincial Tax (\$)*	Taxes Payable (\$)*	Marginal Rate (%) **
First 16,129	0	0.00	First 21,369	(2,419)	(2,600)	0	0.00	First 38,591	(2,419)	(2,600)	0	0.00
16,129 to 18,571	0	12.52	21,369 to 35,240	(952)	0	0	12.17	38,591 to 41,576	(2,430)	(1,375)	0	0.00
18,571 to 53,255	306	26.53	35,240 to 46,309	0	1,688	1,688	17.90	41,576 to 52,240	(2,431)	(1,074)	0	0.00
53,255 to 57,375	9,506	31.53	46,309 to 49,891	635	3,034	3,669	23.65	52,240 to 73,717	(1,624)	0	0	10.05
57,375 to 106,495	10,805	36.12	49,891 to 92,604	840	3,676	4,516	28.93	73,717 to 77,170	0	2,164	2,164	16.39
106,495 to 114,750	28,546	41.12	92,604 to 99,783	5,544	11,329	16,874	34.68	77,170 to 83,152	218	2,511	2,730	23.29
114,750 to 129,590	31,940	45.71	99,783 to 112,687	6,335	13,028	19,363	39.96	83,152 to 93,906	596	3,527	4,123	29.63
129,590 to 177,882	38,723	47.46	112,687 to 154,680	8,438	16,082	24,520	41.97	93,906 to 128,900	1,956	5,352	7,309	32.04
177,882 to 253,414	61,643	50.23	154,680 to 220,360	15,281	26,866	42,146	45.16	128,900 to 183,633	6,384	12,137	18,521	35.87
In excess of 253,414	99,581	53.31	In excess of 220,360	28,075	43,732	71,807	48.70	In excess of 183,633	15,401	22,749	38,150	40.11

* The amount of tax is calculated based on the minimum taxable income of the tax bracket.

** The marginal rate is the tax payable on an additional dollar of income within the tax bracket.

*** The gross-up rate for eligible dividends is 38% and the gross-up rate for regular dividends is 15%, both at the Federal level and in Québec.

These tables take into account provincial surtax, refundable Québec abatement and the basic personal non-refundable credits only.

At the Federal level, these tables do not take into account the alternative minimum tax.

The Québec tables do not take into account the alternative minimum tax and the contribution to HSF.

The Ontario tables do not take into account the Ontario Tax Reduction, the Ontario additional tax for minimum tax purposes and the health premiums.

MAXIMUM COMBINED MARGINAL RATES					
Taxable Income	Ontario			Québec	
	(\$177,882 to \$220,000)	(\$220,000 to \$253,414)	(In excess of \$253,414)	(\$177,882 to \$253,414)	(In excess of \$253,414)
	%	%	%	%	%
Eligible dividends	32.11	34.26	39.34	35.87	40.11
Regular dividends	41.72	43.51	47.74	45.16	48.70
Capital gains (< \$250,001)	24.14	24.92	26.76	25.12	26.65
Other income	48.29	49.85	53.53	50.23	53.31

INCOME TAX RATES FOR 2025					
FEDERAL^{2,3}		ONTARIO		QUÉBEC	
\$0 - \$57,375	15%	\$0 - \$52,886	5.05%	\$0 - \$53,255	14%
\$57,375 - \$114,750	20.5%	\$52,886 - \$105,775	9.15% ¹	\$53,255 - \$106,495	19%
\$114,750 - \$177,882	26%	\$105,775 - \$150,000	11.16% ¹	\$106,495 - \$129,590	24%
\$177,882 - \$253,414	29%	\$150,000 - \$220,000	12.16% ¹	\$129,590 and over	25.75%
\$253,414 and over	33%	\$220,000 and over	13.16% ¹		

¹ NOTE: These rates do not include Ontario Surtax, which is equal to 20% of provincial tax over \$5,710 and 36% of provincial tax over \$7,307.

² Residents of Québec are entitled to a refundable Québec abatement equal to 16.5% of the Federal tax payable.

³ Old age security: 15% of net income over \$93,454 must be reimbursed.

BASIC PERSONAL AMOUNT FOR 2025		
FEDERAL	ONTARIO	QUÉBEC
(15%)	(5.05%)	(14%)
\$16,129 ¹	\$12,747	\$18,571

DEFERRED INCOME PLANS – MAXIMUM ANNUAL CONTRIBUTIONS		
YEAR	RRSP	RPP
2024	\$31,560	\$32,490
2025	\$32,490	\$33,810
2025	\$33,810	Indexed

¹ This amount applies to individuals whose net income for the year is less than or equal to the amount at which the 29% tax rate applies. This amount is reduced gradually to reach \$14,538 for individuals whose net income is greater than or equal to the time at which the 33% tax rate applies.

EMPLOYERS

Canada or Québec Pension Plan – 2025		ONTARIO		QUÉBEC	
Maximum pensionable earnings	5.95%	\$ 71,300.00	6.4%	\$ 71,300.00	
Annual basic exemption	5.95%	3,500.00	6.4%	3,500.00	
Maximum for calculation of contribution	4%	9,900.00	4%	9,900.00	
Maximum contribution					
- employee/employer		4,430.10		4,735.20	
- self-employed		8,860.20		9,470.40	
Employment Insurance – 2025		ONTARIO		QUÉBEC	
Maximum insurable earnings		\$ 65,700.00		\$ 65,700.00	
Maximum contribution					
- employee	1.640%	1,077.48	1.310%	860.67	
- employer (1.4 times)	2.296%	1,508.77	1.834%	1,204.94	
Québec Parental Insurance Plan – 2025					
Maximum insurable earnings				\$ 98,000.00	
Maximum contribution					
- employee	0.494%			484.12	
- employer	0.692%			678.16	
- self-employed	0.878%			860.44	
Health Insurance (Ontario)					
- Calculation based on total payroll.					
- Exemption of \$1,000,000 for eligible affiliated employer groups having a total annual payroll of less than \$5M.					
		- \$0 to \$200,000			0.98%
		- \$200,000 to \$400,000		varies between 1.101 and 1.829	
		- Over \$400,000			1.95
Health Services Fund (Québec)					
- Calculation based on total payroll.					
		- \$0 to \$1,000,000			1.65%
		- \$1,000,000 to \$7,800,000		varies between 1.65 and 4.26	
		- Over \$7,800,000			4.26
Car Allowance:					
- 0 to 5,000 km		\$0.72/km			
- 5,001 km and up		\$0.66/km			
Vehicle Threshold:					
- Purchase: \$38,000 plus GST, QST or HST. Lease: \$1,100 plus GST, QST or HST. Purchase interest: \$350/month.					

CORPORATIONS

CORPORATE TAX RATE FOR 2025 (assuming year-end is December 31)					
	Federal	Ontario	Québec	COMBINED	
				Ontario	Québec
Active business income	%	%	%	%	%
Less than \$500,000	9.0 (1)	3.2 (1)	3.2 (1)	12.2	12.2
In excess of \$500,000	15.0	11.5	11.5	26.5	26.5
Inactive business income	38.67 (2)	11.5	11.5	50.17	50.17

(1) The \$500,000 threshold is progressively reduced for large corporations (between \$10M and \$50M in taxable capital).

(2) Refundable tax of 30.67% is reimbursed at a rate of 38.33% of taxable dividends paid.

USEFUL REFERENCES – CANADA REVENUE AGENCY – TAX SERVICES

Ottawa Office

333 Laurier Avenue West
Ottawa ON K1A 0L9
Fax: 613 952-1982

Payment by mail or drop box

P.O. Box 3800, Station A
Sudbury ON P3A 0C3

Western Québec Tax Service Office (Gatineau)

300-85 Chemin de La Savane
Gatineau QC J8T 8L5
Fax: 819 994-1103

REVENU QUÉBEC

170, rue de l'Hôtel-de-Ville, 6th Floor
Gatineau QC J8X 4C2

Direction principale des relations avec la clientèle des particuliers

3800, rue de Marly
Québec QC G1X 4A5
Tel.: 1 800 267-6299 (Individual)

Direction principale des relations avec la clientèle des entreprises

C.P. 3000, succursale Place-Desjardins
Montréal, Québec H5B 1A4
Tel.: 1 800 567-4692 (Business)

Telephone

1 800 959-7383 (French - Individual)
1 800 959-8281 (English - Individual)
1 800 959-7775 (French - Business)
1 800 959-5525 (English - Business)
1 800 267-6999 (Tax Information Phone Service)

International Office

P.O. Box 20000, Station A
Sudbury ON P3A 5C1

ONTARIO MINISTRY OF FINANCE

(Employer Health Tax)
33 King Street West
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Oshawa ON L1H 8H9
Tel.: 1 866 668-8297
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Sudbury Office

(Ottawa, Outaouais and Montreal Residents – All corr. except for T1 hard copy)
P.O. Box 20000, Station A
Sudbury ON P3A 5C1
Fax: 1 855 276-1529

Prince Edward Island Office

(Businesses located in Ottawa, Outaouais and Montreal)
275 Pope Road
Summerside PE C1N 6A2
Fax: 1 902 432-6287

CORPORATE STATUTE INFO

FEDERAL
Industry Canada: www.ic.gc.ca

QUÉBEC

REQ: 1 800 644-0075
www.quebec.ca/entreprises-et-travailleurs-autonomes

Consult our Website for other useful links: www.marciel-lavallee.ca