

# Nunavut

## Combined federal and territorial personal income tax rates - 2016<sup>1</sup>

| Taxable income |              | Nunavut                |                |                                       |                                    |                            |  |
|----------------|--------------|------------------------|----------------|---------------------------------------|------------------------------------|----------------------------|--|
| Lower limit    | Upper limit  | Basic tax <sup>2</sup> | Rate on excess | Marginal rate on                      |                                    |                            |  |
|                |              |                        |                | Eligible dividend income <sup>3</sup> | Other dividend income <sup>3</sup> | Capital gains <sup>4</sup> |  |
| \$ -           | to \$ 11,474 | \$ -                   | 0.00%          | 0.00%                                 | 0.00%                              | 0.00%                      |  |
| 11,475         | to 12,947    | -                      | 15.00%         | 0.00%                                 | 5.24%                              | 7.50%                      |  |
| 12,948         | to 43,176    | 221                    | 19.00%         | 0.00%                                 | 6.52%                              | 9.50%                      |  |
| 43,177         | to 45,282    | 5,964                  | 22.00%         | 2.06%                                 | 10.03%                             | 11.00%                     |  |
| 45,283         | to 86,351    | 6,428                  | 27.50%         | 9.62%                                 | 16.46%                             | 13.75%                     |  |
| 86,352         | to 90,563    | 17,722                 | 29.50%         | 12.38%                                | 18.80%                             | 14.75%                     |  |
| 90,564         | to 140,388   | 18,964                 | 35.00%         | 19.97%                                | 25.24%                             | 17.50%                     |  |
| 140,389        | to 200,000   | 36,403                 | 40.50%         | 27.56%                                | 31.67%                             | 20.25%                     |  |
| 200,001        | and up       | 60,546                 | 44.50%         | 33.08%                                | 36.35%                             | 22.25%                     |  |

1. The tax rates reflect budget proposals and news releases to 30 June 2016. Where the tax is determined under the alternative minimum tax provisions (AMT), the above table is not applicable. AMT may be applicable where the tax otherwise payable is less than the tax determined by applying the relevant AMT rate to the individual's taxable income adjusted for certain preference items.

2. The tax determined by the table should be reduced by the applicable federal and territorial tax credits (see chart below), other than the basic personal tax credits, which have been reflected in the calculations.

3. The rates apply to the actual amount of taxable dividends received from taxable Canadian corporations. Eligible dividends are those paid by public corporations and private companies out of earnings that have been taxed at the general corporate tax rate (the dividend must be designated by the payor corporation as an eligible dividend). Where the dividend tax credit exceeds the federal and territorial tax otherwise payable on the dividends, the rates do not reflect the value of the excess credit that may be used to offset taxes payable from other sources of income. This assumption is consistent with prior year rates.

4. The rates apply to the actual amount of the capital gain. The capital gains exemption on qualified farm and fishing property and small business corporation shares may apply to eliminate the tax on those specific properties.

## Federal and territorial personal tax credits - 2016<sup>1</sup>

|   | Federal credit | Territorial credit |
|---|----------------|--------------------|
| Amount of credits:  |                |                    |
| Basic personal credit (see note 2 above) <sup>2</sup>   | \$ 1,721       | \$ 518             |
| Spousal credit (reduced when spouse's income over \$0) <sup>2</sup>   | 1,721          | 518                |
| Equivalent-to-spouse credit (reduced when dependant's income over \$0) <sup>2</sup>                                 | 1,721          | 518                |
| Infirm dependant aged 18 or over (reduced when dependant's income over \$6,807 (federal) and \$6,622 (territorial)) | 1,018          | 187                |
| Caregiver credit (reduced when the particular person's income over \$15,940) <sup>2</sup>                           | 700            | 187                |
| Age credit (65 and over) <sup>3</sup>   | 1,069          | 388                |
| Disability credit   | 1,200          | 518                |
| Pension income (maximum)  | 300            | 80                 |
| Education and textbook - per month  | 70             | 19                 |
| Canada employment credit  | 174            | -                  |
| Child arts credits <sup>4</sup>   | 38             | -                  |
| Credits as a percentage of:   |                |                    |
| Tuition fees  | 15.00%         | 4.00%              |
| Public transit passes   | 15.00%         | -                  |
| Medical expenses <sup>5</sup>   | 15.00%         | 4.00%              |
| Charitable donations  |                |                    |
| - First \$200   | 15.00%         | 4.00%              |
| - Remainder <sup>6</sup>  | 29% / 33%      | 11.50%             |
| CPP contributions <sup>7</sup>  | 15.00%         | 4.00%              |
| EI premiums   | 15.00%         | 4.00%              |

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.

2. A federal family caregiver tax credit of \$318 may be available in respect of a spouse, dependant or child who is dependent on the individual by reason of mental or physical infirmity.

3. The maximum federal age credit of \$1,069 occurs at \$35,927 of net income and declines to nil as net income rises to \$83,427. The maximum territorial age credit of \$388 occurs at \$35,927 of net income and declines to nil as net income rises to \$100,661.

4. In addition, a refundable (formerly non-refundable) federal child fitness tax credit of up to \$75 per child may be available. Additional amounts may be available for a child with a disability.

5. The credit applies to eligible medical expenses that exceed the lesser of \$2,237 and 3% of net income.

6. The federal tax credit rate of 33% applies to charitable donations in excess of \$200 to extent the individual has taxable income in excess of \$200,000; otherwise, a federal tax credit rate of 29% applies.

7. One-half of CPP paid by self-employed individuals is deductible in determining taxable income.