

British Columbia

Combined federal and provincial personal income tax rates – 2010¹

Taxable income		British Columbia				
Lower limit	Upper limit	Basic tax ²	Rate on excess	Marginal rate on		
				Eligible dividend income ³	Other dividend income ³	Capital gains ⁴
\$ -	\$ 10,382	\$ -	0.00%	0.00%	0.00%	0.00%
10,383 to	11,000	-	15.00	0.00	2.08	7.50
11,001 to	17,354	93	15.00	0.00	2.08	7.50
17,355 to	18,708	1,046	15.00	0.00	2.08	7.50
18,709 to	29,541 ⁵	1,249	23.66	0.00	8.16	11.83
29,542 to	35,859	3,812	20.06	0.00	4.16	10.03
35,860 to	40,970	5,079	22.70	0.00	7.46	11.35
40,971 to	71,719	6,240	29.70	5.80	16.21	14.85
71,720 to	81,941	15,372	32.50	5.80	19.71	16.25
81,942 to	82,342	18,694	36.50	11.56	24.71	18.25
82,343 to	99,987	18,841	38.29	13.66	26.94	19.15
99,988 to	127,021	25,597	40.70	17.13	29.96	20.35
127,022 and up		36,600	43.70	21.45	33.71	21.85

- The tax rates reflect budget proposals and news releases up to 15 December 2010. 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.
- The tax determined by the table should be reduced by the applicable federal and provincial tax credits (see chart below), other than the basic personal tax credits, which have been reflected in the calculations.
- 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).
- 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.
- Individuals resident in British Columbia on 31 December 2010 with taxable income up to \$18,708 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction is clawed back on income in excess of \$18,708 until the reduction is eliminated, resulting in an additional 3.2% of provincial tax on income between \$18,708 and \$29,541.

Federal and provincial personal tax credits – 2010

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see note 2 above)	\$ 1,557	\$ 557
Spousal credit (reduced when spouse's income over \$0 (federal) and \$965 (provincial))	1,557	488
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$965 (provincial))	1,557	488
Infirm dependant aged 18 or over (reduced when dependant's income over \$5,992 (federal) and \$6,559 (provincial))	633	208
Caregiver credit (reduced when particular person's income over \$14,422 (federal) and \$13,936 (provincial))	633	208
Age credit (65 and over) ¹	967	214
Disability credit	1,086	357
Pension income (maximum)	300	51
Education and textbook - per month	70	10
Canada employment credit	158	-
Child tax credit - per child under 18	315	-
Credits as a percentage of:		
Tuition fees	15.00%	5.06%
Public transit passes	15.00%	-
Medical expenses ²	15.00%	5.06%
Charitable donations		
- First \$200	15.00%	5.06%
- Remainder	29.00%	14.70%
CPP contributions ³	15.00%	5.06%
EI premiums	15.00%	5.06%

- The maximum federal age credit of \$967 occurs at \$32,506 of net income and declines to nil as net income rises to \$75,480. The maximum provincial age credit of \$214 occurs at \$31,413 of net income and declines to nil as net income rises to \$59,547.
- The federal credit applies to eligible medical expenses that exceed the lesser of \$2,024 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$1,957 and 3% of net income.
- One-half of CPP paid by self-employed individuals is deductible in computing taxable income.

Source: Ernst & Young Electronic Publishing Services Inc.