

# Corporate investment income tax rates\* - 2010

Includes all rate changes announced up to 15 July 2010

Federal	Investment income earned by Canadian-controlled private corporations (CCPCs) (%)		Investment income earned by other corporations (non-CCPCs) (%)	
	Provincial/territorial rates:	Combined federal and provincial/territorial rates:	Provincial/territorial rates:	Combined federal and provincial/territorial rates:
		34.67 <sup>1</sup>		18.00 <sup>2</sup>
Newfoundland and Labrador	14.00	48.67	14.00	32.00
Prince Edward Island	16.00	50.67	16.00	34.00
Nova Scotia	16.00	50.67	16.00	34.00
New Brunswick <sup>3</sup>				
- Prior to 1 July 2010	12.00	46.67	12.00	30.00
- After 30 June 2010	11.00	45.67	11.00	29.00
- Calendar year-end rate	11.50	46.17	11.50	29.50
Quebec <sup>4</sup>	11.90	46.57	11.90	29.90
Ontario <sup>5</sup>				
- Prior to 1 July 2010	14.00	48.67	14.00	32.00
- After 30 June 2010	12.00	46.67	12.00	30.00
- Calendar year-end rate	13.00	47.67	13.00	31.00
Manitoba	12.00	46.67	12.00	30.00
Saskatchewan	12.00	46.67	12.00	30.00
Alberta	10.00	44.67	10.00	28.00
British Columbia <sup>6</sup>	10.50	45.17	10.50	28.50
Northwest Territories	11.50	46.17	11.50	29.50
Nunavut	12.00	46.67	12.00	30.00
Yukon	15.00	49.67	15.00	33.00

\* Rates represent calendar-year rates unless indicated otherwise.

## NOTES:

1. The 10% federal general rate reduction does not apply to investment income earned by a CCPC. The federal rate applicable to investment income earned by a CCPC is 34.67% due to the additional 6.67% refundable federal income tax. The additional refundable tax as well as a portion of the regular Part I tax paid on the investment income is refundable to the CCPC as follows: 26 2/3% of the investment income is added to the CCPC's refundable dividend tax on hand account and is refundable at a rate of \$1 for every \$3 of taxable dividends paid.
2. The federal general rate reduction of 10% applies to the base federal rate of 28% for active business income not eligible for other incentives, as well as to investment income earned by a non-CCPC. The 18% general corporate business rate will be reduced until it reaches 15% on 1 January 2012.
3. New Brunswick's general corporate business rate is reduced from 12% to 11% effective 1 July 2010, and will decrease further to 10% on 1 July 2011 and 8% on 1 July 2012.
4. The Quebec tax rate on investment income has been reduced to equal the general business rate effective 21 February 2007.
5. The Ontario general corporate business rate is reduced from 14% to 12% effective 1 July 2010, and will decrease further to 11.5% on 1 July 2011, 11% on 1 July 2012 and 10% on 1 July 2013.
6. British Columbia's general corporate rate is reduced to 10.5% effective 1 January 2010, and will be further reduced to 10% effective 1 January 2011.