

## British Columbia

### Combined federal and provincial personal income tax rates - 2018<sup>1</sup>

Taxable income			British Columbia				
Lower limit	to	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	11,809	-	0.00%	0.00%	0.00%	0.00%
11,810	to	19,686	-	15.00%	0.00%	5.76%	7.50%
19,687	to	32,869 <sup>5</sup>	1,182	23.62%	0.00%	13.36%	11.81%
32,870	to	39,676	4,295	20.06%	0.00%	9.23%	10.03%
39,677	to	46,605	5,661	22.70%	0.00%	12.30%	11.35%
46,606	to	79,353	7,234	28.20%	7.56%	18.68%	14.10%
79,354	to	91,107	16,469	31.00%	8.25%	21.92%	15.50%
91,108	to	93,208	20,112	32.79%	10.72%	24.00%	16.40%
93,209	to	110,630	20,801	38.29%	18.31%	30.38%	19.15%
110,631	to	144,489	27,472	40.70%	21.64%	33.18%	20.35%
144,490	to	150,000	41,253	43.70%	25.78%	36.66%	21.85%
150,001	to	205,842	43,661	45.80%	28.68%	39.09%	22.90%
205,843	and up		69,237	49.80%	34.20%	43.73%	24.90%

1. The tax rates reflect budget proposals and news releases up to 15 June 2018. 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 provincial 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 provincial 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.
5. Individuals resident in British Columbia on 31 December 2018 with taxable income up to \$19,686 generally 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 \$19,686 until the reduction is eliminated, resulting in an additional 3.56% of provincial tax on income between \$19,687 and \$32,869.

A chart of the most common non-refundable tax credits is available on the next page

Source: Ernst & Young Electronic Publishing Services Inc.

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### Federal and provincial personal tax credits - 2018<sup>1</sup>

	Federal credit	Provincial credit
<b>Amount of credits:</b>		
Basic personal credit (see note 2 above) <sup>2</sup>	\$ 1,771	\$ 527
Spousal credit (reduced when spouse's income over \$0 (federal) and \$892 (provincial)) <sup>2</sup>	1,771	451
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$892 (provincial)) <sup>2</sup>	1,771	451
Caregiver credit (reduced when the particular person's income over \$16,405 (federal) and \$15,419 (provincial))	1,048	231
Age credit (65 and over) <sup>3</sup>	1,100	236
Disability credit	1,235	395
Pension income (maximum)	300	51
Education amount - per month	-	10
Canada employment credit	179	-
<b>Credits as a percentage of:</b>		
Tuition fees	15.00%	5.06%
Medical expenses <sup>4</sup>	15.00%	5.06%
Charitable donations		
- First \$200	15.00%	5.06%
- Remainder <sup>5</sup>	29% / 33%	16.80%
CPP contributions <sup>6</sup>	15.00%	5.06%
EI premiums	15.00%	5.06%

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.
2. A federal caregiver tax credit of \$327 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 \$1,100 occurs at \$36,976 of net income and declines to nil as net income rises to \$85,863. The maximum provincial age credit of \$236 occurs at \$34,757 of net income and declines to nil as net income rises to \$65,884.
4. The federal credit applies to eligible medical expenses that exceed the lesser of \$2,302 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,165 and 3% of net income.
5. The federal tax credit rate of 33% applies to charitable donations in excess of \$200 to the extent the individual has taxable income in excess of \$205,842; otherwise, a federal tax credit rate of 29% applies.
6. One-half of CPP paid by self-employed individuals is deductible in computing taxable income.