

New Brunswick

Combined federal and provincial personal income tax rates - 2017¹

Taxable income			New Brunswick				
Lower limit	to	Upper limit	Basic tax ²	Rate on excess	Marginal rate on		
					Eligible dividend income ³	Other dividend income ³	Capital gains ⁴
\$ -	to	\$ 11,635	\$ -	0.00%	0.00%	0.00%	0.00%
11,636	to	16,517	-	15.00%	0.00%	5.24%	7.50%
16,518	to	37,884 ⁵	732	27.68%	0.00%	16.28%	13.84%
37,885	to	41,059	6,647	24.68%	0.00%	12.77%	12.34%
41,060	to	45,916	7,430	29.82%	1.13%	18.78%	14.91%
45,917	to	82,119	8,879	35.32%	8.69%	25.22%	17.66%
82,120	to	91,831	21,666	37.02%	11.04%	27.21%	18.51%
91,832	to	133,507	25,261	42.52%	18.63%	33.64%	21.26%
133,508	to	142,353	42,982	43.84%	20.45%	35.19%	21.92%
142,354	to	152,100	46,860	46.84%	24.59%	38.70%	23.42%
152,101	to	202,800	51,425	49.30%	27.99%	41.57%	24.65%
202,801	and up		76,420	53.30%	33.51%	46.25%	26.65%

1. The tax rates reflect budget proposals and news releases to 30 June 2017. 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 New Brunswick on 31 December 2017 with taxable income up to \$16,517 pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction is clawed back for income in excess of \$16,518 until the reduction is eliminated, resulting in an additional 3% of provincial tax on income between \$16,518 and \$37,884.

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 - 2017¹

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see note 2 above) ³	\$ 1,745	\$ 958
Spousal credit (reduced when spouse's income over \$0 (federal) and \$841 (provincial)) ³	1,745	813
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$841 (provincial)) ³	1,745	813
Infirm dependant aged 18 or over (reduced when dependant's income over \$6,630 (provincial)) ²	-	452
Caregiver credit (reduced when the particular person's income exceeds \$16,163 (federal) and \$15,959 (provincial)) ²	1,032	452
Age credit (65 and over) ⁴	1,084	468
Disability credit	1,217	775
Pension income (maximum)	300	97
Canada employment credit	177	-
Credits as a percentage of:		
Tuition fees	15.00%	-
Public transit passes	15.00% ⁵	-
Medical expenses ⁶	15.00%	9.68%
Charitable donations		
- First \$200	15.00%	9.68%
- Remainder ⁷	29% / 33%	17.95%
CPP contributions ⁸	15.00%	9.68%
EI premiums	15.00%	9.68%

1. This table lists the most common non-refundable tax credits; other non-refundable and refundable credits may be available.
2. Effective for 2017 and subsequent taxation years, the Canada caregiver credit replaces the federal infirm dependant tax credit, the caregiver tax credit and the family caregiver tax credit. The credit is available for an individual who is a caregiver in respect of a related individual who is dependent by reason of an infirmity.
3. A federal caregiver tax credit of \$322 may be available in respect of a spouse, dependant or child who is dependent on the individual by reason of mental or physical infirmity.
4. The maximum federal age credit of \$1,084 occurs at \$36,430 of net income and declines to nil as net income rises to \$84,597. The maximum provincial age credit of \$468 occurs at \$35,968 of net income and declines to nil as net income rises to \$68,175.
5. The public transit tax credit is eliminated effective 1 July 2017.
6. The federal credit applies to eligible medical expenses that exceed the lesser of \$2,268 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$2,238 and 3% of net income.
7. 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 \$202,800; otherwise, a federal tax credit rate of 29% applies.
8. One-half of CPP paid by self-employed individuals is deductible in computing taxable income.