

New Brunswick

Combined federal and provincial personal income tax rates - 2018¹

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	\$ 11,809	\$ -	0.00%	0.00%	0.00%	0.00%
11,810	to	16,758	-	15.00%	0.00%	5.76%	7.50%
16,759	to	38,425 ⁵	742	27.68%	0.00%	17.16%	13.84%
38,426	to	41,675	6,740	24.68%	0.00%	13.68%	12.34%
41,676	to	46,605	7,542	29.82%	1.13%	19.65%	14.91%
46,606	to	83,351	9,012	35.32%	8.69%	26.03%	17.66%
83,352	to	93,208	21,991	37.02%	11.04%	28.00%	18.51%
93,209	to	135,510	25,640	42.52%	18.63%	34.38%	21.26%
135,511	to	144,489	43,627	43.84%	20.45%	35.91%	21.92%
144,490	to	154,382	47,563	46.84%	24.59%	39.39%	23.42%
154,383	to	205,842	52,197	49.30%	27.99%	42.24%	24.65%
205,843	and up		77,567	53.30%	33.51%	46.88%	26.65%

1. The tax rates reflect budget proposals and news releases 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 New Brunswick on 31 December 2018 with taxable income up to \$16,758 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 \$16,758 until the reduction is eliminated, resulting in an additional 3% of provincial tax on income between \$16,759 and \$38,425.

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

New Brunswick

Federal and provincial personal tax credits - 2018¹

	Federal credit	Provincial credit
Amount of credits:		
Basic personal credit (see note 2 above) ²	\$ 1,771	\$ 972
Spousal credit (reduced when spouse's income over \$0 (federal) and \$853 (provincial)) ²	1,771	826
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$853 (provincial)) ²	1,771	826
Infirm dependant aged 18 or over (reduced when dependant's income over \$6,730 (provincial))	-	459
Caregiver credit (reduced when the particular person's income exceeds \$16,405 (federal) and \$16,198 (provincial))	1,048	459
Age credit (65 and over) ³	1,100	475
Disability credit	1,235	787
Pension income (maximum)	300	97
Canada employment credit	179	-
Credits as a percentage of:		
Tuition fees	15.00%	-
Medical expenses ⁴	15.00%	9.68%
Charitable donations		
- First \$200	15.00%	9.68%
- Remainder ⁵	29% / 33%	17.95%
CPP contributions ⁶	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. 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 \$475 occurs at \$36,507 of net income and declines to nil as net income rises to \$69,201.
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 \$2,272 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.