



# Understanding **TAX** 2016 Tax Rates & Credits

## Combined Federal & BC Tax Brackets

not applicable to dividend income or capital gains

From	To	Combined Rate
0	\$38,210	20.0%
\$38,211	\$45,282	22.7%
\$45,283	\$76,421	27.7%
\$76,422	\$87,741	31.0%
\$87,742	\$90,563	32.8%
\$90,564	\$106,543	38.3%
\$106,543	\$140,388	40.7%
\$140,389	\$200,000	43.7%
\$200,000	UP	47.7%

## CPP Contributions

Maximum Pensionable Earnings (basic exemption \$3,500)	\$54,900
Maximum employee contribution, 4.95%	\$2,544.30
Maximum self-employed contribution, 9.90%	\$5,088.60

## EI Contributions

Maximum Insurable Earnings	\$50,800
Maximum employee contribution, \$1.88 / \$100 earnings	\$955.04
Maximum Employer Contribution, \$2.63 / \$100 earnings	\$1,337.06

## RRSP Contribution Limits: lesser of 18% of earned income or

2017	2016	2015	2014
\$26,010	\$25,370	\$24,930	\$24,270

## Tax Payable By Individuals at Various Levels of Income

this assumes the taxpayer is only claiming the basic personal amount

Taxable Income	Combined Federal & BC Taxes
\$20,000	\$1,810
\$30,000	\$3,816
\$40,000	\$5,869
\$50,000	\$8,261
\$60,000	\$11,081
\$70,000	\$13,901
\$80,000	\$16,821
\$90,000	\$19,962
\$100,000	\$23,106
\$110,000	\$27,019
\$120,000	\$30,580
\$130,000	\$34,650
\$140,000	\$38,720
\$150,000	\$43,079

## Personal Tax Credits

	Federal	BC
Basic Personal	\$11,474	\$10,027
Spouse / Partner / Eligible Dependant	\$11,474	\$8,586
Canada Employment	\$1,161	—
Age Amount (65 or over in the year)	\$7,125	\$4,497
Net income phase out threshold	\$35,927	\$33,473
Pension Income	\$2,000	\$1,000
Disability	\$8,001	\$7,521
First Time Home Buyers	\$5,000	—
Tax rate applied to credits	15%	5.06%

## CCPC Combined Corporate Tax Rates for BC

Active Business Income, up to \$500,000	13.0%
Active Business Income, over \$500,000	26.0%
Investment Income	49.7%

This information is current to February 2016. It is of a general nature and is not intended to address the specific circumstances of a particular individual. You should not act on this information without appropriate professional advice after thorough examination of a particular situation. E&OE