

Key 2020 Corporate Income Tax Rates (combined Federal & Provincial)

For December 31 year end (12 month taxation year)

Jurisdiction	General		CCPC	
	non-M&P/ Investment	M&P	Active Business Income	Investment Income
			up to \$500k federal threshold ¹	
Federal only ²	15.00%	15.00%	9.00%	38.67%
British Columbia ³	27.00%	27.00%	11.00%	50.67%
Alberta ⁴	27.00%	27.00%	11.00%	50.67%
Saskatchewan ⁵	27.00%	25.00%	11.00%	50.67%
Manitoba ¹	27.00%	27.00%	9.00%	50.67%
Ontario	26.50%	25.00%	12.50%	50.17%
Quebec ⁶	26.50%	26.50%	14.00%	50.17%
New Brunswick ⁷	29.00%	29.00%	11.50%	52.67%
Nova Scotia ⁸	31.00%	31.00%	12.00%	54.67%
Prince Edward Island ⁹	31.00%	31.00%	12.00%	54.67%
Newfoundland & Labrador ¹⁰	30.00%	30.00%	12.00%	53.67%
Yukon ¹¹	27.00%	17.50%	11.00%	50.67%
Northwest Territories	26.50%	26.50%	13.00%	50.17%
Nunavut	27.00%	27.00%	13.00%	50.67%

M&P: Manufacturing or processing income, CCPC: Canadian Controlled Private Corporation

- This table is prepared from publicly available information announced as of June 2019. All changes must be pro-rated for the number of days in the taxation year.
- The rates may not be applicable to income earned by credit unions, mutual fund corporations, mortgage investment corporations, most deposit insurance corporations and investment corporations as the income qualifies for special tax treatment.
- Some of the provinces also levy a capital tax which has not been addressed in this table.

¹ Manitoba announced that effective January 1, 2019 the small-business limit threshold will increase to \$500,000 (from \$450,000).

² Federal: The small-business income tax rate was reduced to 9% (from 10%) effective January 2019.

³ BC: The 2017 budget announced that the small business rate will be reduced to 2% from 2.5%, effective April 1, 2017. Effective January 1, 2018, the general corporate rate increased to 12% from 11%.

⁴ Alberta: Effective July 1, 2015, the corporate rate increased from 10% to 12%. The government lowered the small-business income tax rate from 3% to 2% effective January 1, 2017.

⁵ Saskatchewan: Effective January 1, 2018 the general corporate tax rate increased to 12% (from 11.5%) and the small business limit threshold increased to \$600,000 (from \$500,000).

⁶ Quebec's 2015 budget proposed to gradually reduce the general, investment and M&P rates from 11.9% to 11.5% beginning in 2017 and effective January 1 of each year. The 2018 budget announced that the small business tax rate will reduce to 7% (from 8%) effective March 28, 2018 and an additional reduction each year until reaching 4% in 2021.

⁷ New Brunswick: Effective April 1, 2017 the small-business tax rate decreased to 3% (from 3.5%). The small-business tax rate was further reduced to 2.5% effective April 1, 2018.

⁸ Nova Scotia: Effective January 1, 2017 the small-business limit threshold was increased to \$500,000 (from \$350,000).

⁹ Prince Edward Island: The 2018 budget announced that the income tax rate on small business income will decrease to 4% (from 4.5%) effective January 1, 2018. PEI's Bill 57 (November 2018) further reduced the small business rate to 3.5% effective January 1, 2019. Effective January 1, 2020 the small business rate was again reduced to 3%.

¹⁰ The 2016 Newfoundland and Labrador budget increased the general income tax to 15% (from 14%) and eliminated the provincial M&P profits tax credit retroactive to January 1, 2016.

¹¹ Yukon: Effective July 1, 2017 the general corporate tax rate decreased to 12% (from 15%) and the tax rate of small business income decreased to 2% (from 3%).