

TOP COMBINED

53.53%

Over \$246,752

CAPITAL GAINS

26.76%

50% inclusion

LCGE (QSBC)

\$1,016,836

Indexed annually

TFSA ROOM

\$95,000

Cumulative since 2009

SBD RATE

12.2%

First \$500K active

PRESCRIBED

6%

Q1–Q2 2024

NEW FOR 2024: FHSA first full year (\$8K/yr) · CPP2 introduced (YAMPE \$73.2K) · LCGE indexed to \$1,016,836 · TFSA cumulative room \$95K

PERSONAL

Combined Marginal Tax Rates

Taxable Income	Other Income	Cap. Gains	Elig. Div.	Non-Elig.	Cumul. Tax ¹	Avg. Rate
First \$51,446	20.05%	10.03%	–6.86%	9.24%	\$7,333	14.25%
\$51,446 – \$55,867	24.15%	12.08%	–1.20%	13.95%	\$8,401	15.04%
\$55,867 – \$90,599	29.65%	14.83%	6.39%	20.28%	\$18,699	20.64%
\$90,599 – \$102,894	31.48%	15.74%	8.92%	22.38%	\$22,569	21.93%
\$102,894 – \$106,732	33.89%	16.95%	12.24%	25.16%	\$23,870	22.36%
\$106,732 – \$111,733	37.91%	18.95%	17.79%	29.78%	\$25,766	23.06%
\$111,733 – \$150,000	43.41%	21.70%	25.38%	36.10%	\$42,377	28.25%
\$150,000 – \$173,205	44.97%	22.48%	27.53%	37.90%	\$53,362	30.81%
\$173,205 – \$220,000	48.29%	24.14%	32.11%	41.72%	\$75,809	34.46%
\$220,000 – \$246,752	49.85%	24.92%	34.26%	43.51%	\$90,129	36.53%
Over \$246,752	53.53%	26.76%	39.34%	47.74%	—	—

¹ Cumulative tax on other income at top of each bracket (basic personal amounts only). Capital gains: 50% inclusion × marginal rate.

(a) Federal lowest rate is 15% for 2024. Does not include Ontario Health Premium.

CORPORATE

Corporate Tax Rates (CCPC)

Income Type	Rate	Notes	SBD Clawback	Limit	Effect
Active business — SBD	12.2%	First \$500K active income	Taxable capital	\$10M–\$50M	Business limit reduced pro rata
Active business — General	26.5%	Above SBD / non-CCPC	Passive income (AAII)	> \$50,000	\$5 reduction per \$1 above \$50K
Investment income (CCPC)	50.17%	Incl. 30.67% RDTOH	Full SBD elimination	\$150K AAIL	Business limit reduced to \$0
Capital gains (CCPC)	25.09%	50% inclusion × 50.17%			

(a) Ontario SBD rate is 3.2%. Federal SBD rate is 9%. SBD applies to first \$500K, subject to passive income grind and association rules.

TRUSTS

Trust Tax Rates

Trust Type	Tax Rate	Notes
Inter vivos (family trust)	53.53%	Top combined rate on all income retained in trust
Testamentary (non-GRE)	53.53%	Top combined rate on all income
Graduated Rate Estate (GRE)	20.05%–53.53%	Graduated brackets; first 36 months after death
Qualified Disability Trust	20.05%–53.53%	Graduated brackets; one QDT per beneficiary

Income distributed to beneficiaries is taxed at their personal rates. This is the primary planning strategy for family trusts.

EXEMPTIONS

Lifetime Capital Gains Exemption

Exemption	2024 Amount	Details
LCGE (QSBC shares)	~\$1,016,836	Indexed to inflation annually
LCGE (farm / fishing property)	~\$1,016,836	Same indexed amount
Capital gains inclusion rate	50%	On gains exceeding LCGE
Tax saved per \$1M gain	~\$267,650	At top marginal rate (53.53%)

The Canadian Entrepreneurs' Incentive (CEI) was proposed in Budget 2024 and is not yet enacted. LCGE increased to \$1.25M for dispositions after June 24, 2024.

PERSONAL

Personal Limits & Contributions

Item	2024 Amount	Notes
Federal basic personal amount	\$15,705	Reduced for income above \$173,205
Ontario basic personal amount	\$12,399	Non-refundable provincial credit
RRSP contribution limit	\$31,560	Or 18% of prior-year earned income
TFSA annual limit	\$7,000	Cumulative room: \$95,000 (since 2009)
CPP pensionable earnings (YMPE)	\$68,500	Basic exemption: \$3,500
CPP2 earnings ceiling (YAMPE)	\$73,200	Enhanced CPP between YMPE and YAMPE
Max employee CPP contribution	\$3,868	Base CPP (5.95%); plus \$188 CPP2 (4%)
FHSA annual limit	\$8,000	Lifetime limit: \$40,000; deductible

RRSP room is generated by salary, not dividends — a key factor in salary vs. dividend planning.

PLANNING

Salary vs. Dividend Comparison

Net after-tax from \$1,000 corporate pre-tax income at top Ontario bracket (53.53%).

Salary Route	Amount	Non-Eligible Dividend Route	Amount
Corporate pre-tax income	\$1,000	Corporate pre-tax income	\$1,000
Corporate tax (deductible)	\$0	Corporate tax @ 12.2%	(\$122)
Salary paid	\$1,000	Available for dividend	\$878
Personal tax @ 53.53%	(\$535)	Gross-up (15%)	\$1,010
CPP contribution (est.)	(\$9)	Personal tax @ 47.74%	(\$419)
Net cash to owner	\$456	Net cash to owner	\$459

(a) Assumes corporation has \$1,000 available for disbursement. Salary generates RRSP room and CPP; dividends do not.

TAX-FREE

Income Receivable Tax-Free

Ontario resident, single taxpayer with basic personal credit only. 2024 estimates.

Income Type	Tax-Free Amount	Notes
Interest / employment income	~\$15,705	Federal basic personal amount
Capital gains	~\$31,410	Due to 50% inclusion rate
Eligible dividends	~\$73,000	Gross-up + dividend tax credit
Non-eligible dividends	~\$35,500	Lower gross-up + credit

(a) Assumes single taxpayer claiming only basic personal amount. Excludes Ontario Health Premium. Actual amounts depend on individual circumstances.

PLANNING

Investment Yield Equivalents

At top Ontario marginal rate (53.53%). Pre-tax yield needed to match the same after-tax return as interest.

Interest Rate	After-Tax	Equiv. Elig. Div.	Equiv. Non-Elig.	Equiv. Cap. Gain
3.00%	1.39%	2.30%	2.67%	1.90%
4.00%	1.86%	3.06%	3.56%	2.54%
5.00%	2.32%	3.83%	4.45%	3.17%
7.00%	3.25%	5.36%	6.22%	4.44%
10.00%	4.65%	7.66%	8.89%	6.34%

After-tax interest = rate × (1 – 53.53%). Equivalent yields show pre-tax amount needed to match the same after-tax return.

THRESHOLDS

Key Planning Thresholds

Threshold	Value	Relevance
OAS clawback begins	~\$90,997	15% recovery tax on net income above threshold
TOSI age threshold	Age 18+	Split income taxed at top rate if reasonableness tests not met
21-year deemed disposition	Trust property	Triggers capital gain; plan estate freeze before anniversary
Section 85 election deadline	Filing due date	Late-filed election subject to penalty (\$100/month, max \$8,000)
CRA prescribed rate	6% (Q1–Q2)	Minimum interest on income-splitting loans
AAIL passive income grind	> \$50,000	Business limit reduced by \$5 for every \$1 above \$50,000

ESTATE

Ontario Estate Administration Tax (Probate)

A key motivation for estate freezes that reduce the value of assets passing through the estate.

Estate Value	Tax Rate	Notes
First \$50,000	\$0	No tax on the first \$50,000
Above \$50,000	\$15 per \$1,000	1.5% of estate value above \$50,000

On a \$5M estate, tax is ~\$74,250. Assets held jointly, insurance to named beneficiaries, and trust-held assets generally bypass probate.

SALES TAX

Harmonized Sales Tax (Ontario)

Province	GST	PST	HST	Total
Ontario	—	—	13.00%	13.00%
Alberta	5.00%	—	—	5.00%
British Columbia	5.00%	7.00%	—	12.00%
Quebec	5.00%	9.975%	—	14.975%

DATES

Key Tax Dates for 2024

Deadline	Filing & Payment	Deadline	Planning & Contributions
Jan. 30	Prescribed-rate loan interest due	Quarterly	Instalments: Mar 15, Jun 15, Sep 15, Dec 15
Feb. 28	T4, T5, T3 slips issued to recipients	June 30	FHSA contribution deadline
March 1	RRSP contribution deadline (2023)	Dec. 31	TFSA contribution deadline
March 31	T3 trust return and balance due	Dec. 31	Tax-loss selling / charitable donations
April 30	T1 return and balance due	Dec. 31	Year-end salary vs. dividend planning
June 15	T1 self-employed filing deadline	21st anniv.	Deemed disposition for family trusts
June 30	T2 corporate return (Dec. 31 YE)	Ongoing	Estate freeze timing & valuation reviews

Disclaimer

This card is for general information only and does not constitute tax, legal, or financial advice. Reflects 2024 tax legislation.
Rates are combined federal and Ontario for 2024 and may change. Indexed amounts are approximate. Consult a qualified tax professional before acting.

Have Questions About Your Situation?

Book a consultation: estatetaxplanning.ca | (647) 812-5177 | info@estatetaxplanning.ca

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