

CORPORATE INCOME TAX RATES

Updated January 27, 2017

	Effective January 1, 2017	Effective January 1, 2016
Combined Federal and British Columbia		
Active Business Income (CCPC):		
First \$500,000 (SBL)	13.00%	13.00%
Over \$500,000	26.00%	26.00%
Other corporations	26.00%	26.00%
Investment Income ¹:		
CCPC	49.67%	49.67%
CCPC's after refundable portion	19.00%	19.00%
Federal Rates		
Basic rate	38.00%	38.00%
Federal tax abatement	10.00%	10.00%
General tax reduction – over \$500,000	13.00%	13.00%
Small business deduction (SBD)	17.50%	17.50%
Refundable investment tax	10.67%	10.67%
Refundable portion of Part IV tax	30.67%	30.67%
Small business limit	\$ 500,000	\$ 500,000
Part IV tax rate	38.33%	38.33%
British Columbia Rates		
Basic rate	11.00%	11.00%
Rate on taxable income eligible for SBD	2.50%	2.50%
Small business limit	\$ 500,000	\$ 500,000

NOTES:

1) **Pre 2016** - 26.67% of a CCPC's investment income is added to its Refundable Dividend Tax On Hand (RDTOH). This amount is refundable at a rate of 33.33% or, in other terms, \$1 for every \$3 of taxable dividends paid by the CCPC.

2016 and later - 30.67% of a CCPC's investment income is added to its Refundable Dividend Tax On Hand (RDTOH). This amount is refundable at a rate of 38.33% or, in other terms, \$1 for every \$2.61 of taxable dividends paid by the CCPC.