2026 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS

Amount of credits:		FEDERAL AMOUNT	TOTAL Fed/BC CREDIT
Basic personal credit ($13,216 BC)	1	$16,452	3,043
Age credit (Born 1960 or earlier; 65 and over)	2	9,208	1,621
Spousal/Partner and eligible dependants credit	3	16,452	2,937
Canada Caregiver credit ($5,784 BC)	3,4	8,773	1,552
Canada Caregiver credit - child under 18	4	2,740	384
Canada employment amount (maximum)	5	1,501	210
Pension income (maximum) (BC max = $1,000)	5	2,000	336
Disability credit ($9,913 BC)		10,341	2,003
Disability supplement - child under 18 ($5,783 BC)	6	6,032	1,168
Credits as a percentage of:			
CPP contributions and EI premiums	7		19.60%
Adoption expenses	8		19.60%
Tuition and eligible student loan interest	9		19.60%
Medical expenses (in excess of limitations)	10		19.60%
Charitable donations - first $200	11		19.60%
- remainder			45.80%

1 The federal basic personal amount is gradually reduced when the taxpayer's net income reaches $181,440 and is fully reduced to $14,829 when net income exceeds $258,482.

2 The Age credit begins to reduce when the taxpayer's net income reaches $46,432/ $44,119 and is fully eliminated at $107,819/ $83,633 (Federal / BC).

3 The value of these tax credits is reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are $0 / $1,132 for Spouse or Common-Law Partner; and $20,601 / $19,572 for Canada Caregiver Credit.

4 A credit up to a maximum of $8,773 may be claimed for an infirm spouse, elgible dependant over 18, and certain adult relatives. The credit is limited to $2,740 for infirm children under 18 years of age.

5 Credits are the lesser of qualifying income amounts and Federal maximums.

6 For taxpayers under the age of 18 at the end of the tax year, a disability supplement of $6,032 / $5,783 is available. Supplements are reduced by amounts claimed for medical expenses, child or attendant care.

7 Canada Pension Plan contribution is 5.95% of pensionable earnings. Basic exemption-$3,500; EI contribution rate is 1.63%. See payroll deductions on the back page for further details.

8 You may claim a credit for eligible adoption expenses related to the adoption of a child who is under the age of 18 up to a maximum of $19,972.

9 Tuition fees are transferable to eligible individuals. The maximum transfer is $5,000 less the student's net income over $16,452/ $13,216. The student may carry forward unused amounts.

10 Medical expenses are first reduced by $2,891 / $2,748 for 3% of Net Income, whichever is less.

11 Charitable donations may not exceed 75% of net income except in the event of death (100%). Excess amounts may be carried forward for 5 years.

12 The following amounts may be transferred from a spouse, to the extent that they are not needed to reduce his or her federal income tax to zero: age amount, pension income amount, disability amount, Canada caregiver amount for infirm children under 18 years of age and tuition amount.

13 OAS clawback begins at $95,323 and is fully eliminated at $155,109 (Age 65 to 74) or $161,088 (Age 75 and over).

Split numbers represent Federal / BC amounts

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INDIVIDUAL MARGINAL RATES - 2026

TAXABLE INCOME	Income	Dividends Eligible	Dividends Regular
$ 16,453- $ 24,580	14.00%	0.00%	3.46%
$ 24,581 - $ 25,570	19.60%	0.00%	9.90%
$ 25,571- $ 58,523	21.70%	0.00%	12.31%
$ 58,524 - $100,728	28.20%	1.63%	19.79%
$ 100,729 - $ 115,648	31.00%	5.49%	23.01%
$ 115,649 - $117,045	32.79%	7.96%	25.06%
$ 117,046 - $ 140,430	38.29%	15.55%	31.39%
$ 140,431- $ 181,440	40.70%	18.88%	34.16%
$ 181,441 - $ 190,405	44.08%	23.02%	37.61%
$190,406 - $ 258,482	46.09%	26.32%	40.36%
$ 258,483 - $ 265,545	49.80%	31.44%	44.63%
$ 265,546 AND OVER	53.50%	36.54%	48.88%

* marginal rates adjusted to reflect reduction of enhanced federal personal amount

2026 TAXABLE INCOME WITH BASIC EXEMPTION

TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX	TAXABLE INCOME	TOTAL TAX
10,000	-	34,000	2,545	80,000	13,274
11,000	-	36,000	2,978	82,500	13,950
12,000	-	38,000	3,411	85,000	14,627
13,000	-	40,000	3,844	90,000	16,037
14,000	-	42,000	4,277	95,000	17,447
15,000	-	44,000	4,709	100,000	18,857
16,000	-	46,000	5,120	105,000	20,355
17,000	-	48,000	5,482	110,000	21,905
18,000	-	50,000	5,844	115,000	23,455
19,000	-	52,000	6,231	120,000	25,623
20,000	103	54,000	6,837	125,000	27,078
21,000	233	56,000	7,039	130,000	28,992
22,000	362	58,000	7,443	140,000	32,821
23,000	492	60,000	7,906	150,000	36,854
24,000	621	62,000	8,438	175,000	47,029
25,000	750	64,000	8,971	200,000	57,956
26,000	880	66,000	9,503	225,000	69,480
27,000	1,031	68,000	10,036	250,000	81,004
28,000	1,247	70,000	10,572	300,000	106,781
29,000	1,463	72,500	11,246	500,000	213,781
30,000	1,680	75,000	11,920	750,000	347,531
32,000	2,113	77,500	12,597	1,000,000	481,281

*Tax computations reflect general employment income with applicable credits for basic personal exemption, Canada employment amount, CPP and EI credits. Other credits may apply.

DIVIDEND INCOME WITH DIVIDEND TAX CREDIT

DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND	ACTUAL DIVIDEND	REGULAR DIVIDEND	ELIGIBLE DIVIDEND
20,000	-	-	100,000	12,286	2,608
30,000	144	-	125,000	20,091	6,396
40,000	934	-	150,000	28,632	11,026
50,000	2,057	-	200,000	48,147	21,525
60,000	3,970	-	250,000	70,220	39,360
70,000	5,949	-	500,000	192,436	130,717
80,000	7,928	-	750,000	314,652	222,074
90,000	9,985	1,093	1,000,000	436,868	313,431

* Tax calculations are based on applicable gross- up amounts and include basic exemption only.

2026 CHANGES

- The 2026 RRSP contribution room limit of $33,810 reached with earned income of $187,833 (2025 - $32,490 and $180,500).
- The 2026 TFSA contribution limit remained at $7,000. Any withdrawals made during the year are added back to contribution room in the following year.
- For 2026, the second tier of CPP will increase earnings to $85,000 (2025 $81,200) with an additional maximum contribution of $416 each for employee and employer.
- The CPP rate remains at 5.95% with the maximum pensionable earnings of $74,600 (2025 $71,300).
- The EI rate decreased to 1.63% (2025 1.64%) with the maximum pensionable earnings of $68,900 (2025 $65,700).
- The taxable benefit for personal use of an automobile where the employer pays the operating expense as remains at $0.34.

GOVERNMENT / CRA CONTACT

CRA - Individual Taxes	1-800-959-8281
CRA - Business Services	1-800-959-5525
HRDC - CPP/OAS/GIS	1-800-277-9914
PST Hotline	1-877-388-4440

PLANNING AND FILING DEADLINES IN 2026

Feb 28: Last day to issue T4's, T4A's and T5's.

March 1: Last day to make personal and spousal RRSP contributions applicable to the 2025 taxation year.

March 15, June 15, September 15 & December 15: Quarterly installments for taxpayers who are required to remit quarterly.

April 30: File Personal Income Tax Returns for 2025 and remit balance due, if any, to CRA.

June 15: Due date for Personal Tax Returns of individuals or spouses/common-law partners of individuals with self-employed business income. (Payment of tax balance still due by April 30).

December 31: Deadline for RRSP contributions in the year a taxpayer turns 71. This is also the deadline for converting RRSPs into RRIFs or Life Annuities in a taxpayer's 71st year.

RRIF MIN WITHDRAWAL RATES FOR AGE AT DEC 31

Age	%	Age	%	Age	%	Age	%
71	5.28	77	6.17	83	7.71	89	10.99
72	5.40	78	6.36	84	8.08	90	11.92
73	5.53	79	6.58	85	8.51	91	13.06
74	5.67	80	6.82	86	8.99	92	14.49
75	5.82	81	7.08	87	9.55	93	16.34
76	5.98	82	7.38	88	10.21	94	18.79
* Under 71 = 1/(90-Age attained at beginning of year)						95+	20.00

2026 AUTOMOBILE DEDUCTION LIMITS

Effective January 1, 2026, the following passenger vehicle limits apply: Maximum cost for CCA purposes has increased to $39,000 plus taxes for the majority of passenger vehicles, and remained at $61,000 plus taxes for zero-emission passenger vehicles.

Ceiling on deductible leasing costs remains at $1,100 plus taxes.

The limit on allowable interest deduction for amounts borrowed to purchase an automobile remains at $350 per month.

The limit on tax-exempt kilometer allowances increased to $0.73 for the first 5,000 kilometers driven and $0.67 for each additional kilometer.

2026* / 2025 AVERAGE EXCHANGE RATES

COUNTRY	CURRENCY	2026*	2025
United States	Dollar	1.3845	1.3978
European Union	Euro	1.6086	1.5782
United Kingdom	Pound Sterling	1.8627	1.8420
Japan	Yen	0.0087	0.0094

* average rate to Sept 2026

2026 / 2025 PAYROLL DEDUCTIONS

		2026	2025
CPP	Max Pensionable Earnings Tier 1	**$ 74,600.00**	**$ 71,300.00**
	Basic Annual Exemption	**$ 3,500.00**	**$ 3,500.00**
	Contribution Rate	5.95%	5.95%
	Max Employee Contribution (a)	**$ 4,230.45**	**$ 4,034.10**
CPP2	Max Pensionable Earnings Tier 2	**$ 85,000.00**	**$ 81,200.00**
	Less Pensionable Earnings Tier 1	**$ 74,600.00**	**$ 71,300.00**
	Contribution Rate	4.00%	4.00%
	Max Employee Contribution (b)	**$ 416.00**	**$ 396.00**
	Total Employee Contribution (a+b)	**$ 4,646.45**	**$ 4,430.10**
E I	Max Annual Insurance Earnings	**$ 68,900.00**	**$ 65,700.00**
	Premium Rate	1.63%	1.64%
	Max Employee Annual Premium	**$ 1,123.07**	**$ 1,077.48**

CORPORATE TAX RATES

Combined Federal and BC Rates for the year ended:	ACTIVE INCOME UP TO $500,000	NO SMALL BUSINESS DEDUCTION INCOME	NON-ACTIVE INVESTMENT INCOME
December 31, 2026	11.00	27.00	50.67
2025 All Months	11.00	27.00	50.67

PRESCRIBED INTEREST RATES

		RECEIVER GENERAL PAYMENTS TO	RECEIVER GENERAL PAYMENTS FROM	ALL OTHER PURPOSES
2023 -	Q1	8%	6%	4%
2023 -	Q2, Q3, Q4	9%	7%	5%
2024 -	Q1, Q2	10%	8%	6%
2024 -	Q3, Q4	9%	7%	5%
2025 -	Q1, Q2	8%	6%	4%
2025 -	Q3, Q4	7%	5%	3%
2026 -	Q1, Q2, Q3	7%	5%	3%

GOODS & SERVICES / HARMONIZED SALES TAX RATES

15% HST in Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland & Labrador

13% HST in Ontario

5% GST in BC and all other provinces and the territories

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  - Financial Reporting & Accounting Advisory
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  - Canadian Auditing Standards
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QUICK TAX 2026.5 (2026 rates)