

2023 Tax Facts for Ontario Residents

PERSONAL TAX BRACKETS FOR SALARY & DIVIDENDS

2023 MARGINAL TAX RATES

Taxable Income	Salary	Capital Gains	Eligible Public Company 2023*	Non-Eligible Private Company 2023
First \$ 49,231	20.05 %	10.03 %	0 %	9.24 %
\$ 49,231 - 53,359	24.15 %	12.08 %	0 %	13.95 %
\$ 53,359 - 86,698	29.65 %	14.83 %	7.56 %	20.28 %
\$ 86,698 - 98,463	31.48 %	15.74 %	8.92 %	22.38 %
\$ 98,463 - 102,135	33.89 %	16.95 %	12.24 %	25.16 %
\$ 102,135 - 106,717	37.91 %	18.95 %	17.79 %	29.78 %
\$ 106,717 - 150,000	43.41 %	21.70 %	25.38 %	36.10 %
\$ 150,000 - 165,430	44.97 %	22.48 %	27.53 %	37.90 %
\$ 165,430 - 220,000	48.29 %	24.14 %	32.11 %	41.72 %
\$ 220,000 - 235,675	49.85 %	24.92 %	34.26 %	43.51 %
> \$ 235,675	53.53 %	26.76 %	39.34 %	47.74 %

*Includes dividends from CCPCs from active income in excess of business limit.

COMMON PERSONAL TAX CREDITS

	FEDERAL		ONTARIO	
	2023	2022	2023	2022
Basic personal amount	\$ 15,000*	\$ 14,398*	\$ 11,865	\$ 11,141
Spousal amount or eligible dependent amount (max)	\$ 15,000	\$ 14,398	\$ 10,075	\$ 9,460
Age amount (max)	\$ 8,396	\$ 7,898	\$ 5,793	\$ 5,439
Pension income amount	\$ 2,000	\$ 2,000	\$ 1,641	\$ 1,540
Disability amount	\$ 9,428	\$ 8,870	\$ 9,586	\$ 9,001
Canada employment amount	\$ 1,368	\$ 1,287	\$ 0	\$ 0

Note: Above federal tax credits are applied at 15% and Ontario tax credits are applied at 5.05%.

*The enhanced basic personal amount of \$15,000 is gradually decreased to \$13,521 for individuals with net income between \$165,430 and \$235,675 in 2023 (gradually reduced to \$12,719 for net income between \$155,625 and \$221,708 in 2022).

CLAWBACK OF OLD AGE SECURITY

	OAS Benefit	Start of Clawback at 15% if income is greater than:	OAS fully clawed back when income is greater than:
2023	TBD	\$ 86,912	\$141,917
2022	\$7,930	\$ 81,761	\$ 134,626

Note: Seniors 75 and over will see an automatic 10% increase of their Old Age Security Pension as of July 2023.

CPP & EI LIMITS

	CPP Limit	CPP Contribution Rate	Maximum Pensionable Earnings	EI - Employee Limit	EI - Employer Limit	EI - Employee Contribution Rate	EI - Maximum Insurable Earnings
2023	\$ 3,754.45	5.95%	\$ 66,600	\$ 1,002.45	\$ 1,403.43	1.63%*	\$ 61,500
2022	\$ 3,499.80	5.70%	\$ 64,900	\$ 952.74	\$ 1,333.81	1.58%*	\$ 60,300

*Employer rate is 1.4 times the employee rate.

Last updated February 15 - for online version, visit www.davismartindale.com

TAX RATES ON CORPORATE INCOME

CCPC Active Income	2023	2022
\$ 0-500,000	12.20 %	12.20 %
> \$ 500,001	26.50 %	26.50 %
CCPC Investment Income		
Interest	50.17 %	50.17 %
Canadian Dividends	38.33 %	38.33 %
Capital Gains	25.09 %	25.09 %

RRSP LIMITS (18% OF EARNED INCOME)

	RRSP Deduction Limit	Prior Year Earned Income Required to Maximize RRSP
2024	\$ 31,560	\$ 175,333
2023	\$ 30,780	\$ 171,000
2022	\$ 29,210	\$ 162,278

PRESCRIBED INTEREST RATES

	QUARTER			
	1st	2nd	3rd	4th
2023	4 %	TBD	TBD	TBD
2022	1 %	1 %	2 %	3 %
2021	1 %	1 %	1 %	1 %
2020	2 %	2 %	1 %	1 %

Note: These rates are for shareholder loans and corporate refunds - non-corporate refunds add 2%, overdue balances add 4%.

AUTOMOBILE AMOUNTS

Claim Description	2023	2022
Tax-Exempt Car Reimbursements		
-First 5,000 km	68 cents/km	61 cents/km
-After 5,000 km	62 cents/km	55 cents/km
CCA Threshold - Class 10.1	\$ 36,000	\$ 34,000
CCA Threshold - Zero emission vehicle	\$ 61,000	\$ 59,000
Interest expenses limit	\$ 300/mo.	\$ 300/mo.
Leasing limit per month	\$ 950/mo. + taxes	\$ 900/mo. + taxes
Operating expense benefit	33 cents/km	29 cents/km

PENSION SPLITTING WITH SPOUSE

	65 or Older	Under 65
Pension Annuity Payments	Yes	Yes
RRIF Payments	Yes	No*
RRSP Annuity Payments	Yes	No*
RRSP Lump-Sum Withdrawals	No	No
Old Age Security Benefits	No	No

*Except if received due to death of spouse.

IMPORTANT TAX DATES TO REMEMBER

Tax Filings/Installments

Due Date

T2 – Corporate Tax Returns

6 months after year end

Corporations must make their tax payment
for the current fiscal year:

- If you have an active operating business and
prior year taxable income < \$500,000
- For other companies, such as holding companies

3 months after year end

2 months after year end

*Note: Corporations should also continue to make their respective monthly or
quarterly installments for the subsequent fiscal year, if required to do so.*

T3 – Trust Income Tax & Information Return

90 days after period end

T4 – Statement & Summary of Remuneration Paid

Feb. 28

T5 – Statement & Summary of Investment Income

Feb. 28

RRSP Contributions – Deadline

March 1

Personal Tax Returns:

- Individual
- Individual with self-employment income (and spouse)
- Taxes Payable (all individuals)

May 1*

June 15

May 1*

HST Return

- Annual Filer
(individuals with Dec. 31 fiscal year end)
- Annual Filer (except individuals)
- Quarterly Filer
- Monthly Filer

May 1* (payment deadline)

June 15 (filing deadline)

3 months after year end

1 month after end of quarter

1 month after end of reporting period

EHT Installments (Payroll > \$ 600,000)

Monthly

EHT Return

March 15

Underused Housing Taxes (UHT) Return

May 1*

Underused Housing Taxes (UHT) Payment

May 1*

*Extension to next business day as due date falls on a Saturday or Sunday.

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