

2026 Tax Facts

for Ontario Residents

Personal Tax Brackets for Salary & Dividends

ON 2026 Marginal Tax Rates

2026 Taxable Income (1)	Other Income	Capital Gains	Canadian Dividends	
			Eligible	Non-Eligible
First \$ 53,891	19.05%	9.53%	0%	8.09%
over \$53,891 up to \$58,523	23.15%	11.58%	0%	12.80%
over \$58,523 up to \$94,907	29.65%	14.83%	6.39%	20.28%
over \$94,907 up to \$107,785	31.48%	15.74%	8.92%	22.38%
over \$107,785 up to \$111,814	33.89%	16.95%	12.24%	25.16%
over \$111,814 up to \$117,045	37.91%	18.95%	17.79%	29.78%
over \$117,045 up to \$150,000	43.41%	21.70%	25.38%	36.10%
over \$150,000 up to \$181,440	44.97%	22.48%	27.53%	37.90%
over \$181,440 up to \$220,000	48.26%	24.13%	32.07%	41.68%
over \$220,000 up to \$258,482	49.82%	24.91%	34.22%	43.47%
over \$258,482	53.53%	26.76%	39.34%	47.74%

Common Personal Tax Credits

	Federal		Ontario	
	2026	2025	2026	2025
Basic personal amount	\$16,452*	\$16,129*	\$12,989	\$12,747
Spousal amount or eligible dependent amount (max)	\$16,452	\$16,129	\$11,029	\$10,823
Age amount (max)	\$9,208	\$9,028	\$6,342	\$6,223
Pension income amount	\$2,000	\$2,000	\$1,796	\$1,762
Disability amount	\$10,341	\$10,138	\$10,494	\$10,298
Canada employment amount	\$1,501	\$1,471	\$0	\$0

*Note: Above federal tax credits are applied at 14% and Ontario tax credits are applied at 5.05%. The enhanced basic personal amount of \$16,452 is gradually decreased to \$14,829 for individuals with net income between \$181,440 and \$258,482 in 2026 (gradually reduced to \$14,538 for net income between \$177,882 and \$253,414 in 2025).

Clawback of Old Age Security

	Maximum OAS Benefit 65 to 74 / 75+	Start of Clawback at 15% if income is greater than:	OAS fully clawed back when income is greater than: 65 to 74 / 75+
2026	\$8,908 / \$9,798	\$95,323	\$154,530 / \$160,451
2025	\$8,791 / \$9,670	\$93,454	\$152,062 / \$157,923

TFSA Limits

Contribution Limit

2026	\$7,000
2025	\$7,000
2024	\$7,000

Tax Rates on Corporate Income

	2026	2025
CCPC Active Income		
\$ 0-500,000	12.20%	12.20%
> \$ 500,001	26.50%	26.50%
CCPC Investment Income		
Canadian Dividends	38.33%	38.33%
Capital Gains	25.09%	25.09%
Other Investment Income	50.17%	50.17%

RRSP Limits (18% of Earned Income)

	RRSP Deduction Limit	Prior Year Earned Income Required to Maximize RRSP
2026	\$33,810	\$187,830
2025	\$32,490	\$180,500

Prescribed Interest Rate

	Quarter			
	1st	2nd	3rd	4th
2026	3%	TBD	TBD	TBD
2025	4%	4%	3%	3%
2024	6%	6%	5%	5%
2023	4%	5%	5%	5%

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

Automobile Amounts

Claim Description	2026	2025
Tax-Exempt Car Reimbursements		
-First 5,000 km	73 cents/km	72 cents/km
-After 5,000 km	67 cents/km	66 cents/km
CCA Threshold - Class 10.1	\$ 39,000 + taxes	\$ 38,000 + taxes
CCA Threshold - Zero emission vehicle	\$ 61,000 + taxes	\$ 61,000 + taxes
Interest expenses limit	\$ 350/mo.	\$ 350/mo.
Leasing limit per month	\$ 1,100/mo. + taxes	\$ 1,100/mo. + taxes
Operating expense benefit	34 cents/km	34 cents/km

CPP Limits

	Limit	Contribution Amount	Max. Pensionable Earnings
2026	4,230/416* (4,545 total)	5.95%/4.00%*	74,600/85,000*
2025	4,034/396* (4,430 total)	5.95%/4.00%*	71,300/81,200*

*Base/Enhancement

EI Limits

	Employee Limit	Employer Limit	Employee Contribution Rate	Max. Insurable Earnings
2026	\$1,123.07	\$1,572.30	1.63%	\$68,900
2025	\$1,077.48	\$1,508.47	1.64%	\$65,700

Important Tax Dates to Remember

Tax Filings/Installments	Due Date
T2 – Corporate Tax Returns Corporations must make their tax payment for the current fiscal year:	6 months after year end
<ul style="list-style-type: none"> If you have an active operating business and prior year taxable income < \$500,000 3 months after year end For other companies, such as holding companies 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	Mar. 2*
T5 – Statement & Summary of Investment Income	Mar. 2*
RRSP Contributions – Deadline	Mar. 2*
Personal Tax Returns:	
<ul style="list-style-type: none"> Individual April 30 Individual with self-employment income (and spouse) June 15 Taxes Payable (all individuals) April 30 	
HST Return	
<ul style="list-style-type: none"> Annual Filer April 30 (payment deadline) (individuals with Dec. 31 fiscal year end) June 15 (filing deadline) Annual Filer (except individuals) 3 months after year end Quarterly Filer 1 month after end of quarter Monthly Filer 1 month after end of reporting period 	

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