



Tax Rates by Province – 2000



The first chart provides a breakdown of the Tax Rates by province for the year 2000 and the second chart provides the estimated tax revenues for each province.

[Click here](#) for 1999 & 1998 Rates

2000 Tax Rates by Provinceⁱ

	Personal Income Tax ⁱⁱ				Sales Tax			Corporate Income Tax ⁱⁱⁱ			Capital Tax ^{iv}		Payroll Tax ^{xiv} (max.%)
	Basic Rate ^v (%)	High Income Surtax ^{vi} (%)	Flat Rate Tax ^{vii} (%)	General Surtax (%)	Retail Sales Tax ^{viii} (%)	Gasoline Tax ^{ix} cents/litre	Tobacco Tax ^x \$/carton	General Rate ^{xi} (%)	M&P Rate ^{xii} (%)	Small Business Rate ^{xiii} (%)	General (max.%)	Financial Institutions (max.%)	
B.C.	n.a.	30.0/ 45.0	--	--	7.00	11.00	22.00	16.50	16.50	5.13	0.30	3.00	--
Alberta	44.00	--	0.50	--	--	9.00	14.00	15.50	14.50	6.00	--	1.00	--
Sask.	48.00	15.00	1.50	10.00	6.00	15.00	17.20	17.00	10-17.0	8.00	0.60	3.25	--
Man.	47.00	--	2.00	--	7.00	11.50	17.20	17.00	17.00	7.00	0.30	3.00	2.15
Ontario	37.70	20.0/36.0	--	--	8.00	14.70	5.30	14.50	13.50	7.00	0.30	0.90	1.95
Quebec	n.a.	n.a.	n.a.	n.a.	7.50	15.20	8.60	8.90	8.90	8.90	0.64	1.28	4.26
N.B.	58.50	8.0	--	--	8.00	10.70	8.30	17.00	17.00	4.50	0.30	3.00	--
N.S.	57.50	10.0	--	--	8.00	13.50	9.64	16.00	16.00	5.00	0.25	3.00	--
P.E.I.	57.50	10.0	--	--	10.00	13.00	13.25	16.00	7.50	7.50	--	3.00	--
Nfld.	62.00	6.0/10.0	--	--	8.00	16.50	22.00	14.00	5.00	5.00	--	4.00	1.0 / 2.0

ⁱ Tax rates compiled by the Canadian Taxpayers Federation and accurate as of June 1, 2000. Tax rates are for the 2000 taxation year. All provinces, except Newfoundland, provide tax reductions for low-income taxpayers. Health care premiums are levied by Alberta (\$34/month per individual) and B.C. (\$36/month per individual).

ⁱⁱ Quebec is not directly comparable to the other provinces because it administers its own personal income tax system and applies provincial rates directly on taxable income. Quebec's rates range from 20% to 26%. The federal Basic Personal Exemption is \$7,231; federal tax rates are 17% on taxable income of \$30,369.30 or less; 25% on taxable income between \$30,369.30 and \$60,008.52; and 29% on taxable income of \$60,008.52 or greater.

ⁱⁱⁱ The federal rates of corporate income tax (including provincial abatement and surtax) are: general 28.00%; and manufacturing and processing 21.00%. Provincial rates are applied on taxable income.

^{iv} Quebec levies a surtax of 3.0% on top of the capital tax for financial institutions. Some provinces have two capital tax rates (i.e. Sask has a reduced 0.7% capital tax on financial institutions with taxable capital under \$400,000). Manitoba levies an additional 0.2% surcharge on the taxable capital of corporations with paid-up capital in excess of \$10 million.

^v The basic rate is a percentage of the basic federal tax payable, this year is a transition year to new systems in most provinces for next year. B.C. has opted for tax on income, using the existing federal thresholds, but with three distinct progressive rates, 8%, 12% and 14%. P.E.I. has introduced a low income tax credit, for those with income of \$15,000 or less at \$250, \$250 for spouse, and \$200 for each dependent child.

^{vi} The high-income surtax is applied above certain thresholds that vary among provinces and is based on net income in excess of \$30,000 in Manitoba, the sum of basic tax and flat tax in Saskatchewan, and basic tax in the other provinces. Ontario has two high-income surtax rates called the "fair share health levies": 20% on provincial income tax paid above \$3,750 and 56% on provincial income tax paid above \$4,681. B.C. also has two high income surtax rates: 30% on provincial income tax paid between \$5,300 to \$8,660 and 45% on provincial income tax paid above \$8,660. Newfoundland has introduced a second High surtax rate of 6% on taxable income over \$10,000.

^{vii} The flat rate tax is a percentage of taxable income in Alberta and net income in Saskatchewan and Manitoba.

^{viii} Quebec, New Brunswick, Nova Scotia, and Newfoundland have "harmonized" their retail sales tax with the federal GST and apply it to a broader base than other provinces. The liquor tax is 10% in B.C., 7% in Saskatchewan, 12% in Ontario, 37.5% in PEI, and the same as the general retail sales tax rate in all other provinces, except Alberta that has no sales tax. There is no meal tax in B.C. Alberta, and Sask. The accommodation sales tax is 8% in B.C. but the same as the general sales tax rate in every other province. Alberta has a 5% accommodation tax.

^{ix} An additional gasoline tax of 4 cents per litre and 2.5 cents per litre is imposed in the greater Vancouver and Victoria areas respectively and an additional 1.5 cents per litre in the Montreal area. Quebec also levies its 7.5% provincial sales tax on gasoline and three provinces, New Brunswick, Nova Scotia, and Newfoundland levy the 15% Harmonized Sales Tax (HST). The tax on diesel fuel is the same as the gasoline tax in Alberta, Saskatchewan and Newfoundland. The rates in the other provinces are: BC 11.5 cents/litre, Manitoba 10.9 cents, Ontario 14.3 cents, Quebec 16.2 cents, NB 13.7 cents, NS 15.4 cents, and PEI 13.5 cents.

^x All provinces, except Quebec, B.C., Alberta, and PEI, apply their retail sales tax on top of the tobacco tax.

^{xi} Quebec applies a rate of 16.25% to non-active business income.

^{xii} Sask reduces its M&P rate by up to 7% depending on the extent of a company's presence in the province. Ontario applies the M&P rate to mining, logging, farming, and fishing.

^{xiii} B.C. has a 2-year tax holiday for new small businesses incorporated between May 1, 1996 and March 31, 2001. Small business tax reduction begin July 1 2000, the rate will be reduced to 4.75%. Ontario corporations with taxable income in excess of \$200,000 pay a surtax equal to the lesser of 4% of taxable income in excess of \$200,000 and the small business deduction claimed. Ontario corporations are also subject to a 4% minimum tax where gross revenues are greater than \$10 million or assets are greater than \$5 million, reduced by corporate income tax payable. Quebec levies a surtax of 2.8% on top of the general rate for corporate income tax and has a 5-year tax holiday for new small businesses and corporations in the information technology sector. Nova Scotia has a 3-year tax holiday for new small businesses. Corporations with taxation years in progress when a tax change comes into effect are required to prorate income to the periods before and after the change before applying the applicable rate.

^{xiv} Provincial payroll taxes are paid by the employer only. Newfoundland has two payroll taxes: 1.0% on renewable resource companies (i.e. fishing, forestry, agriculture) and 2.0% on non-renewable resource companies (i.e. oil & gas)

2000-01 Estimated Tax Revenue by Province (\$ Million)

	Total Revenue ^{xiv}		Personal Income Tax		Retail Sales Tax ^{xiv}		Gasoline Tax ^{xiv}		Tobacco Tax		Corporate Income ^{xiv} Tax		Capital Tax ^{xiv}		Payroll Tax ^{xiv}	
	Estimated		Estimated	% of Total	Estimated	% of Total	Estimated	% of Total	Estimated	% of Total	Estimated	% of Total	Estimated	% of Total	Estimated	% of Total
British Columbia	21,500.0		5,513.0	25.6%	3,446.0	16.0%	437.0	2.0%	468.0	2.2%	915.0	4.3%	438.0	2.0%	-	0.0%
Alberta	19,071.0		4,713.0	24.7%	-	0.0%	559.0	2.9%	355.0	1.9%	1,896.0	9.9%	38.0	0.2%	-	0.0%
Saskatchewan	6,382.4		1,247.0	19.5%	815.2	12.8%	347.6	5.4%	124.6	2.0%	297.6	4.7%	291.1	4.6%	-	0.0%
Manitoba	6,414.3		1,685.8	26.3%	950.7	14.8%	157.0	2.4%	124.5	1.9%	333.0	5.2%	140.0	2.2%	228.0	3.6%
Ontario	62,060.0		17,530.0	28.2%	13,400.0	21.6%	2,260.0	3.6%	510.0	0.8%	8,765.0	14.1%	-	0.0%	3,320.0	5.3%
Quebec ^{xiv}	48,253.0		N.A.		N.A.		N.A.		N.A.		N.A.		N.A.		N.A.	
New Brunswick	4,429.3		861.0	19.4%	629.0	14.2%	184.0	4.2%	50.0	1.1%	162.0	3.7%	41.3	0.9%	-	0.0%
Nova Scotia	4,794.9		1,144.9	23.9%	786.3	16.4%	232.3	4.8%	80.1	1.7%	161.7	3.4%	15.3	0.3%	-	0.0%
Prince Edward Island	882.9		147.5	16.7%	150.0	17.0%	34.2	3.9%	14.8	1.7%	23.3	2.6%	1.7	0.2%	-	0.0%
Newfoundland	3,548.3		555.9	15.7%	462.3	13.0%	128.0	3.6%	67.5	1.9%	85.0	2.4%	-	0.0%	71.0	2.0%

Shows percentage of revenue as a percentage of all provincial revenues.

Source: Provincial Budget Estimates 2000.