

Non-Refundable Personal Tax Credits — 2016*

(Prepared from information available as of January 8, 2016)

The two tables below contain information concerning select non-refundable personal tax credits. The first contains the federal and provincial/territorial rates used in the calculation of personal tax credits. The second shows the value of the credits. Provinces and territories use their own prescribed amounts to determine their personal tax credits.

		Personal tax credit rates (See table below for some limitations)													
		Federal	Alt.	B.C.	Man.	N.B.	Nfld. & Lab.	N.W.T.	N.S.	Nun.	Ont.	P.E.I.	Que. ¹	Sask.	Yukon
General factor ²		15% ⁴	10%	5.06%	10.8%	9.68%	7.7%	5.9%	8.79%	4%	5.05%	9.8%	20%	11%	6.4%
Charitable donations	First \$200	15% ⁴	10%	5.06%	10.8%	9.68%	7.7%	5.9%	8.79%	4%	5.05%	9.8%	20%	11%	6.4%
	Amount over \$200	29% or 33% ⁴	21%	14.7%	17.4%	17.95%	15.3%	14.05%	21% ⁵	11.5%	11.16%	16.7%	24%	15%	12.8%
Dividend tax credit ³ (on grossed-up amount)	Eligible	15.02%	10%	10%	8%	12%	5.4%	11.5%	8.85%	5.51%	10%	10.5%	11.9%	11%	15%
	Non-eligible	10.52%	3.08%	2.47%	0.83%	4%	4.1%	6%	3.33%	2.91%	4.29%	3.05%	7.05%	3.24%	3.14%

		Maximum value (before surtaxes) of credits that are based on prescribed amounts														
		Federal amounts	Federal ⁸	Alt.	B.C.	Man.	N.B.	Nfld. & Lab.	N.W.T.	N.S.	Nun.	Ont.	P.E.I.	Que. ¹	Sask.	Yukon
Basic Spouse		\$11,474 ⁶	\$1,721 ⁶	\$1,845	\$507	\$986	\$945	\$678	\$831	\$745	\$518	\$506	\$755	\$2,310 ¹	\$1,743	\$734 ⁶
Equivalent to spouse					\$434		\$802	\$554				\$429	\$642	N/A		
Age 65		\$7,125	\$1,069	\$514	\$228	\$403	\$461	\$433	\$406	\$364	\$388	\$247	\$369	\$497 ¹	\$531 ¹¹	\$456
Disability	Basic	\$8,001	\$1,200	\$1,423	\$381	\$667	\$765	\$457	\$674	\$645	\$518	\$408	\$675	\$525		\$512
	Under 18 supplement	\$4,667	\$700										\$394		\$1,027	\$299
Infirm dependant (18 or over)		\$6,788 ⁶	\$1,018 ⁶	\$1,068	\$222	\$389	\$446	\$215	\$275		\$187	\$238	\$240	N/A ¹		\$434 ⁶
	Caregiver	\$4,667 ⁶	\$700 ⁶													\$299 ⁶
Pension income		\$2,000	\$300	\$142	\$51	\$108	\$97	\$77	\$59	\$103	\$80	\$70	\$98	\$442 ¹	\$110	\$128
Adoption		\$15,453	\$2,318	\$1,262	\$782	\$1,080	N/A	\$915		N/A		\$617	N/A	N/A ¹	N/A	\$989
Children's fitness		N/A ⁷	N/A ⁷		\$25 ⁹	\$54								N/A ¹⁰	N/A	N/A ⁷
Children's arts		\$500	\$75											N/A ¹⁰		\$32
Canada Pension Plan (CPP)		\$2,544	\$382	\$254	\$129	\$275	\$246	\$196	\$150	\$224	\$102	\$128	\$249	N/A	\$280	\$163
Quebec Pension Plan (QPP)		\$2,737 ¹	\$411											N/A ¹		N/A
Employment Insurance (EI)	not in Quebec	\$955	\$143	\$96	\$48	\$103	\$92	\$74	\$56	\$84	\$38	\$48	\$94	N/A	\$105	\$61
	in Quebec	\$772	\$116											N/A ¹		N/A
Canada Employment		\$1,161	\$174													\$74
Education (per month)	Full-time	\$400	\$60	\$72	\$10	\$43	\$39	\$15	\$24	\$18	\$16	\$27	\$39	\$426 ¹	\$44	\$26
	Part-time	\$120	\$18	\$22	\$3	\$13	\$12	\$5	\$7	\$5	\$5	\$8	\$12	N/A	\$13	\$8
Textbook (per month)	Full-time	\$65	\$10													\$4
	Part-time	\$20	\$3													\$1

Nil ⁵	× 1.2 or × 1.56	× 1.1
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Factors at bottom of table increase value of credits to reflect surtaxes.¹²

Notes:

* These tables reflect rates in effect as of January 1, 2016, and include the rate changes in federal Bill C-2 (first reading: December 9, 2015). At the date of publication, this bill has not been passed, but is expected to be passed.

- See below for Quebec's special credits and rules.
- The general factor, multiplied by the federal (or provincial/territorial) amount, yields the value of the federal (or provincial/territorial) credit.
- Eligible dividends are designated as such by the payor. They are grossed up by 38% and include dividends paid by:
 - public corporations or other corporations that are not Canadian-controlled private corporations (CCPCs), are resident in Canada and are subject to the federal general corporate income tax rate (i.e., 15% in 2016); or
 - CCPCs, to the extent that the CCPC's income is:
 - not investment income (other than eligible dividends from public corporations); and
 - subject to the federal general corporate income tax rate (i.e., the income is active business income not subject to the federal small business rate).

Non-eligible dividends are grossed up by 17% and include dividends paid out of either income eligible for the federal small business rate or a CCPC's investment income (other than eligible dividends received from public corporations).

- A temporary First-time Donor's Super Credit (FDSC) can be claimed by first-time donors only once after 2012 and before 2018. The FDSC is an additional 25% tax credit (on top of claiming the Charitable Donations Tax Credit) on up to \$1,000 of donations made after March 20, 2013.

For charitable donations exceeding \$200, the tax credit rate is:

- 33% for donations made after 2015, to the extent the individual has income that is subject to the federal 33% personal income tax rate; and
- 29% for all other donations

- If Nova Scotia tables a budget surplus in its 2016-2017 fiscal year, for 2016, the \$150,000 bracket and 21% rate will be eliminated, but a 10% surtax on provincial income tax exceeding \$10,000 will be reinstated. In that case:

- the charitable donation tax credit rate for donations over \$200 will be 17.5% (not 21%); and
 - the factor at the bottom of the table would be 1.1, instead of nil.
6. Caregivers of dependants with a mental or physical infirmity can claim the Family Caregiver Tax Credit. This credit, which is valued at \$318 (i.e., \$2,121 x 15%), is:
- already included in the infirm dependant (18 or over) tax credit;
 - increases the spouse/equivalent to spouse or caregiver tax credit; or
 - claimed for infirm children under 18 as the family caregiver for infirm children under 18 tax credit.

Only one Family Caregiver Tax Credit can be claimed for each infirm dependant. The Yukon has paralleled this credit, with an increase of \$136 (i.e., \$2,121 x 6.4%).

7. A federal (and Yukon) refundable tax credit is available for children's fitness, providing up to \$150 (\$64 in the Yukon) per year for children under 17, and up to \$225 (\$96 in the Yukon) per year for children under 19 who qualify for the disability tax credit.
8. In Quebec, federal values are reduced by 16.5%.
9. In British Columbia, parents can claim a children's fitness equipment tax credit that equals 50% of the BC children's fitness credit amount claimed.
10. A refundable tax credit for children is available in Ontario for fitness and certain non-fitness activities, and in Saskatchewan for cultural, recreational and sports activity fees (the Saskatchewan credit is income-tested).
11. In Saskatchewan, an additional credit of \$140 is available to individuals who are 65 or older, regardless of their income.
12. For taxpayers in Nova Scotia, Ontario or Prince Edward Island affected by provincial surtaxes, the value of the credits shown will be higher by the factors indicated. For example, for a taxpayer in Ontario's top bracket, the \$506 shown for the basic Ontario credit would be worth \$789 (i.e., \$506 × 1.56).

Quebec's Special Credits and Rules — 2016

The following special rules apply to Quebec's non-refundable tax credits:

- the minimum basic personal credit, the Quebec Pension Plan (QPP), Employment Insurance (EI), Health Services Fund and Quebec Parental Insurance Plan (QPIP) credits are combined into a single basic personal credit of \$11,550 (value of \$2,310);
- employees, employers and the self-employed must contribute to the QPIP, from which maternity, adoption and parental leave benefits are paid. As a result, federal EI premiums are lower for Quebec employees than for other employees (\$772 instead of \$955). A federal credit is available to individuals for QPIP premiums;
- an adult student can transfer the unused portion of the basic personal credit to a parent, but if this transfer is made, the other dependant (18 or over) credit of \$3,100 (value of \$620) cannot be claimed for that student;
- most non-refundable credits, such as the basic personal credit and the age credit, can be transferred to a spouse, if not used by the taxpayer;
- the age, pension and living alone credits are reduced if net family income exceeds \$33,505;
- the age to qualify for the age credit will increase gradually from age 66 in 2016 to age 70 in 2020
- a person that lives alone or with a dependant can claim a credit of \$1,355 (value of \$271);
- a person that qualifies for the living alone credit and lives with an eligible student is eligible for an additional \$1,675 (value of \$335) credit;
- the maximum education credit of \$2,130 (value of \$426) per term (maximum two terms per year) can be claimed by a supporting Quebec parent (but is not transferable) for a child under 18 who attends post-secondary school full-time (part-time for infirm dependants);
- a student can transfer the unused portion of the tuition and examination tax credits to a parent or grandparent; and
- the medical expense credit is based on the amount by which qualifying expenses exceed 3% of net family income (see below for details on the refundable medical expense credit).

Select Quebec refundable tax credits are listed in the table below.

	Details
Adoption	50% of eligible adoption expenses (maximum credit of \$10,000)
Child care	26% to 75% of qualifying child care expenses (limits apply)
Youth activities¹	Maximum credit is \$80 for children age five to under 17; \$160 for children with a disability, age five to under 19; available to families with incomes of \$134,095 or less
Seniors' activities	Maximum credit is \$40 for seniors age 70 or older with incomes of \$40,865 or less
Caregivers²	Basic credit of \$642 ² plus supplement of \$525; the supplement is reduced if the dependant's income exceeds \$23,330
Respite expenses for informal caregivers	30% of eligible respite expenses paid for the care of a person who resides with the caregiver and has a significant disability; maximum credit of \$1,560 is reduced if family income exceeds \$56,515
Informal caregivers	Maximum credit of \$500 for each care recipient can be allocated to a volunteer who provides home respite to informal caregivers of the care recipient
Home support for seniors³	34% of eligible expenses; maximum credit of \$6,630 for independent seniors (reduced if family income exceeds \$56,515) and \$8,670 for dependent seniors, age 70 and over; expenses eligible for this credit will not qualify for the medical expense credit
Medical	25% of medical expenses eligible for the non-refundable credit and 25% of amount deducted for impairment support products and services; maximum credit of \$1,166 is reduced if family income exceeds \$22,560

Notes:

1. The youth activities credit will increase in 2017 to up to \$100 per child age five to under 17, and up to \$200 per child with a disability age five to under 19.
2. The caregivers credit has three components:
 - i. caregivers who house, in the strict sense of the term, an eligible relative – see table for details of the credit;
 - ii. caregivers who cohabit with an eligible relative unable to live alone – see table for details of the credit; and
 - iii. caregivers caring for an elderly spouse – these caregivers qualify only for a basic credit, which is higher than the basic credit for the first two components; and is \$1,000 in 2016 (indexed thereafter).
3. For the home support for seniors credit, the tax credit rate and maximum credits will increase in 2017, to 35% (maximum credit of \$6,825 for independent seniors and \$8,925 for dependent seniors).

Credits: Federal Limitations and Other Information — 2016

This table presents additional information related to federal credits. Other restrictions may also apply. The provinces/territories may have comparable thresholds and rules.

	Limitations	To whom the credit may be transferred	Carry-forward
Family tax cut (known as “income splitting”)	Note: The new federal government, which was elected on October 19, 2015, intends to cancel this credit, starting 2016. The credit is for families with children under 18; maximum credit is equal to the lesser of \$2,000 and the federal tax reduction that would result if up to \$50,000 of taxable income were transferred from the high-earner spouse to the low-earner spouse	Either spouse may claim	N/A
Tuition	Credit is available only if at least \$100 is paid in fees to an institution	Spouse, parent or grandparent (Maximum combined tuition, education and textbook credits transferable is \$750)	Indefinite
Education	Credit is \$60/month for full-time students and certain disabled part-time students; \$18/month for other part-time students		
Textbook	Credit is \$10/month for full-time students and certain disabled part-time students; \$3/month for other part-time students		
Medical	Credit is based on amount by which qualifying medical expenses exceed the lesser of \$2,237 and 3% of net income (generally, expenses for any twelve-month period ending in the year can be claimed)	Either spouse may claim	
CPP/QPP and EI	For employees, maximum credit is \$525 (in Quebec, \$440 ¹); self-employed persons deduct 50% of CPP/QPP premiums paid for their own coverage (maximum deduction of \$2,544; in Quebec \$2,737) and claim a credit for the non-deductible half of premiums paid (maximum credit \$382; in Quebec \$343 ¹); self-employed persons are not required to pay EI premiums, but may opt to do so	N/A	
Canada Employment	Credit is based on employment income		
Transit pass	Public transit passes (monthly or longer) and certain weekly and electronic payment cards for travel are eligible	Spouse or parent	
Student loan interest	Interest must be paid on qualifying student loans	N/A	5 years
Charitable donations	Eligible donations are limited to 75% of net income	Either spouse may claim	
Spousal and equivalent to spouse	Reduced by any net income of the spouse or qualifying dependant	N/A	
Infirm dependant	Reduced if dependant’s income exceeds \$6,807		
Caregiver	For providers of in-home care for an adult relative (reduced if relative’s income exceeds \$15,940)		
Age	Reduced if income exceeds \$35,927		
Pension	Credit is not available for CPP, QPP, Old Age Security or Guaranteed Income Supplement payments	Spouse	
Adoption	Must be claimed in the year the adoption period ends	Either parent may claim	
Children’s fitness	The credit is refundable. For more details, see note 7 under Non-Refundable Personal Tax Credits .		
Children’s arts	Maximum credit is \$75 for children under 17; \$150 for children under 19 who qualify for the disability tax credit		
Disability	Basic For individuals with severe and prolonged impairment	Spouse, parent, grandparent, child, grandchild, sibling, aunt, uncle, niece or nephew	
	Under 18 supplement Reduced if child care expenses and attendant care expenses (claimed as a medical expense for child) exceed \$2,734		

Notes:

1. In Quebec, federal values are reduced by 16.5%. The amounts shown reflect this reduction.