

Canadian-Controlled Private Corporation (CCPC) Income Tax Rates

(for December 31, 2024 year end) (%)

	Active business income of CCPCs up to \$500,000 ¹		Investment income ³	
Federal rate (before deductions)		28		28
Small business deduction ²		(19)		n/a
Refundable investment tax		n/a		10.67
Federal rate		9⁴ ↓		38.67 ↓
	Provincial/ Territorial	Combined	Provincial/ Territorial	Combined
Alberta	2	11	8	46.67
British Columbia	2	11	12	50.67
Manitoba	Nil	9	12	50.67
New Brunswick	2.5	11.5	14	52.67
Newfoundland and Labrador⁵	2.5 H	11.5	15 H	53.67
Northwest Territories⁶	2	11	11.5	50.17
Nova Scotia⁷	2.5 H	11.5	14	52.67
Nunavut	3	12	12	50.67
Ontario^{8, 9}	3.2	12.2	11.5	50.17
Prince Edward Island¹⁰	1 H	10	16 H	54.67
Quebec	Regular ¹¹ M&P ¹¹	12.2	11.5 H n/a	50.17
Saskatchewan¹²	1 ¹	10	12	50.67
Yukon¹³	Nil	9	12	50.67

H Tax holidays are available to certain corporations in the provinces indicated.

Notes:

- See the table, **General and M&P Corporate Income Tax Rates**, for the rates that apply to CCPCs on active business income above \$500,000 (\$600,000 for Saskatchewan).

The \$500,000 federal small business threshold also applies in all provinces and territories, except in Saskatchewan, where the CCPC threshold is \$600,000; therefore, in Saskatchewan, the combined rate that applies to active business income from \$500,000 to \$600,000 is 16.5%.

- See footnote 2 to the table, **Federal Corporate Tax Rates**, for a description of the federal small business deduction threshold and situations in which the small business deduction is reduced.

These reductions also apply generally for the purposes of all provincial/territorial small business deductions, except that:

- for Quebec, the \$10 million threshold is based on paid-up capital (on an associated basis), instead of taxable capital; and
- New Brunswick and Ontario do not parallel the federal measure that phases out the small business deduction for CCPCs that earn passive investment income exceeding \$50,000 (on an associated basis) in a previous taxation year.

- Rates on investment income are 23.67% higher than the general rates for 2024 (see the table, **General and M&P Corporate Income Tax Rates**), because:

- CCPC investment income does not benefit from the 13% federal general rate reduction; and
- the rates on investment income include a 10% tax that is refundable when the CCPC pays taxable dividends.

See also "Refundable Investment Tax" in the table, **Other Federal Corporate Tax Rates for 2024**.

- See footnote 3 to the table, **Federal Corporate Tax Rates**, for temporary federal corporate rate reductions that apply to eligible income from zero-emission technology M&P activities for taxation years beginning after 2021.

- Recent Newfoundland and Labrador changes follow:

Newfoundland and Labrador changes effective after December 31, 2019			
	From	To	Effective
CCPC rate	3%	2.5%	January 1, 2024

- Recent Northwest Territories changes follow:

Northwest Territories changes effective after December 31, 2019			
	From	To	Effective
CCPC rate	4%	2%	January 1, 2021

- Recent Nova Scotia changes follow:

Nova Scotia changes effective after December 31, 2019			
	From	To	Effective
CCPC rate	3%	2.5%	April 1, 2020

8. Recent Ontario changes follow:

	Ontario changes effective after December 31, 2019		
	From	To	Effective
CCPC rate	3.5%	3.2%	January 1, 2020

9. Corporations subject to Ontario income tax may also be liable for corporate minimum tax (CMT) based on adjusted book income. The minimum tax is payable only to the extent that it exceeds the regular Ontario income tax liability. For the rate and thresholds, see the table, **General and M&P Corporate Income Tax Rates** (footnote 4).

10. Recent Prince Edward Island changes follow:

	Prince Edward Island changes effective after December 31, 2019		
	From	To	Effective
CCPC rate	3.5%	3%	January 1, 2020
	3%	2%	January 1, 2021
	2%	1%	January 1, 2022

11. Recent Quebec changes follow:

	Quebec changes effective after December 31, 2019		
	From	To	Effective
CCPC rate (Regular)*	6%	5%	January 1, 2020
	5%	4%	January 1, 2021
	4%	3.2%	March 26, 2021
CCPC rate (M&P)**			

* Quebec's CCPCs:

- are required to meet the "activities" test (i.e., percentage of activities in the M&P and primary sector) or "hours paid" test to be eligible for the province's regular CCPC rate; and
- will be subject to a tax rate between Quebec's regular CCPC rate and its general tax rate, if neither test is met.

** Eligibility for Quebec's CCPC M&P rate depends on the percentage of the CCPC's activities attributable to M&P and the primary sector (i.e., agriculture, forestry, fishing and hunting, mining, quarrying, and oil and gas extraction) (based on M&P and primary sector labour costs).

If the percentage is:

- 50% or more, the CCPC M&P rate applies;
- under 50% and more than 25%, the CCPC M&P rate increases proportionately (straight line) to the regular CCPC rate or the general Quebec rate, depending on the circumstances; or
- 25% or less, the rate is between the regular CCPC rate and the general Quebec rate.

12. Recent and planned Saskatchewan changes follow:

	Saskatchewan changes effective after December 31, 2019		
	From	To	Effective
CCPC rate	2%	Nil	October 1, 2020
	Nil	1%*	July 1, 2023*
	1%	2%*	July 1, 2025*

* Saskatchewan's Affordability Plan (released August 23, 2022) deferred the increase to the province's CCPC rate, from 0% to 1% and then to 2%, by one year (the rate was originally scheduled to increase to 1% on July 1, 2022 and then to 2% on July 1, 2023). The province's 2024 budget further deferred the increase to 2% by one year, so that the rate will increase to 2% on July 1, 2025 (instead of July 1, 2024).

13. Recent Yukon changes follow:

	Yukon changes effective after December 31, 2019		
	From	To	Effective
CCPC rate (non-M&P)	2%	Nil	January 1, 2021
CCPC rate (M&P)	1.5%	Nil	