

# British Columbia

## Combined federal and British Columbia personal income tax rates – 2009<sup>1</sup>

Taxable income			British Columbia				
Lower limit	to	Upper limit	Basic tax <sup>2</sup>	Rate on excess	Marginal rate on		
					Eligible dividend income <sup>3</sup>	Other dividend income <sup>3</sup>	Capital gains <sup>4</sup>
\$ -	to	\$ 10,320	\$ -	0.00%	0.00%	0.00%	0.00%
10,321	to	17,061	-	15.00	0.00	2.08	7.50
17,062	to	17,285	1,011	20.06	0.00	3.16	10.03
17,286	to	29,441 <sup>5</sup>	1,056	23.26	0.00	7.16	11.63
29,442	to	35,716	3,884	20.06	0.00	3.16	10.03
35,717	to	40,726	5,142	22.70	0.00	6.46	11.35
40,727	to	71,433	6,280	29.70	4.40	15.21	14.85
71,434	to	81,452	15,400	32.50	4.40	18.71	16.25
81,453	to	82,014	18,656	36.50	10.20	23.71	18.25
82,015	to	99,588	18,861	38.29	12.07	25.94	19.15
99,589	to	126,264	25,590	40.70	15.57	28.96	20.35
126,265	and up		36,447	43.70	19.92	32.71	21.85

- The tax rates reflect budget proposals and news releases up to 30 June 2009. Where the tax is determined under the alternative minimum tax provisions (AMT), the above table is not applicable. AMT may be applicable where the tax otherwise payable is less than the tax determined by applying the relevant AMT rate to the individual's taxable income adjusted for certain preference items.
- The tax determined by the table should be reduced by the applicable federal and provincial tax credits (see chart below), other than the basic personal tax credits, which have been reflected in the calculations.
- The rates apply to the actual amount of taxable dividends received from taxable Canadian corporations. Eligible dividends are those paid by public corporations and private companies out of earnings that have been taxed at the general corporate tax rate (the dividend must be designated by the payor corporation as an eligible dividend).
- The rates apply to the actual amount of the capital gain. The capital gains exemption on qualified farm and fishing property and small business corporation shares may apply to eliminate the tax on those specific properties.
- Individuals resident in British Columbia on 31 December 2009 with taxable income up to \$17,061, pay no provincial income tax as a result of a low-income tax reduction. The low-income tax reduction is clawed back on income in excess of \$17,285 until the reduction is eliminated, resulting in an additional 3.2% of provincial tax on income between \$17,285 and \$29,442.

## Federal and British Columbia personal tax credits – 2009

	Federal credit	British Columbia credit
<b>Amount of credits:</b>		
Basic personal credit (see note 2 above)	\$ 1,548	\$ 474
Spousal credit (reduced when spouse's income over \$0 (federal) and \$803 (provincial))	1,548	406
Equivalent-to-spouse credit (reduced when dependant's income over \$0 (federal) and \$803 (provincial))	1,548	406
Infirm dependant aged 18 or over (reduced when dependant's income over \$5,956 (federal) and \$6,533 (provincial))	630	208
Caregiver credit (reduced when particular person's income over \$14,336 (federal) and \$13,881 (provincial))	630	208
Age credit (65 and over) <sup>1</sup>	961	213
Disability credit	1,079	356
Pension income (maximum)	300	51
Education and textbook – per month	70	10
Canada employment credit	157	-
Child tax credit – per child under 18	313	-
<b>Credits as a percentage of:</b>		
Tuition fees	15.00%	5.06%
Public transit passes	15.00%	-
Medical expenses <sup>2</sup>	15.00%	5.06%
Charitable donations		
- First \$200	15.00%	5.06%
- Remainder	29.00%	14.70%
CPP contributions <sup>3</sup>	15.00%	5.06%
EI premiums	15.00%	5.06%

- The maximum federal age credit of \$961 occurs at \$32,312 of net income and declines to nil as net income rises to \$75,032. The maximum provincial age credit of \$213 occurs at \$31,288 of net income and declines to nil as net income rises to \$59,308.
- The federal credit applies to eligible medical expenses that exceed the lesser of \$2,011 and 3% of net income. The provincial credit applies to eligible medical expenses that exceed the lesser of \$1,949 and 3% of net income.
- One-half of CPP paid by self-employed individuals is deductible in computing taxable income.