



# 2023 TAX PLANNING CARD

## NOVA SCOTIA



### 2023 Key Facts & Figures

#### Savings

**\$30,780**

RRSP contribution<sup>1</sup>

**\$6,500**

TFSA contribution<sup>2</sup>

**\$2,500**

RESP contribution to maximize CESG<sup>3</sup>

#### Retirement

**\$836/mo**

Maximum CPP retirement benefit if started at 60

**\$1,307/mo**

Maximum CPP retirement benefit if started at 65

**\$1,855/mo**

Maximum CPP retirement benefit if deferred to 70

**\$688/mo**

Maximum OAS pension if started at 65<sup>4</sup>

**\$935/mo**

Maximum OAS pension if deferred to 70<sup>4</sup>

**\$81,761**

Net income at which OAS pension becomes partially repayable<sup>5</sup>

#### Income

**Other income\***

**100%**

Taxable

**Capital gains**

**50%**

Inclusion rate

**Eligible dividends**

**38%**

Gross up

**15%**

Tax credit<sup>6</sup>

**Non-eligible dividends**

**15%**

Gross up

**9%**

Tax credit<sup>6</sup>

\* (salary/interest)

1 RRSP contribution limit is 18% of 2022's earned income to a maximum of \$30,780, plus RRSP contribution room carried forward from 2021. The contribution limit is adjusted for individuals with a pension plan.  
 2 TFSA cumulative contribution limit is \$88,000, plus previous years' withdrawals, less previous years' contributions.  
 3 Canada Education Savings Grant (CESG) of 20% awarded on RESP contributions up to annual limit of \$500 per beneficiary. The lifetime RESP contribution limit per beneficiary is \$50,000, and CESG per beneficiary is \$7,200.  
 4 The OAS pension automatically increases by 10% for seniors aged 75 and over.  
 5 OAS pension benefits are subject to a tax of 15% on every dollar of net income in excess of the 2022 net income threshold of \$81,761. The pension is fully repayable when net income exceeds \$134,626.

#### 2023 Federal Tax Credits

The federal tax credit rate is 15% unless otherwise stated

| Federal Tax Credit                 | Amount                                | Tax Savings        |
|------------------------------------|---------------------------------------|--------------------|
| Basic/Spouse/ Partner <sup>7</sup> | \$15,000                              | \$2,250            |
| Age (65+) <sup>8</sup>             | \$8,396                               | \$1,259            |
| Disability                         | \$9,428                               | \$1,414            |
| Pension income                     | \$2,000                               | \$300 <sup>9</sup> |
| Medical expenses                   | Lesser of 3% of net income or \$2,635 | \$395              |
| Charitable Donations <sup>10</sup> | Donations ≤ \$200                     | 15%                |
|                                    | Donations > \$200                     | 29%                |
| Income > \$235,675                 | Donations > \$200                     | 33%                |

#### 2023 Lifetime Capital Gain Exemption (LCGE)

| Qualifying Property                                | LCGE        | Deduction Limit |
|--|-------------|-----------------|
| Qualified small business corporation shares (QSBC) | \$971,190   | \$485,595       |
| Qualified farm or fishing property (QFFP)          | \$1,000,000 | \$500,000       |

6 Federal gross-up and dividend tax credit. Tax credit is assessed on the grossed-up dividend amount.  
 7 \$15,000 is the Base Personal Amount for taxpayers with net income of up to \$165,430. At net income above \$165,430, the basic personal amount is gradually clawed back to \$13,521.  
 8 Seniors aged 65, or older, can claim the age credit. If net income is between \$42,335 and \$98,305 a partial claim can be made. If net income is in excess of \$98,305, no claim can be made.  
 9 The full pension income amount of \$300 may be claimed on the first \$2,000 of eligible pension income received.  
 10 Donation tax credit may be claimed up to 75% of net income, or 100% of net income in the year of death or the year preceding death.



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## NOVA SCOTIA



### 2023 Combined Nova Scotia/Federal Tax Brackets and Rates

| 2023 Taxable Income   | 2023 Marginal Tax Rates           |               |                       |              |
|-----------------------|-----------------------------------|---------------|-----------------------|--------------|
|                       | Other Income<br>(salary/interest) | Capital Gains | Canadian Dividends    |              |
|                       |                                   |               | Eligible              | Non-Eligible |
| first \$25,000        | 23.79%                            | 11.90%        | (0.11)% <sup>11</sup> | 13.54%       |
| \$25,001 - \$29,590   | 24.32%                            | 12.16%        | 0.62%                 | 14.14%       |
| \$29,591 - \$53,359   | 30.48%                            | 15.24%        | 9.12%                 | 21.23%       |
| \$53,360 - \$59,180   | 35.98%                            | 17.99%        | 16.71%                | 27.55%       |
| \$59,181 - \$74,999   | 37.70%                            | 18.85%        | 19.08%                | 29.53%       |
| \$75,000 - \$93,000   | 37.17%                            | 18.59%        | 18.35%                | 28.92%       |
| \$93,001 - \$106,717  | 38.00%                            | 19.00%        | 19.50%                | 29.88%       |
| \$106,718 - \$150,000 | 43.50%                            | 21.75%        | 27.09%                | 36.20%       |
| \$150,001 - \$165,430 | 47.00%                            | 23.50%        | 31.92%                | 40.23%       |
| \$165,431 - \$235,675 | 50.32%                            | 25.16%        | 36.50%                | 44.05%       |
| \$235,676 and over    | 54.00%                            | 27.00%        | 41.58%                | 48.28%       |

### Basic Personal Amount

|             | 2023 Personal Amount | 2023 Tax Rate |
|-------------|----------------------|---------------|
| Nova Scotia | \$8,481              | 8.79%         |
| Federal     | \$15,000             | 15.00%        |

<sup>11</sup> A negative tax rate on eligible dividends is possible at this (and lower) brackets and denotes that the combined federal and provincial dividend tax credit (DTC) exceeds the taxes owing. The DTC is a non-refundable tax credit.

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### Average vs Marginal Tax Rates (Combined Nova Scotia/Federal)

| Other Income (salary/interest) | Average Tax Rate | Marginal Tax Rate |
|--------------------------------|------------------|-------------------|
| \$50,000                       | 20.00%           | 30.50%            |
| \$100,000                      | 28.50%           | 30.50%            |
| \$150,000                      | 33.20%           | 47.00%            |
| \$200,000                      | 37.20%           | 50.30%            |
| \$250,000                      | 40.10%           | 54.00%            |

**Average (effective) tax rate:** The actual tax paid as a percentage of taxable income.

**Marginal tax rate:** The tax rate applied on an additional \$1 of income.

### Nova Scotia Probate Fees

| Value of the Estate  | Probate Fees                            |
|----------------------|---|
| <\$10,000            | \$85.60                                 |
| \$10,001 - \$25,000  | \$215.20                                |
| \$25,001 - \$50,000  | \$358.15                                |
| \$50,001 - \$100,000 | \$1,002.65                              |
| >\$100,001           | first \$100,000<br>value over \$100,001 |
|                      | \$1,002.65<br>1.695%                    |

### 2023 Tax Dates

|                                      |                                      |                                    |
|--------------------------------------|--------------------------------------|------------------------------------|
| Personal tax instalments due         | March 15, 2023<br>September 15, 2023 | June 15, 2023<br>December 15, 2023 |
| Individual tax filing deadline       |                                      | May 1, 2023                        |
| Self-employed tax filing deadline    |                                      | June 15, 2023                      |
| Interest on prescribed rate loan due |                                      | January 30, 2024                   |
| 2023 RRSP contribution deadline      |                                      | February 29, 2024                  |