



2023 TAX PLANNING CARD

ONTARIO



2023 Key Facts & Figures

Savings

\$30,780

RRSP contribution¹

\$6,500

TFSA contribution²

\$2,500

RESP contribution to maximize CESG³

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 65⁴

\$935/mo

Maximum OAS pension if deferred to 70⁴

\$81,761

Net income at which OAS pension becomes partially repayable⁵

Income

Other income*

100%

Taxable

Capital gains

50%

Inclusion rate

Eligible dividends

38%

Gross up

15%

Tax credit⁶

Non-eligible dividends

15%

Gross up

9%

Tax credit⁶

* (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.

6 Federal gross up and dividend tax credit. Tax credit is assessed on the grossed up dividend amount.

2023 Federal Tax Credits

The federal tax credit rate is 15% unless otherwise stated

Federal Tax Credit	Amount	Tax Savings
Basic/Spouse/ Partner ⁷	\$15,000	\$2,250
Age (65+) ⁸	\$8,396	\$1,259
Disability	\$9,428	\$1,414
Pension income	\$2,000	\$300 ⁹
Medical expenses	Lesser of 3% of net income or \$2,635	\$395
Charitable Donations ¹⁰	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

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.

Facts and figures as of January 16, 2023



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2023 Combined Ontario/Federal Tax Brackets And Rates

2023 Taxable Income	2023 Marginal Tax Rates			
	Other Income (salary/interest)	Capital Gains	Canadian Dividends	
			Eligible	Non-Eligible
first \$49,231	20.05%	10.03%	(6.86)% ¹¹	9.24%
\$49,232 - \$53,359	24.15%	12.08%	(1.20)% ¹¹	13.95%
\$53,360 - \$86,698	29.65%	14.83%	6.39%	20.28%
\$86,699 - \$98,463	31.48%	15.74%	8.92%	22.38%
\$98,464 - \$102,135	33.89%	16.95%	12.24%	25.16%
\$102,136 - \$106,717	37.91%	18.95%	17.79%	29.78%
\$106,718 - \$150,000	43.41%	21.70%	25.38%	36.10%
\$150,001 - \$165,430	44.97%	22.48%	27.53%	37.90%
\$165,431 - \$220,000	48.29%	24.14%	32.11%	41.72%
\$220,001 - \$235,675	49.85%	24.92%	34.26%	43.51%
\$235,676 and over	53.53%	26.76%	39.34%	47.74%

Basic Personal Amount

	2023 Personal Amount	2023 Tax Rate
Ontario	\$11,865	5.05%
Federal	\$15,000	15.00%

Average vs Marginal Tax Rates (Combined Ontario/Federal)

Other Income (salary/interest)	Average Tax Rate	Marginal Tax Rate
\$50,000	14.40%	24.20%
\$100,000	22.10%	33.90%
\$150,000	28.90%	45.00%
\$200,000	33.50%	48.35%
\$250,000	36.90%	53.53%

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.

Ontario Estate Administration Tax

Value of the Estate	Estate Administration Tax
<\$50,000	NIL
\$50,001	1.5%

2023 Tax Dates

Personal tax instalments due	March 15, 2023	June 15, 2023
	September 15, 2023	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	

¹¹ 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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Facts and figures as of January 16, 2023