



2023 TAX PLANNING CARD NEWFOUNDLAND AND LABRADOR



WELLINGTON-ALTUS

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.

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. 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 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% ¹⁰
	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.

Facts and figures as of January 16, 2023



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NEWFOUNDLAND AND LABRADOR



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2023 Combined Newfoundland and Labrador/Federal Tax Brackets And Rates

2023 Taxable Income	2023 Marginal Tax Rates			
	Other Income (salary/interest)	Capital Gains	Canadian Dividends	
			Eligible	Non-Eligible
first \$41,457	23.70%	11.85%	3.28%	13.19%
\$41,458 - \$53,359	29.50%	14.75%	11.29%	19.86%
\$53,360 - \$82,913	35.00%	17.50%	18.88%	26.19%
\$82,914 - \$106,717	36.30%	18.15%	20.67%	27.68%
\$106,718 - \$148,027	41.80%	20.90%	28.26%	34.01%
\$148,028 - \$165,430	43.80%	21.90%	31.02%	36.31%
\$165,431 - \$207,239	47.12%	23.56%	35.60%	40.13%
\$207,240 - \$235,675	49.12%	24.56%	38.36%	42.43%
\$235,676 - \$264,750	52.80%	26.40%	43.44%	46.66%
\$264,751 - \$529,500	53.80%	26.90%	44.82%	47.81%
\$529,501 - \$1,059,000	54.30%	27.15%	45.51%	48.38%
\$1,059,001 and up	54.80%	27.40%	46.20%	48.96%

Basic Personal Amount

	2023 Personal Amount	2023 Tax Rate
Newfoundland and Labrador	\$10,382	8.70%
Federal	\$15,000	15.00%

Average vs Marginal Tax Rates (Combined Newfoundland and Labrador/Federal)

Other Income (salary/interest)	Average Tax Rate	Marginal Tax Rate
\$50,000	18.38%	29.50%
\$100,000	26.73%	36.30%
\$150,000	31.53%	43.80%
\$200,000	35.17%	47.12%
\$250,000	38.11%	52.80%

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.

Newfoundland and Labrador Probate Fees

Value of the Estate	2023 Tax Rate	
<\$1,000	\$60	
>\$1,001	first \$1,000	\$60
	value over \$1,000	0.6%

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	