

Wealth Planning Facts & Figures – 2019

The 2019 Wealth Planning Facts and Figures provides important tax, retirement and estate planning information to help you stay informed.

RRSP & TFSA Contribution Limits

RRSP contribution limit - 18% of previous year's earned income to a maximum of:	2019 - \$26,500
	2020 - \$27,230
TFSA contribution limit	2019 - \$6,000
	2020 - \$6,000*

*Subject to possible \$500 increase due to indexing.

Withholding Tax Rates for RRSP and RRIF* Withdrawals

Amount	Quebec	All Other Provinces
Up to \$5,000	20%	10%
\$5,001 - \$15,000	25%	20%
Over \$15,000	30%	30%

* On amounts over the annual minimum payment.

RRIF Minimum Withdrawals

Fair market value of RRIF on December 31 of previous year multiplied by prescribed factors below					
Age	%	Age	%	Age	%
60	3.33	72	5.40	84	8.08
61	3.45	73	5.53	85	8.51
62	3.57	74	5.67	86	8.99
63	3.70	75	5.82	87	9.55
64	3.85	76	5.98	88	10.21
65	4.00	77	6.17	89	10.99
66	4.17	78	6.36	90	11.92
67	4.35	79	6.58	91	13.06
68	4.55	80	6.82	92	14.49
69	4.76	81	7.08	93	16.34
70	5.00	82	7.38	94	18.79
71	5.28	83	7.71	95+	20.00

Government Pensions & Allowances

	CPP & QPP	OAS	GIS	Allowances
Eligibility	Employees & self-employed	Canadian citizens & residents	Low income OAS recipients	Spouse of OAS recipients widows & widowers
Maximum Pension (approx.)	\$13,854.96/yr \$1,154.58/mth	\$7,217.40/yr \$601.45/mth	Single: \$10,779.84/yr Spouse: \$6,489.24/yr	Spouse: \$13,706.64/yr Survivor: \$16,338.72/yr
Taxable	Yes	Yes	No	No
Indexed for Inflation	Yes, adjusted annually	Yes, adjusted quarterly	Yes, adjusted quarterly	Yes, adjusted quarterly
Full Benefit Age	65	65	65	Paid only if 60-64
Earliest Eligibility	60 with benefit reduced	65	65	Paid only if 60-64
Clawback	No	Yes	Yes	Yes
Payable Outside Canada	Yes	Under certain conditions	6 months maximum	6 months maximum

Source: Service Canada: CPP/QPP/OAS Quarterly Report - Rates and Related Figures for January 2019. Visit servicecanada.gc.ca for updated figures.

Clawback or Income Level Cut-off

Type of Benefits	Clawback/Cut-off
OAS	Clawback when net income is between \$77,580 to \$125,696
	OAS clawback is equal to 15% of the amount by which your net income (including OAS) exceeds \$77,580
	Full repayment of OAS when net income is above \$125,696
GIS	Single: cut-off at \$18,240
	Spouse/common-law partner of someone who:
	- does not receive an OAS pension: cut-off at \$43,728 (combined income)
	- receives the full OAS pension: cut-off at \$24,096 (combined income)
	- is an Allowance recipient: cut-off at \$43,728 (combined income)
Allowance	Cut-off at \$33,744 (combined income)
Allowance for Survivor	Cut-off at \$24,552 (individual income)

Source: Service Canada: CPP/QPP/OAS Quarterly Report - Rates and Related Figures for January 2019. Visit servicecanada.gc.ca for updated figures.

Important Dates

RESP Contribution Deadline
Tuesday December 31, 2019
RRSP Contribution Deadline for 2019 tax year
Monday March 2, 2020
Family Loan Interest Deadline for 2019 interest payments
Thursday January 30, 2020
Last Trade Date for Canadian and U.S. stocks
Friday December 27, 2019

Self-employed Business Tax Filing Deadline
Monday June 17, 2019
Individual Tax Filing Deadline
Tuesday April 30, 2019

Quarterly Deadlines - Personal Tax Installments
March 15, 2019,
June 15, 2019,
September 15, 2019,
December 15, 2019

Important RESP Limits

- Lifetime contribution limit per beneficiary\$50,000
 - Maximum total CESG limit per beneficiary\$7,200
 - Basic CESG rate on the first \$2,500 of annual contributions20%
 - Additional CESG rate on the first \$500 or less of RESP contributions made in respect of a beneficiary, based on the adjusted family net income of the beneficiary's primary caregiver. If net family income is:
\$47,630 or less20%
between \$47,630 and \$95,25910%
 - CESG annual limit per beneficiary*\$500
- * In the case of unused CESG room, catch-up payments eligible for grant subject to: (i) Lifetime \$7,200 limit, and (ii) Annual limit of \$1,000.

Canada Pension Plan & Quebec Pension Plan

Type of Benefit	CPP monthly maximum amount as of January 2019	QPP monthly maximum amount as of January 2019
Retirement (at age 65)	\$1,154.58	\$1,154.58
Post-retirement benefit (CPP) (at age 65)	\$28.86	n/a
Retirement pension supplement (QPP)	n/a	\$21.83
Disability	\$1,362.30	\$1,362.27
Survivor – younger than 65	\$626.63	(see Note 1)
Survivor – 65 and older	\$692.75	\$692.75
Children of disabled contributor	\$250.27	\$79.46
Children of deceased contributor	\$250.27	\$250.27
Death (maximum one-time payment)	\$2,500.00	\$2,500.00
Combined Benefits		
Survivor/retirement (retirement at 65)	\$1,154.58	\$1,154.58
Survivor / disability	\$1,362.30	Not applicable
Note 1: QPP Survivor Benefit – Younger than 45		
Not disabled, no child		\$127.12
Not disabled, with child		\$460.85
Disabled		\$496.33
QPP survivors – age 45 to 64		\$496.33

Source: Service Canada: CPP/QPP/OAS Quarterly Report – Rates and Related Figures for January 2019. Visit servicecanada.gc.ca for updated figures.

RRSP Overcontribution Rules

- A monthly penalty tax of 1% is applied to RRSP contributions made in excess of the maximum contribution limits.
- If an individual is over the age of 18, they are entitled to a cumulative overcontribution limit of \$2,000 to an RRSP before the penalty tax is applied.

Spousal RRSP Rules

- Any amounts that may be contributed to an individual's own plan under their personal RRSP deduction limit may be contributed to a Spousal RRSP instead.
- For a 2019 withdrawal, the contributor declares income if contributions were made to any Spousal RRSP in 2017, 2018 or 2019.
- Contributions to a Spousal RRSP may be made by a contributing spouse up to and including the year their spouse turns 71 (tax deductible to contributing spouse), provided the contributor has available RRSP room.

TFSA Contribution Limits

- TFSA annual contribution limits are indexed to inflation and will increase in \$500 increments. Individuals must be the age of majority in their province of residence to open a TFSA. In BC, NS, NB, Newfoundland, Yukon, Northwest Territories and Nunavut, the age of majority is 19.
- If you've never contributed to a TFSA and were at least 18 years of age in 2009 and have been a Canadian resident since then, your 2018 contribution limit will be \$63,500.

2019 Top Marginal Personal Tax Rates¹ (Combined Federal and Provincial Tax Rates)

	Interest & Ordinary Income	Capital Gains	Eligible Dividends	Non-eligible Dividends
Alberta	48.00%	24.00%	31.71%	42.56%
British Columbia	49.80%	24.90%	31.44%	44.63%
Manitoba	50.40%	25.20%	37.78%	46.67%
New Brunswick	53.30%	26.65%	33.51%	47.75%
Newfoundland & Labrador	51.30%	25.65%	42.61%	44.59%
NWT	47.05%	23.53%	28.33%	36.82%
Nova Scotia	54.00%	27.00%	41.58%	48.28%
Nunavut	44.50%	22.25%	33.08%	37.79%
Ontario	53.53%	26.76%	39.34%	47.40%
PEI	51.37%	25.69%	34.22%	45.22%
Quebec	53.31%	26.65%	40.00%	46.25%
Saskatchewan	47.50%	23.75%	29.64%	40.37%
Yukon	48.00%	24.00%	28.93%	42.17%

¹ This table outlines the 2019 top combined federal and provincial/territorial marginal personal tax rates. The rates apply to taxable incomes over \$210,371 in all jurisdictions except that the thresholds are \$220,000 in Ontario, \$314,928 in Alberta and \$500,000 in Yukon. Note: The rates do not reflect potential changes that the federal and provincial governments may introduce in the upcoming spring 2019 budgets.

Probate Fees (For Estates Over \$50,000)

Fee Schedule (Estates over \$50,000) [*]	
Alberta	\$275 to \$525
British Columbia	\$350 + 1.4% of portion >\$50,000
Manitoba	\$70 + 0.7% of portion >\$10,000
New Brunswick	0.5% of estates over \$20,000
Newfoundland & Labrador	\$60 + 0.6% of portion >\$1,000
NWT	\$200 to \$400
Nova Scotia	\$1,003 + 1.695% of portion >\$100,000
Nunavut	\$200 to \$400
Ontario	\$250 + 1.5% of portion >\$50,000
Prince Edward Island	\$400 + 0.4% of portion >\$100,000
Quebec	Nominal fee ^{**}
Saskatchewan	0.7% of estate
Yukon	\$140

^{*} For some provinces and territories, different rates may apply to smaller estates (less than \$50,000).

^{**} Although Quebec does not levy probate fees, Wills (other than notarial Wills) must be authenticated by the Superior Court of Quebec. A nominal fee applies.

2019 Canadian Controlled Private Corporations (CCPC) Rates (Combined Federal & Provincial/Territorial Tax Rates effective January 1, 2019)

Jurisdiction	Active Business Income ¹		Investment Income
	Active business income to \$500K (%) ²	Greater than 500K (%)	(%)
Federal	9.0	15.0	38.67
Alberta	11.0	27.0	50.67
British Columbia	11.0	27.0	50.67
Manitoba	9.0	27.0	50.67
New Brunswick	11.5	29.0	52.67
Newfoundland & Labrador	12.0	30.0	53.67
NWT	13.0	26.5	50.17
Nova Scotia	12.0	31.0	54.67
Nunavut	13.0	27.0	50.67
Ontario ²	12.5	26.5	50.17
Prince Edward Island	12.5	31.0	54.67
Quebec	15.0 ³	26.6	50.27
Saskatchewan	11.0 ⁴	27.0	50.67
Yukon	11.0	27.0	50.67

¹ Reflects general (non-manufacturing and processing) rates. ² The federal small business deduction (SBD) applies to the first \$500,000 of income from an active business carried on in Canada by a Canadian-controlled private company ("CCPC"). It must be shared with associated CCPCs and may be clawed back for "large" corporations with taxable capital of associated corporate groups exceeding \$10M and is completely eliminated when the associated group's taxable capital exceeds \$15M (similar rules apply for Quebec tax purposes). For taxation years beginning after 2018, the SBD for a year of a CCPC that earns more than \$50,000 of passive investment income in the previous year will be reduced by \$5 for every \$1 of that investment income over \$50,000 (it is eliminated at \$150,000 of investment income); a CCPC's SBD limit will be reduced by the greater of this new reduction and the existing business limit reduction that applies when associated taxable capital exceeds \$10 million. However, note that Ontario's 2018 Economic Outlook and Fiscal Review announced that Ontario will not parallel this federal measure. ³ Quebec CCPCs are required to meet the "activities" test or "hours paid" test to be eligible for the province's regular CCPC rate of 6% after December 31, 2018 and before January 1, 2020. ⁴ The provincial SBD threshold is \$600,000 (the rate that applies to active business income from \$500,000 to \$600,000 is 17%).

U.S. Taxes

U.S. Estate Tax	2019*
Exclusion Amounts (applicable to U.S. citizens)	\$11.4M
Unified Credit Amount Available to U.S. Citizens	\$4,505,800
Highest U.S. Estate Tax Rate	40%

* Canadian resident (non U.S. citizen) will have a potential U.S. estate tax liability if U.S. assets > USD \$60,000 and worldwide assets > USD \$11.4M

U.S. Source Payments	U.S. Income Tax Withheld*
Interest	Generally exempt
Dividends Paid On U.S. Securities held Inside an RRSP/RRIF/LIRA/LIF/LRIF	Exempt
Dividends Paid On U.S. Securities Held Outside RRSP/RRIF (e.g. TFSA, RESP, Non-registered accounts)	Generally 15%

* per Canada-U.S. Tax Treaty



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Recipient	Gift	No or Low Interest Loan	Prescribed Rate Loan
Spouse or Partner			
Interest & dividends	Attributed to giftor	Attributed to lender	No attribution
Capital gains	Attributed to giftor	Attributed to lender	No attribution
2 nd generation income	No attribution	No attribution	No attribution
Child under 18			
Interest & dividends	Attributed to giftor	Attributed to lender	No attribution
Capital gains	No attribution	No attribution	No attribution
2 nd generation income	No attribution	No attribution	No attribution

2019 Key Non-Refundable Federal Tax Credits

Personal Tax Credits as Percentage of Base Amounts		
Tax Credit	Percentage Value	
Charitable donations	First \$200	15%
	Amount over \$200*	29% or 33%
Dividend tax credit (on grossed-up amount)	Eligible	15.02%
	Non-eligible	9.0301%

* As part of tax changes introduced in late 2015, the calculation of the federal charitable donation tax credit was amended to allow higher income donors to claim a 33% federal tax credit, but only on the portion of donations made from income that is subject to the 33% top marginal tax rate. However, top rate taxpayers should note that this 33% donation tax credit rate is only available for donations made after 2015 and will not be available for donations carried forward from a prior year to 2016 or thereafter.

Federal Amounts

Tax Credit	Dollar Value	
Basic/Spouse/Partner	\$12,069	
Age 65	\$7,494	
Disability	Basic	\$8,416
	Under 18 supplement	\$4,909
Canada Caregiver amount	for infirm dependants, such as: parents, grandparents, brothers, sisters, or close relatives	\$7,140
Canada Caregiver amount	for an infirm dependent spouse or common-law partner, an infirm dependant for whom the individual claims an eligible dependant credit, or an infirm child under age 18	\$2,230
Pension income amount		\$2,000

\$866,912 Capital Gains Exemption on Qualifying Small Business Corporation Shares (General Rules)

- Small Business Corporation: substantially all (90% or more) of the Canadian-controlled private corporation's assets must be used in carrying on an active business in Canada.
- Only business share owner or "related" person can have owned shares for 24-month period prior to shares being sold.
- Throughout the 24-month period prior to sale of shares, more than 50% of corporation's assets must have been used principally in an active business carried on in Canada.