

# Ontario

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## Combined Federal & Provincial personal marginal tax rates

Taxable income <sup>1</sup>	Ordinary Income	Gross Capital Gains <sup>2</sup>	Eligible Dividends <sup>3/4</sup>	Non-eligible Dividends <sup>4</sup>
\$0 to \$16,452 <sup>5</sup>	0.00%	0.00%	0.00%	0.00%
\$16,453 to \$53,891	19.05%	9.53%	0.00%	8.09%
\$53,892 to \$58,523	23.15%	11.58%	0.00%	12.80%
\$58,524 to \$94,907	29.65%	14.83%	7.56%	20.28%
\$94,908 to \$107,785	31.48%	15.74%	8.92%	22.38%
\$107,786 to \$111,814	33.89%	16.95%	12.24%	25.16%
\$111,815 to \$117,045	37.91%	18.95%	17.79%	29.78%
\$117,046 to \$150,000	43.41%	21.70%	25.38%	36.10%
\$150,001 to \$181,440	44.97%	22.48%	27.53%	37.90%
\$181,441 to \$220,000	48.26%	24.13%	32.08%	41.69%
\$220,001 to \$258,482	49.82%	24.91%	34.23%	43.48%
\$258,483 and up	53.53%	26.76%	39.34%	47.74%

<sup>1</sup> Marginal tax rate for dividends is a % of actual dividends received (not grossed-up amount).

<sup>2</sup> Marginal tax rate for capital gains is a % of total capital gains (not taxable capital gains).

<sup>3</sup> Paid by public corporations or CCPCs out of business income taxed at the general corporate tax rate.

<sup>4</sup> Where dividend tax credits exceed the tax otherwise payable on the dividends provincially or federally, rates do not reflect the excess credit that would be available to offset tax payable on other sources of income.

<sup>5</sup> The federal basic personal amount of \$14,829 is increased to \$16,452 for those with income below \$181,440. The \$1,623 is incrementally reduced for income between \$181,440 and \$258,482 with complete clawback for income over \$258,482. The above tax rates include the additional basic personal amount and clawback. The above rates include the Provincial surtax of 20% on income over \$94,907 and additional surtax of 36% on income over \$111,814 and is calculated before deducting dividend tax credits.

## Corporate tax rates<sup>6</sup>

	General	Small Business (CCPC)*	Business Limit	Investment Income	Canadian Dividends	Gross Capital Gains
Federal	15.00%	9.00%	\$500,000	38.67%	38.33%	19.34%
Ontario	11.50%	3.20%/2.20%	\$500,000	11.50%		5.75%
Combined	26.50%	12.20%/11.20%		50.17%	38.33%	25.09%

<sup>6</sup> The general corporate tax rate applies to active business income in excess of the business limit. Investment income includes interest, rent, royalties, and dividends (other than taxable Canadian dividends).

\* Effective July 1, 2026, the small business tax rate reduces from 3.2% to 2.2%. The tax rate reduction will be prorated for businesses with tax years that straddle the effective date.

## Probate fees

Value of estate	Fee/tax
\$50,000 or less	\$0
Over \$50,000	1.5%

## Canada Pension Plan (CPP)

Contribution limits	
Maximum pensionable earnings (YMPE)	\$74,600
Earnings exempt from deductions	\$3,500
Maximum employee/er contributions (5.95%)	\$4,230.45
Maximum self-employed contributions (11.90%)	\$8,460.90
Additional maximum pensionable earnings (YAMPE)	\$85,000
Additional employee/er contributions (4.00%)	\$416
Additional self-employed contributions (8.00%)	\$832

### Death benefit

Lump sum maximum \$2,500<sup>7</sup>

<sup>7</sup> The death benefit increases to \$5,000 if the deceased has no survivors and hasn't collected CPP benefits.

### Retirement benefits (maximum)<sup>8</sup>

Age	Monthly
Age 70 (deferral bonus of 0.7%/month)	\$2,140.86
Age 65	\$1,507.65
Age 60 (early reduction of 0.6%/month)	\$964.90

<sup>8</sup> The CPP enhancement is reflected in the maximum benefit amounts as of January 2026. CPP maximums increase monthly as a result of the enhancement.

### Survivor Pension (maximum)

Age	Monthly
Under age 65 (including flat rate of \$238.17)	\$803.54
Age 65 and over	\$904.59

## Old Age Security (OAS)<sup>9</sup>

OAS benefits (Maximum January to March)	
Age 75 (additional 10%)	\$816.54
Age 65-74	\$742.31
Age 70 (deferral bonus of 0.6%/month)	\$1,009.54

<sup>9</sup> OAS amounts increase quarterly based on changes in the Consumer Price Index.

### OAS Clawback (January to March)

Clawback starts at	\$95,323
Full clawback at (age 65 to 74)	\$154,708
Full clawback at (age 75+)	\$160,647

## Registered plan limits<sup>10</sup>

Registered retirement savings plan (RRSP)	Maximum
18% of earned income up to \$187,833.33	\$33,810
Money purchase pension plan (MP)	
	Maximum
	\$35,390
Deferred profit-sharing plan (DPSP)	
	Maximum
½ of MP limit	\$17,695
Advanced life deferred annuity (ALDA)	
	Maximum
	\$180,000

<sup>10</sup> The RRSP limit creates deduction room for the next year. The above reflects the maximum RRSP deduction room created in 2025 for 2026 deduction purposes. MP and DPSP limits create a pension adjustment for the current year.

## Withholding tax rates for RRSP and RRIF withdrawals<sup>11</sup>

Amount	All provinces (excluding Quebec)	Quebec
Up to \$5,000	10%	19%
\$5,000.01 to \$15,000	20%	24%
Above \$15,000	30%	29%

<sup>11</sup> Rates apply to RRIF withdrawals in excess of RRIF minimums. There is no withholding tax on RRIF minimum amounts.

## Tax-free savings account (TFSA) limit

	Maximum
2026 annual contribution	\$7,000
2025 annual contribution	\$7,000
Cumulative contribution room <sup>12</sup>	\$109,000

<sup>12</sup> Assuming taxpayer has been a resident of Canada and 18 years or older since 2009.

## First home savings account (FHSA)<sup>13</sup>

	Maximum
Annual contribution and carry forward limit	\$8,000
Lifetime contribution limit	\$40,000

<sup>13</sup> Contribution and carry forward amount available only after you open the account.

## Lifetime capital gains exemption

Cumulative lifetime limit	Maximum
Qualified Small Business Corporation shares and Qualified Farm or Fishing Property	\$1,275,000

# Ontario registered plan minimums and maximums

## Quick facts and reference information

- RRIF and LIF contracts must be established by December 31 of the year an individual turns age 71.
- There is no:
  - RRIF or LIF minimum in the first year you establish the contract.
  - required withholding tax on RRIF/LIF minimum withdrawals.
  - maximum withdrawal limit on a RRIF or LIF Quebec.
- Age used to determine the minimum and maximum withdrawal is the age of the account holder on December 31 of the previous year. To reduce minimum payments, you can elect to use your spouse or common-law partner's younger age when setting up the account if you haven't yet received a payment from the account (not available in New Brunswick on a LIF). For the Quebec LIF, the actual age at the time of application is used.
- When you elect to use the younger person's age it's in place for the duration of the RRIF/LIF contract and cannot be changed. However, you can transfer the funds to a newly established account to change the age used to calculate minimum withdrawals.
- Balance of the account to determine minimum and maximum withdrawals is the market value at the beginning of the year.
- First year maximum payments are prorated monthly in the first year you open a LIF during the year for Federal, Territorial, Saskatchewan, Ontario, Nova Scotia, and Newfoundland & Labrador.
- The maximum LIF payment for Alberta, British Columbia, Newfoundland & Labrador, and Ontario is the greater of the percentage in the below columns or the previous year's investment return.
- The maximum LIF payment for Manitoba is the greater of the percentage in the below columns or the previous year's investment return plus 6% of any amounts transferred in from a LIRA or pension plan in the current year.

## Unlocking rules\*

Unlocking rule	Federal	Ontario
Financial hardship	Financial hardship criteria is outlined in <a href="#">the legislation</a> .	Financial hardship criteria is outlined in <a href="#">the legislation</a> .
Non-resident	No longer a Canadian resident for at least two calendar years	No longer a Canadian resident for at least 24 months. Letter is required from CRA. <a href="#">Form NR73</a>
Shortened life expectancy	Medical condition must be certified by a qualified physician	Medical condition must be certified by a qualified physician. Life expectancy cannot exceed 2 years.
One-time partial transfer	50%. Age 55+ and must be exercised within 60 days of initial deposit to RLIF	50%. Age 55+ and must be exercised within 60 days of transfer into the LIF
Small balance	The value of the owner's locked-in accounts is less than 50% of YMPE in the year of request. Must be 55+. Transfer from LRSP, RLSP, LIF or RLIF to cash, RRSP or RRIF.	Age 55+ and value in all the owner's Ontario locked-in accounts is <40% of YMPE

\*Spousal or common law partner waiver may be required for some unlocking rules.

**LIF:** Life Income Fund  
**LIRA:** Locked-In Retirement Account  
**LITB:** Life Income Type Benefit Amount  
**RLIF:** Restricted Life Income Fund

## RRIF/LIF minimums and LIF/RLIF maximums

Age*	RRIF/LIF Minimum	Federal LIF/RLIF Maximum	Ontario LIF Maximum
55	2.86%	5.10%	6.51%
56	2.94%	5.15%	6.57%
57	3.03%	5.21%	6.63%
58	3.13%	5.27%	6.70%
59	3.23%	5.34%	6.77%
60	3.33%	5.42%	6.85%
61	3.45%	5.50%	6.94%
62	3.57%	5.59%	7.04%
63	3.70%	5.68%	7.14%
64	3.85%	5.79%	7.26%
65	4.00%	5.91%	7.38%
66	4.17%	6.04%	7.52%
67	4.35%	6.19%	7.67%
68	4.55%	6.35%	7.83%
69	4.76%	6.53%	8.02%
70	5.00%	6.73%	8.22%
71	5.28%	6.96%	8.45%
72	5.40%	7.22%	8.71%
73	5.53%	7.52%	9.00%
74	5.67%	7.86%	9.34%
75	5.82%	8.27%	9.71%
76	5.98%	8.73%	10.15%
77	6.17%	9.26%	10.66%
78	6.36%	9.88%	11.25%
79	6.58%	10.62%	11.96%
80	6.82%	11.50%	12.82%
81	7.08%	12.59%	13.87%
82	7.38%	13.95%	15.19%
83	7.71%	15.70%	16.90%
84	8.08%	18.03%	19.19%
85	8.51%	21.30%	22.40%
86	8.99%	26.22%	27.23%
87	9.55%	34.41%	35.29%
88	10.21%	50.80%	51.46%
89	10.99%	100%	100%
90	11.92%	100%	100%
91	13.06%	100%	100%
92	14.49%	100%	100%
93	16.34%	100%	100%
94	18.79%	100%	100%
95+	20.00%	100%	100%

\*age as of December 31 of previous year