

# Ontario

Published by Sun Life - financial planning advice tailored to your needs. Delivering the knowledge, experience, and advanced planning to help Canadians achieve lifetime financial security and live healthier lives.

## 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 \$16,129 <sup>5</sup>	0.00%	0.00%	0.00%	0.00%
\$16,130 to \$52,886	20.05%	10.03%	0.00%	9.24%
\$52,887 to \$57,375	24.15%	12.08%	0.00%	13.95%
\$57,376 to \$93,132	29.65%	14.83%	7.56%	20.28%
\$93,133 to \$105,775	31.48%	15.74%	8.92%	22.38%
\$105,776 to \$109,727	33.89%	16.95%	12.24%	25.16%
\$109,728 to \$114,750	37.91%	18.95%	17.79%	29.78%
\$114,751 to \$150,000	43.41%	21.70%	25.38%	36.10%
\$150,001 to \$177,882	44.97%	22.48%	27.53%	37.90%
\$177,883 to \$220,000	48.29%	24.14%	32.11%	41.71%
\$220,001 to \$253,414	49.85%	24.92%	34.26%	43.50%
\$253,415 and up	53.53%	26.76%	39.34%	47.74%

1 Marginal tax rate for dividends is a % of actual dividends received (not grossed-up amount).  
2 Marginal tax rate for capital gains is a % of total capital gains (not taxable capital gains).  
3 Paid by public corporations or CCPCs out of business income taxed at the general corporate tax rate.  
4 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.  
5 The federal basic personal amount of \$14,538 is increased to \$16,129 for those with income below \$177,882. It is incrementally reduced for income between \$177,882 and \$253,414 with complete clawback for income over \$253,414. The above tax rates include the additional basic personal amount and clawback. The above rates include the Provincial surtax of 20% on income over \$93,132 and additional surtax of 36% on income over \$109,727 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%	\$500,000	11.50%		5.75%
Combined	26.50%	12.20%		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).

## 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)	\$71,300
Earnings exempt from deductions	\$3,500
Maximum employee/er contributions (5.95%)	\$4,034.10
Maximum self-employed contributions (11.90%)	\$8,068.20
Additional maximum pensionable earnings (YAMPE)	\$81,200
Additional employee/er contributions (4.00%)	\$396
Additional self-employed contributions (8.00%)	\$792
Death benefit	
Lump sum maximum	\$2,500 <sup>7</sup>
Retirement benefits (maximum) <sup>8</sup>	
Age 70 (deferral bonus of 0.7%/month)	\$2,034.86
Age 65	\$1,433.00
Age 60 (early reduction of 0.6%/month)	\$917.12
Survivor Pension (maximum)	
Under age 65 (including flat rate \$233.50)	\$770.88
Age 65 and over	\$859.80

<sup>7</sup> The death benefit increases to \$5,000 if the deceased has no survivors and hasn't collected CPP benefits.  
<sup>8</sup> The CPP enhancement is reflected in the maximum benefit amounts as of January 2025. CPP maximums increase monthly as a result of the enhancement.

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

OAS benefits (Maximum January to March)	Monthly
Age 75+ (additional 10%)	\$800.44
Age 65-74	\$727.67
Age 70 (deferral bonus of 0.6%/month)	\$989.63
OAS clawback (January to March)	
Clawback starts at	\$93,454
Full clawback at (age 65 to 74)	\$151,668
Full clawback at (age 75+)	\$157,490

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

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

Registered retirement savings plan (RRSP)	Maximum
18% of earned income up to \$180,500	\$32,490
Money purchase pension plan (MP)	
	\$33,810
Deferred profit-sharing plan (DPSP)	
½ of MP limit	\$16,905
Advanced life deferred annuity (ALDA)	
	\$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 2024 for 2025 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
2025 annual contribution	\$7,000
2024 annual contribution	\$7,000
Cumulative contribution room <sup>12</sup>	\$102,000

<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	
Qualified Small Business Corporation shares and Qualified Farm or Fishing Property (under proposed legislation)	\$1,250,000