

Tax Rates

2013 Federal & British Columbia Income Tax Rates for Canadian-Controlled Private Corporations

	Small Business Income up to \$500,000 (%)	General Active Business Income (%)	Investment Income (%)
General corporate rate	38.00	38.00	38.00
Less: Federal abatement	-10.00	-10.00	-10.00
	28.00	28.00	28.00
Rate reduction	-17.00	-13.00*	0.00
Refundable tax	0.00	0.00	6.67
Federal rate	11.00	15.00	34.67
BC rate **	2.50	10.00	10.00
Combined Federal/BC rate	13.50	25.00	44.67
Refundable portion	0.00	0.00	26.67

*Personal Service Businesses are subject to the General Active Business tax rate but are not eligible for the 13% rate reduction.

**The 2013 BC budget proposed to increase the general corporate rate from 10% to 11% effective April 1, 2013. This increase has not yet been enacted.

2013 Federal & British Columbia Income Tax Rates for Non-Canadian-Controlled Private Corporations

	General M&P Income (%)	General Active Business Income (%)	Investment Income (%)
General corporate rate	38.00	38.00	38.00
Less: Federal abatement	-10.00	-10.00	-10.00
	28.00	28.00	28.00
Rate reduction	-13.00	-13.00	-13.00
Federal rate	15.00	15.00	15.00
BC rate *	10.00	10.00	10.00
Combined Federal/BC rate	25.00	25.00	25.00

*The 2013 BC budget proposed to increase the general corporate rate from 10% to 11% effective April 1, 2013. This increase has not yet been enacted.

2013 Automobile Deductions and Benefits

Maximum cost for CCA purposes	\$ 30,000	+ GST + PST*
Maximum deductible monthly lease payment	\$ 800	+ GST + PST*
Monthly interest limit	\$ 300	
Maximum deductible automobile allowance	54¢	First 5,000 km
Maximum deductible automobile allowance	48¢	Additional km
Operating cost benefit per km of personal use	27¢	General
Operating cost benefit per km of personal use	24¢	Auto sales

*Effective April 1, 2013, BC eliminated the HST and reinstated a separate GST and PST.