

2025 tax facts

Tax brackets

The rates below are the combined federal and provincial marginal rates, including all surtaxes. It is assumed that the only credits claimed are the basic personal amount and the Low Income Tax Reduction (LITR) where applicable. Individuals resident in British Columbia, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland & Labrador are subject to an LITR or equivalent resulting in no provincial income tax up to a certain threshold and clawed back for income in excess until the reduction is eliminated, resulting in a higher marginal tax rate for that income bracket. These rates are correct as at January 1, 2025 and do not reflect changes resulting from federal or provincial announcements after that date.

Taxable income	Marginal tax rates (%)			
	Interest and regular income	Capital gains	Non-eligible Canadian dividends	Eligible Canadian dividends
Alberta 2025				
First \$16,128	-	-	-	-
\$16,129 – \$22,322	15.00	7.50	6.87	-0.03
\$22,323 – \$57,375	25.00	12.50	15.86	2.57
\$57,376 – \$114,750	30.50	15.25	22.19	10.16
\$114,751 – \$151,234	36.00	18.00	28.51	17.75
\$151,235 – \$177,882	38.00	19.00	30.81	20.51
\$177,883 – \$181,481	41.32	20.66	34.62	25.09
\$181,482 – \$241,974	42.32	21.16	35.77	26.47
\$241,975 – \$253,414	43.32	21.66	36.92	27.85
\$253,415 – \$362,961	47.00	23.50	41.16	32.93
\$362,962 and over	48.00	24.00	42.31	34.31
British Columbia 2025				
First \$16,128	-	-	-	-
\$16,129 – \$24,045	15.00	7.50	6.87	-0.03
\$24,046 – \$25,019	20.06	10.03	10.44	-9.61
\$25,020 – \$40,814	23.62	11.81	14.53	-4.70
\$40,815 – \$49,279	20.06	10.03	10.44	-9.61
\$49,280 – \$57,375	22.70	11.35	13.48	-5.96
\$57,376 – \$98,560	28.20	14.10	19.81	1.63
\$98,561 – \$113,158	31.00	15.50	23.02	5.49
\$113,159 – \$114,750	32.79	16.40	25.08	7.96
\$114,751 – \$137,407	38.29	19.15	31.40	15.55
\$137,408 – \$177,882	40.70	20.35	34.17	18.88
\$177,883 – \$186,305	44.02	22.01	37.99	23.46
\$186,306 – \$253,414	46.12	23.06	40.40	26.35
\$253,415 – \$259,829	49.80	24.90	44.64	31.43
\$259,830 and over	53.50	26.75	48.89	36.54
Ontario 2025				
First \$16,128	-	-	-	-
\$16,129 – \$18,574	15.00	7.50	6.87	-0.03
\$18,575 – \$24,389	25.10	12.55	11.63	-13.69
\$24,390 – \$52,886	20.05	10.02	9.25	-6.86
\$52,887 – \$57,375	24.15	12.08	13.96	-1.20
\$57,376 – \$93,132	29.65	14.83	20.29	6.39
\$93,133 – \$105,775	31.48	15.74	22.39	8.92
\$105,776 – \$109,727	33.89	16.95	25.17	12.24
\$109,728 – \$114,750	37.91	18.96	29.78	17.79
\$114,751 – \$150,000	43.41	21.71	36.10	25.38
\$150,001 – \$177,882	44.97	22.49	37.90	27.53
\$177,883 – \$220,000	48.29	24.15	41.71	32.10
\$220,001 – \$253,414	49.85	24.93	43.51	34.26
\$253,415 and over	53.53	26.77	47.74	39.34

Taxable income	Marginal tax rates (%)			
	Interest and regular income	Capital gains	Non-eligible Canadian dividends	Eligible Canadian dividends
Saskatchewan 2025				
First \$16,128	-	-	-	-
\$16,129 – \$18,990	15.00	7.50	6.87	-0.03
\$18,991 – \$53,462	25.50	12.75	15.57	-0.72
\$53,463 – \$57,375	27.50	13.75	17.87	2.04
\$57,376 – \$114,750	33.00	16.50	24.20	9.63
\$114,751 – \$152,749	38.50	19.25	30.52	17.22
\$152,750 – \$177,882	40.50	20.25	32.82	19.98
\$177,883 – \$253,414	43.82	21.91	36.63	24.56
\$253,415 and over	47.50	23.75	40.87	29.64
Manitoba 2025				
First \$16,128	-	-	-	-
\$16,129 – \$16,545	15.00	7.50	6.87	-0.03
\$16,546 – \$22,943	26.77	13.39	19.50	5.18
\$22,944 – \$47,564	25.80	12.90	18.39	3.84
\$47,565 – \$57,375	27.75	13.88	20.63	6.53
\$57,376 – \$101,200	33.25	16.63	26.96	14.12
\$101,201 – \$114,750	37.90	18.95	32.31	20.53
\$114,751 – \$177,882	43.40	21.70	38.63	28.12
\$177,883 – \$200,000	46.72	23.36	42.44	32.70
\$200,001 – \$253,414	47.58	23.79	43.43	33.89
\$253,415 – \$400,000	51.26	25.63	47.66	38.97
\$400,001 and over	50.40	25.20	46.68	37.78
Quebec 2025				
First \$16,128	-	-	-	-
\$16,129 – \$18,571	12.52	6.26	5.74	-0.03
\$18,572 – \$53,255	26.52	13.26	17.91	3.14
\$53,256 – \$57,375	31.52	15.76	23.66	10.04
\$57,376 – \$106,495	36.12	18.06	28.94	16.39
\$106,496 – \$114,750	41.12	20.56	34.69	23.29
\$114,751 – \$129,590	45.71	22.86	39.97	29.62
\$129,591 – \$177,882	47.46	23.73	41.98	32.04
\$177,883 – \$253,414	50.24	25.12	45.16	35.87
\$253,415 and over	53.30	26.65	48.70	40.11
New Brunswick 2025				
First \$16,128	-	-	-	-
\$16,129 – \$21,918	15.00	7.50	6.87	-0.03
\$21,919 – \$48,654	27.40	13.70	17.97	-2.24
\$48,655 – \$51,306	24.40	12.20	14.52	-6.38
\$51,307 – \$57,375	29.00	14.50	19.81	-0.03
\$57,376 – \$102,614	34.50	17.25	26.14	7.56
\$102,615 – \$114,750	36.50	18.25	28.44	10.32
\$114,751 – \$177,882	42.00	21.00	34.76	17.91
\$177,883 – \$190,060	45.32	22.66	38.57	22.49
\$190,061 – \$253,414	48.82	24.41	42.60	27.32
\$253,415 and over	52.50	26.25	46.84	32.40
Nova Scotia 2025				
First \$15,296	-	-	-	-
\$15,297 – \$15,465	8.79	4.40	6.67	-0.08
\$15,466 – \$16,192	13.79	6.90	12.42	6.82
\$16,193 – \$21,651	28.79	14.40	19.29	6.79
\$21,652 – \$25,775	23.79	11.90	13.54	-0.11
\$25,776 – \$30,507	24.32	12.16	14.15	0.62
\$30,508 – \$57,375	30.48	15.24	21.23	9.12
\$57,376 – \$61,015	35.98	17.99	27.56	16.71
\$61,016 – \$77,325	37.70	18.85	29.54	19.09
\$77,326 – \$95,883	37.17	18.59	28.93	18.35
\$95,884 – \$114,750	38.00	19.00	29.88	19.50
\$114,751 – \$154,650	43.50	21.75	36.21	27.09
\$154,651 – \$177,882	47.00	23.50	40.23	31.92
\$177,883 – \$253,414	50.32	25.16	44.04	36.50
\$253,415 and over	54.00	27.00	48.28	41.58

Taxable income	Marginal tax rates (%)			
	Interest and regular income	Capital gains	Non-eligible Canadian dividends	Eligible Canadian dividends
PEI 2025				
First \$16,128	-	-	-	-
\$16,129 – \$17,394	15.00	7.50	6.87	-0.03
\$17,395 – \$22,499	24.50	12.25	16.30	-1.41
\$22,500 – \$29,499	29.50	14.75	22.05	5.49
\$29,500 – \$33,328	24.50	12.25	16.30	-1.41
\$33,329 – \$57,375	28.47	14.24	20.86	4.07
\$57,376 – \$64,656	33.97	16.99	27.19	11.66
\$64,657 – \$105,000	37.10	18.55	30.79	15.98
\$105,001 – \$114,750	38.12	19.06	31.96	17.39
\$114,751 – \$140,000	43.62	21.81	38.28	24.98
\$140,001 – \$177,882	45.00	22.50	39.87	26.88
\$177,883 – \$253,414	48.32	24.16	43.69	31.46
\$253,415 and over	52.00	26.00	47.92	36.54
Newfoundland & Labrador 2025				
First \$16,128	-	-	-	-
\$16,129 – \$23,928	15.00	7.50	6.87	-0.03
\$23,929 – \$30,922	39.70	19.85	31.60	25.37
\$30,923 – \$44,192	23.70	11.85	13.20	3.29
\$44,193 – \$57,375	29.50	14.75	19.87	11.29
\$57,376 – \$88,382	35.00	17.50	26.20	18.88
\$88,383 – \$114,750	36.30	18.15	27.69	20.67
\$114,751 – \$157,792	41.80	20.90	34.01	28.26
\$157,793 – \$177,882	43.80	21.90	36.31	31.02
\$177,883 – \$220,910	47.12	23.56	40.12	35.60
\$220,911 – \$253,414	49.12	24.56	42.42	38.36
\$253,415 – \$282,214	52.80	26.40	46.66	43.44
\$282,215 – \$564,429	53.80	26.90	47.81	44.82
\$564,430 – \$1,128,858	54.30	27.15	48.39	45.51
\$1,128,859 and over	54.80	27.40	48.96	46.20
Northwest Territories 2025				
First \$16,128	-	-	-	-
\$16,129 – \$17,841	15.00	7.50	6.87	-0.03
\$17,842 – \$51,964	20.90	10.45	6.76	-7.76
\$51,965 – \$57,375	23.60	11.80	9.86	-4.03
\$57,376 – \$103,930	29.10	14.55	16.19	3.56
\$103,931 – \$114,750	32.70	16.35	20.33	8.53
\$114,751 – \$168,967	38.20	19.10	26.65	16.12
\$168,968 – \$177,882	40.05	20.03	28.78	18.67
\$177,883 – \$253,414	43.37	21.69	32.59	23.25
\$253,415 and over	47.05	23.52	36.83	28.33
Nunavut 2025				
First \$16,128	-	-	-	-
\$16,129 – \$19,273	15.00	7.50	6.87	-0.03
\$19,274 – \$54,706	19.00	9.50	8.47	-2.11
\$54,707 – \$57,374	22.00	11.00	11.92	2.03
\$57,375 – \$109,413	27.50	13.75	18.25	9.62
\$109,414 – \$114,749	29.50	14.75	20.55	12.38
\$114,750 – \$177,880	35.00	17.50	26.87	19.97
\$177,881 – \$253,413	40.82	20.41	33.56	28.00
\$253,414 and over	44.50	22.25	37.80	33.08
Yukon 2025				
First \$16,128	-	-	-	-
\$16,129 – \$57,375	21.40	10.70	13.46	-7.79
\$57,376 – \$114,750	29.50	14.75	22.78	3.39
\$114,751 – \$177,882	36.90	18.45	31.28	13.60
\$177,883 – \$253,414	42.25	21.13	37.44	20.98
\$253,415 – \$500,000	45.80	22.90	41.52	25.88
\$500,001 and over	48.00	24.00	44.04	28.92

The 2024 Federal Budget announced an increase in the capital gains inclusion rate, effective June 25, 2024, from one half to two thirds for corporations, and trusts, and from one half to two thirds on the portion of capital gains realized in the year that exceed \$250,000 for individuals, graduated rate estates (GREs) and qualified disability trusts (QDTs). A Notice of Ways and Means Motion (NWMM) to introduce this change was tabled on June 10, 2024. On January 31, 2025, the federal government announced that the effective date for these proposed changes will be deferred from June 25, 2024 to January 1, 2026.

Dividend taxation

Dividends received by individuals from Canadian corporations are taxed based on a “gross-up” value and a corresponding tax credit. The gross-up and tax credit varies depending on the type of dividend; i.e., whether “eligible” (dividends paid after 2005 from public companies and private companies where the underlying income is subject to the general corporate tax rate) or “non-eligible” (a dividend from a private Canadian corporation where the related underlying income is investment income or income subject to the small business rate).

The following table summarizes the amount of eligible and non-eligible dividends that may be received without incurring tax in 2025, assuming no other income or deductions other than the basic personal exemption and dividend tax credit. Note however that AMT may be triggered in some cases.

Province/territory	Eligible dividends	Non-eligible dividends
Alberta	\$73,720	\$24,822
British Columbia	\$73,720	\$27,514
Manitoba	\$40,458	\$15,412
New Brunswick	\$73,720	\$24,500
Newfoundland & Labrador	\$29,070	\$23,408
Nova Scotia	\$33,303	\$16,804
Ontario*	\$73,720	\$35,239
Prince Edward Island	\$55,840	\$18,067
Quebec**	\$52,238	\$21,368
Saskatchewan	\$73,720	\$22,929
Yukon	\$73,720	\$15,665
NWT	\$73,720	\$35,239
Nunavut	\$73,720	\$35,239



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*Does not include Ontario Health Premium **Does not include Quebec Health Services Fund.

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