

What are the income tax rates in Canada for 2010?

These are the rates that an individual will use when completing their 2010 income tax and benefit return. The information may change during the year to reflect updates to the law.

[Federal tax rates for 2010](#)
[Provincial/territorial tax rates for 2010](#)

Federal tax rates for 2010 are:

- 15% on the first \$40,970 of taxable income, +
- 22% on the next \$40,971 of taxable income (on the portion of taxable income between \$40,970 and \$81,941), +
- 26% on the next \$45,080 of taxable income (on the portion of taxable income between \$81,941 and \$127,021), +
- 29% of taxable income over \$127,021.

The chart below reproduces the first calculation that has to be made on *Page 2 of Schedule 1* of the tax package to calculate net federal tax. Page 1 is used to calculate federal non-refundable tax credits.

Federal tax on taxable income manual calculation chart

	Use this column if your taxable income is \$40,970 or less	Use this column if your taxable income is more than \$40,970, but not more than \$81,941	Use this column if your taxable income is more than \$81,941, but not more than \$127,021	Use this column if your taxable income is more than \$127,021	
Enter your taxable income from line 260 of your return					1
Base amount	– 0	– 40,970	– 81,941	– 127,021	2
Line 1 minus line 2 (this amount cannot be negative)	=	=	=	=	3
Federal tax rate	× 15%	× 22%	× 26%	× 29%	4
Multiply the amount on line 3 by the tax rate on line 4	=	=	=	=	5
Tax on the amount from line 2	+ 0	+ 6,146	+ 15,159	+ 26,880	6
Add lines 5 and 6	=	=	=	=	7

Provincial/Territorial tax rates for 2010

Under the current tax on income method, tax for all provinces (except Quebec) and territories is calculated the same way as federal tax.

Form 428 is used to calculate this provincial or territorial tax. Provincial or territorial specific non-refundable tax credits are also calculated on Form 428.

For complete details, see the *Provincial or Territorial information and forms* in your 2010 tax package.

Provincial / Territorial tax rates (combined chart)

Provinces / Territories	Rate(s)
Newfoundland and Labrador	7.7% on the first \$31,278 of taxable income, + 12.8% on the next \$31,278, + 15.5% on the amount over \$62,556
Prince Edward Island	9.8% on the first \$31,984 of taxable income, + 13.8% on the next \$31,985, + 16.7% on the amount over \$63,969
Nova Scotia	8.79% on the first \$29,590 of taxable income, + 14.95% on the next \$29,590, + 16.67% on the next \$33,820 + 17.5% on the amount over \$93,000
New Brunswick	9.3% on the first \$36,421 of taxable income, + 12.5% on the next \$36,422, + 13.3% on the next \$45,584, + 14.3% on the amount over \$118,427
Quebec	See Income tax rates (Revenu Québec Web site).
Ontario	5.05% on the first \$37,106 of taxable income, + 9.15% on the next \$37,108, + 11.16% on the amount over \$74,214
Manitoba	10.8% on the first \$31,000 of taxable income, + 12.75% on the next \$36,000, + 17.4% on the amount over \$67,000
Saskatchewan	11% on the first \$40,354 of taxable income, + 13% on the next \$74,943, + 15% on the amount over \$115,297
Alberta	10% of taxable income

British Columbia	5.06% on the first \$35,859 of taxable income, + 7.7% on the next \$35,860, + 10.5% on the next \$10,623, + 12.29% on the next \$17,645, + 14.7% on the amount over \$99,987
Yukon	7.04% on the first \$40,970 of taxable income, + 9.68% on the next \$40,971, + 11.44% on the next \$45,080, + 12.76% on the amount over \$127,021
Northwest Territories	5.9% on the first \$37,106 of taxable income, + 8.6% on the next \$37,108, + 12.2% on the next \$46,442, + 14.05% on the amount over \$120,656
Nunavut	4% on the first \$39,065 of taxable income, + 7% on the next \$39,065, + 9% on the next \$48,891, + 11.5% on the amount over \$127,021

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