

2022 Tax Facts & Figures

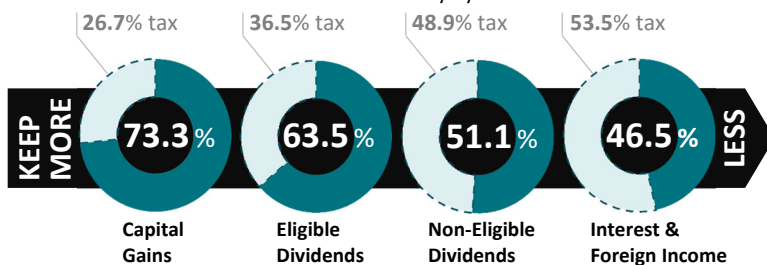
Combined Personal Marginal Tax Rates (%)

Taxable Income (\$)	Interest & Regular Income	Capital Gains	Eligible Canadian Dividends	Non-Eligible Canadian Dividends
First 43,070	20.06	10.03	-9.60	10.43
*Up to 50,197	22.70	11.35	-5.96	13.47
*Up to 86,141	28.20	14.10	1.63	19.80
*Up to 98,901	31.00	15.50	5.49	23.02
*Up to 100,032	32.79	16.40	7.96	25.07
*Up to 120,094	38.29	19.15	15.55	31.40
*Up to 155,625	40.70	20.35	18.88	34.17
*Up to 162,832	43.70	21.85	23.02	37.62
*Up to 221,708	45.80	22.90	25.92	40.04
*Up to 227,091	49.80	24.90	31.44	44.64
Over 227,091	53.50	26.75	36.54	48.89

* Applies to portion of taxable income over the amount listed in the row above. The combined federal and BC marginal tax rates above reflect the basic personal amount and, for dividends, show MTRs on actual (not grossed-up) dividends.

Personal Tax Efficiency

Efficiency is measured by the cash you keep after-tax, based on top, marginal, combined federal and BC tax rates. Rates vary by taxable income.



Tax-Free Dividend Limits

Eligible Dividends are paid by Canadian resident corporations from income that has been subject to the general federal corporate tax rate. **\$54,400**

Non-Eligible Dividends are paid by CCPCs from income eligible for the small business deduction (SBD) or from investment income, other than eligible dividends. **\$24,047**

Approximate cash amount of dividends for an individual with no other income.

Charitable donations of up to 75% of net income can be claimed in the year of gift or the following five years.

► **Exception:** In the year of death or the year preceding death, donations totalling 100% of net income can be claimed.

Capital gains arising on donations of publicly traded securities are not taxable.

► The donor still receives a donation tax credit for market value of the donated securities.

Important Dates

2021 Tax Filing Deadline: Individual	Apr 30, 2022
2021 Tax Filing Deadline: Self-Employed	Jun 15, 2022
Tax-Loss Selling¹	Dec 28, 2022
Charitable Donations	Dec 31, 2022
RESP Contribution Deadline	Dec 31, 2022
Family Loan Interest Payment Deadline²	Jan 30, 2023
2022 RRSP Contribution Deadline	Mar 1, 2023
RDSP Contribution Deadline	Dec 31, 2022
Quarterly Instalments³	15 th of Mar / Jun / Sep / Dec

¹ Last trade date for Canadian and U.S. markets to settle in 2022.

² CRA's prescribed interest rate is 1% (Q1 2022).

³ If this date is on a weekend or statutory holiday, the next business day applies.

Key 2022 Tax Credits

	FEDERAL (\$)		BC (\$)	
	Base Amount	Credit (15%)	Base Amount	Credit (5.06%)
Personal Amount	14,398 ⁴	2,160	11,302	572
Spouse/Partner/Eligible Dependant	14,398 ⁴	2,160	9,678	490
Age (65+)⁵	7,898	1,185	5,069	256
CDN Caregiver⁵				
Child < 18; spouse	2,350	353	0	0
Other adult dependant	7,525	1,129	4,946	250
Disability				
• Basic	8,870	1,331	8,477	429
• < 18 Supplement ⁵	5,174	776	4,946	250
Pension Income	2,000	300	1,000	51
Medical Expenses	15% of amount above the lesser of 3% of net income or \$2,479		5.06% of amount above the lesser of 3% of net income or \$2,350	
Eligible Dividends	15.02%		12%	
Non-eligible Dividends⁶	9.03%		1.96%	

⁴ Reduced if net income exceeds \$155,625; reduced to \$12,719 once net income reaches \$221,708.

⁵ Reductions based on net income over \$39,826.

⁶ On grossed-up taxable amount.

Charitable donations give rise to non-refundable tax credits. The combined federal and BC tax credits are 20.06% on the first \$200 of donations and 45.8% to 53.5% on the remainder.

The higher rates include a 33% federal donation tax credit and 20.5% BC tax credit for donations made from income that is subject to the new tax brackets.

Canada Pension Plan (CPP) Benefits	Annual Maximum (\$)*	Monthly Maximum (\$)*
Retirement at Age 65	15,043	1,254
▶ Early Retirement at Age 60	9,628	802
▶ Deferred Retirement at Age 70	21,361	1,780

*The CPP Enhancement is not reflected in the maximum benefits.

If you take your CPP retirement pension **before** age 65, your pension will be reduced by 0.6% for each month (7.2% per year) you receive it before age 65, by up to 36% at age 60.

If you take your CPP retirement pension **after** turning age 65, your pension will increase by 0.7% for each month (8.4% per year) that you defer it after age 65, by up to 42% at age 70.

Post-Retirement at Age 65	435	36
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If you continue to work while receiving your CPP retirement pension, and are under age 70, you can make contributions that will increase your retirement income by way of post-retirement benefits (PRB).

Disability	17,578	1,465
Post-Retirement Disability	6,296	525
Survivor/Disability Combined	17,604	1,467
Survivor < Age 65	8,097	675
≥ Age 65	9,026	752
Children of Disabled/Deceased Contributor	3,174	265
Death (one-time payment of up to)	2,500	-

CPP Sharing

Spouses or common-law partners can apply to Service Canada to share the portion of your CPP retirement pensions accrued while co-habiting, once receiving retirement benefits. Neither CPP nor OAS can be split on your income tax returns.

Combined CPP Survivor and Retirement Benefits

If eligible for both CPP Retirement and CPP Survivor benefits, the **combined maximum monthly benefit is \$1,257**, but is adjusted for the age at which retirement benefits started.

Annual CPP Contributions	Earnings	Maximum
Employees	5.70%	\$3,500
Self-Employed	11.40%	\$7,000

Old Age Security (OAS) Benefits	Annual Maximum (\$)	Monthly Maximum (\$)
Age 65	7,707	642
Age 70	10,482	873

If you take your OAS pension **after** turning age 65, your pension will increase by 0.6% for each month (7.2% per year) that you defer your OAS, by up to 36% at age 70.

OAS Clawback

- 15% for every \$1 of net income (including OAS amount) over \$81,761 per person.
- Full OAS clawback at net income of \$133,141.
- Clawback thresholds are indexed for inflation.

In addition to the OAS pension, there are three types of non-taxable OAS benefits available to residents of Canada who have low income:

- **Guaranteed Income Supplement (GIS):** Age 65+
- **Allowance:** Age 60-64
- **Allowance for the Survivor:** Age 60-64

Estate Planning

Questions to review periodically:

- Do you have an up-to-date will, power of attorney and representation agreement?
- Has anything significantly changed since these documents were drafted (e.g., marriage, kids, divorce, death)?
- Have any of your estate planning objectives or intentions changed since you drafted your will?
- Are the named executors, attorneys and representatives still the right people for the job (e.g., willing, able)?
- Are the named beneficiaries on your life insurance, pensions and registered accounts (e.g., RRSPs, TFSAs) up-to-date?

BC Probate Fees (For estates over \$50,000)

\$350 + 1.4% of portion of BC Property over \$50,000

2022 Tax Facts & Figures | Registered Plans

RRSP	2021	2022
Annual Limit	\$27,830	\$29,210

Contribution Limit | You may contribute the lesser of 18% of your previous year's earned income or the annual limit, adjusted for certain pension activity. Contributions may be carried-forward to deduct in future years — ask us for details.

Excess Contributions | Subject to a 1% monthly penalty tax on amounts which exceed your deduction limit by more than \$2,000.

Spousal RRSP | The contributor must declare withdrawals up to amounts they contributed to any spousal RRSPs in the current or two prior calendar years.

Even if you can no longer have an RRSP, you can use your available RRSP room to contribute to a spousal RRSP until December 31 of the year in which your spouse turns 71.

2022 RRIF Minimum Withdrawals

Age	%	Age	%	Age	%
60	3.33	72	5.40	84	8.08
61	3.45	73	5.53	85	8.51
62	3.57	74	5.67	86	8.99
63	3.70	75	5.82	87	9.55
64	3.85	76	5.98	88	10.21
65	4.00	77	6.17	89	10.99
66	4.17	78	6.36	90	11.92
67	4.35	79	6.58	91	13.06
68	4.55	80	6.82	92	14.49
69	4.76	81	7.08	93	16.34
70	5.00	82	7.38	94	18.79
71	5.28	83	7.71	95+	20.00

TFSA	2022
Annual Limit	\$6,000

Cumulative Room¹ **\$81,500**

TFSA contributions do not have a deadline; unused room is carried forward.

TFSA room accrues for the year you turn 18 but you cannot own a TFSA until the age of majority (19 in BC).

Withdrawals from the TFSA increase your contribution room in the following calendar year.

¹ Assumes you were TFSA eligible every year since 2009 but have never contributed to any TFSA.

RESP Limits (per beneficiary)

Lifetime Contribution	\$50,000
Maximum Total CESG	\$7,200
Annual CESG Limit ²	\$500

Annual Contributions & Grants | At a basic rate of 20%, annual contributions of \$2,500 give rise to a \$500 CESG².

Catch-Up Payments | Beneficiaries age 16 or 17 can receive CESGs if at least \$2,000 in total, or \$100 annually for four years, was contributed (and not withdrawn) to their RESP by December 31 of the year they turned 15.

² Up to \$1,000 of annual Canada Education Savings Grants can be claimed on the first \$5,000 of annual RESP contributions, if unused grant room from past years is available. Some plans offer additional incentives, such as the Canada Learning Bond or the BC Training and Education Savings Grant (BCTESG), a one-time \$1,200 grant available on an eligible child's sixth birthday.

RDSP Grants (per beneficiary)

Up to **300% grant on RDSP** contributions.

Depending on amounts contributed, the beneficiary's age, adjusted family net income and unused grant room (up to 10 years), RDSPs may earn Canada Disability Savings Grants (CDSG) of up to **\$70,000 (lifetime limit)**.

Withholding Tax on RRSP/RRIF³ Withdrawals

Up to \$5,000	10%
Between \$5,000 and \$15,000	20%
Over \$15,000	30%

³ There is no withholding tax on RRIF minimum payments.

Canadian-Controlled Private Corporations (CCPCs)

Combined federal and BC tax rates as of January 1, 2022

Active Business Income up to \$500,000	11.0%*
Active Business Income Over \$500,000	27.0%
Investment Income (e.g., interest, foreign)	50.67%
Capital Gains	25.34%
Dividends from Canadian Corporations	38.33%

*The federal and BC Small Business Deduction (SBD) applies to the first \$500,000 of income from an active business carried on in Canada by a CCPC. The SBD must be shared with associated CCPCs and may be clawed back if taxable capital of associated corporate groups exceeds \$10 million and completely eliminated if it exceeds \$15 million.

The SBD may also be clawed back if a CCPC's adjusted aggregate investment income (AAIL) exceeds \$50,000 annually and is completely eliminated once AAIL reaches \$150,000. The greater of these two reductions is applied.

Lifetime Capital Gains Exemption (LCGE)

Qualified Small Business Corporation (QSBC) Shares	\$913,630
Qualified Farming or Fishing Property	\$1,000,000

A Small Business Corporation is a CCPC that has substantially all (90% or more) of its assets used in carrying on an active business in Canada.

Throughout the 24 months immediately preceding the disposition of QSBC shares:

- the shares must not have been owned by anyone other than the individual or a person or partnership related to the individual selling the shares, and
- more than 50% of the fair market value of the assets of the corporation must have been used principally in an active business carried on primarily in Canada.

Additional Resources

Canada Revenue Agency canada.ca/en/revenue-agency | 1-800-959-8281

Service Canada Public Pensions canada.ca/en/services/benefits/publicpensions | 1-800-277-9914

U.S. Source Payments

U.S. Withholding Tax

Interest	Generally Exempt
Dividends from U.S. Securities Held Inside a "Retirement Account" ¹	Exempt ²
Dividends from U.S. Securities Held Outside a "Retirement Account" ³	Generally 15%

¹ Such as an RRSP, RRIF, LIRA, LIF or LRIF.

² Per Canada-U.S. Tax Treaty.

³ Such as a non-registered account, TFSA, RESP or RDSP.

U.S. Estate Tax

2022

Exclusion Amount (worldwide assets) US\$12,060,000

Maximum Tax Rate 40%

Canadian residents (non-U.S. persons) may have a U.S. estate tax liability if U.S. situs assets (e.g., shares in a U.S. corporation) exceed US\$60,000 and worldwide assets exceed US \$12.06 million. An additional spousal credit may be available.

Attribution Rules

Interest & Dividends Capital Gains 2nd Gen Income⁴

Prescribed Rate Loan	No attribution	
Gift to Spouse or Partner	Attributed to giftor	None
Low or No Interest Loan to Spouse or Partner	Attributed to lender	None
Low or No Interest Loan to	Attributed to lender	None
Gift to Child Under 18	Attributed to giftor	None

⁴ 2nd generation income is income earned on investment income already attributed.

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