

MOTOR VEHICLES — TAXABLE BENEFIT — 2024

Personal use of a company vehicle is considered a twofold taxable benefit that is calculated as follows:

	PURCHASED VEHICLE	LEASED VEHICLE
1. Standby charge ¹	2% x original cost x n° of months	% leasing cost x n° of months
2. Operating costs	\$0.33 x n° of km for personal use or 50% of item #1 ¹	\$0.33 x n° of km for personal use or 50% of item #1 ¹

1 The standby charge decreases if the automobile is used for business purposes more than 50% of the time and if the number of kilometres travelled for personal reasons is less than 1,667 km for each 30-day period.

The taxable benefit must also take into account GST, QST and deductions at source.

	DEDUCTION LIMIT
Capital cost for CCA purposes - Cat 10.1	\$37,000 + taxes
Capital cost for CCA purposes - Cat 54	\$61,000 + taxes ¹
Monthly leasing costs	\$1,050 + taxes ²
Maximum allowable monthly interest	\$350

1 Category 54 is for zero-emission passenger cars. To register a vehicle in Class 54, the taxpayer must not have qualified for the federal subsidy for zero-emission vehicles.
2 Another limit based on a mathematical formula involving the suggested price can definitely have the effect of restricting the limit below the \$1,050 threshold.

Employer's maximum deductible allowance for kilometres travelled by an employee and exempt from taxes as it can be considered reasonable:

- \$0.70/km on first 5,000 km
- \$0.64/km for every additional km

TAX RATES FOR CANADIAN-CONTROLLED PRIVATE CORPORATIONS — 2024¹

	FEDERAL	QUEBEC	TOTAL
Active business income			
Eligible for federal SBD only ^{2,3}	9%	11.5%	20.5%
Eligible for SBD ^{2,3,4} - Compliance with hours worked criterion	9%	3.2%	12.2%
Eligible for SBD ^{2,3} - SME manufacturing	9%	3.2%	12.2%
Not eligible for SBD	15%	11.5%	26.5%
Inactive business income			
Personal services business	33%	11.5%	44.5%
Investment income	38.67%	11.5%	50.17%
Refundable portion	30.67%	N/A	30.67%
Dividend income			
From an unconnected corporation	38½%	N/A	38½%

1 Rates indicated in the table are based on a 12-month taxation year ending December 31, 2024.
2 The small business deduction of \$500,000 must be allocated among the associated corporations and reduced gradually if the taxable or paid-up capital for the previous calendar year is between \$10 million and \$50 million or if the total adjusted investment income for each taxation year ending in the previous calendar year is between \$50,000 and \$150,000.
3 Excluding dividend income.
4 In Quebec, the small business deduction is gradually reduced for actively operated businesses, other than SMEs in the primary or manufacturing sector, if the number of hours paid for the current or previous tax year is between 5,000 hours and 5,500 hours.

BUDGET CHANGES — 2024

FEDERAL

- Increase the capital gains inclusion rate to two-thirds (66⅔%), except for individuals whose capital gains do not exceed the threshold of \$250,000 per year.
- Increase the lifetime capital gains exemption (LCGE) to \$1,250,000.
- Increase the Home Buyers' Plan (HBP) withdrawal limit from \$35,000 to \$60,000 and defer the start of the repayment period by 3 years.

QUEBEC

- Elimination of the reduction in the retirement pension for seniors with disabilities who have reached age 65.
- Reduction in the rebate granted on the purchase of an electric or hybrid vehicle under the "Roulez vert" program.
- Abolition of the tax credit for experienced workers.



TAX QUICK REFERENCE

CERTIFICATION

CORPORATE AND PERSONAL TAXATION

BUSINESS SUCCESSION PLANNING

BUSINESS ACQUISITIONS, SALES AND MERGERS

BUSINESS VALUATION



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2024

TAX TABLE FOR INDIVIDUALS (QUEBEC) — 2024

This quick reference is intended to provide general information relevant to the 2024 tax year. Individuals requiring further information in order to make an informed tax-related decision are encouraged to seek the advice of a tax professional.

TAXABLE INCOME	FEDERAL INCOME TAX	MARGINAL RATE ¹	QUÉBEC INCOME TAX	MARGINAL RATE ¹	COMBINED TAX	COMBINED MARGINAL RATE ¹	MARGINAL RATES ^{1,2}		MARGINAL RATE ¹ CAPITAL GAINS
							ELIGIBLE DIVIDENDS	OTHER DIVIDENDS	
\$	\$	%	\$	%	\$	%	%	%	%
15,705	-	12.53	-	-	-	12.53	-	5.73	6.26
18,056	294	12.53	-	14.00	294	26.53	3.17	17.90	13.26
20,000	538	12.53	272	14.00	810	26.53	3.17	17.90	13.26
25,000	1,164	12.53	972	14.00	2,136	26.53	3.17	17.90	13.26
30,000	1,790	12.53	1,672	14.00	3,462	26.53	3.17	17.90	13.26
35,000	2,417	12.53	2,372	14.00	4,789	26.53	3.17	17.90	13.26
40,000	3,043	12.53	3,072	14.00	6,115	26.53	3.17	17.90	13.26
50,000	4,295	12.53	4,472	14.00	8,767	26.53	3.17	17.90	13.26
51,780	4,518	12.53	4,721	19.00	9,239	31.53	10.07	23.65	15.76
55,867	5,030	17.12	5,498	19.00	10,528	36.12	16.39	28.93	18.06
60,000	5,738	17.12	6,283	19.00	12,021	36.12	16.39	28.93	18.06
70,000	7,450	17.12	8,183	19.00	15,633	36.12	16.39	28.93	18.06
80,000	9,161	17.12	10,083	19.00	19,244	36.12	16.39	28.93	18.06
95,000	11,729	17.12	12,933	19.00	24,662	36.12	16.39	28.93	18.06
103,545	13,192	17.12	14,557	24.00	27,749	41.12	23.29	34.68	20.56
111,733	14,593	21.71	16,522	24.00	31,115	45.71	29.63	39.96	22.86
126,000	17,691	21.71	19,946	25.75	37,637	47.46	32.04	41.97	23.73
140,000	20,730	21.71	23,551	25.75	44,281	47.46	32.04	41.97	23.73
173,205	27,939	24.48	32,101	25.75	60,040	50.23	35.86	45.16	25.11
200,000	34,498	24.48	39,001	25.75	73,499	50.23	35.86	45.16	25.11
246,752	45,942	27.56	51,040	25.75	96,982	53.31	40.11	48.70	26.65
250,000	46,837	27.56	51,876	25.75	98,713	53.31	40.11	48.70	35.54

N.B.: Income tax is computed for a single individual with no dependants. This table takes into account both the federal and Quebec basic personal exemption. This table should not be used to compute tax if the taxpayer has income from dividends only (unless a separate, distinct computation is made for this type of income). The income tax rate indicated for dividends in the first taxable income brackets only applies fully in cases where there are taxes otherwise payable by the individual.

- 1 The marginal rate corresponds to the income tax rate applicable to each additional dollar of income.
- 2 **Eligible dividends:** Dividends paid by a public company and any other corporation from business income that is not eligible for the small business deduction (SBD).
Other dividends: Dividends paid out by a Canadian-controlled private corporation (CCPC) from business income that is eligible for the SBD and dividends paid out from investment income (interest, taxable capital gains, other income from property, but not dividends).

INDIVIDUALS RECEIVING ONLY DIVIDEND INCOME — 2024

GROSS-UP AND CREDIT RATES	FEDERAL	QUEBEC
Eligible dividends		
Dividend gross-up	38%	38%
Dividend tax credit	15.02%	11.70%
Other dividends		
Dividend gross-up	15%	15%
Dividend tax credit	9.03%	3.42%

If this is the taxpayer's only source of income, an individual not eligible for any deduction or credit other than the basic amount may receive a dividend without having to pay any tax if the revenue does not exceed the following thresholds (amount before gross-up):

	FEDERAL	QUEBEC
Eligible dividends	\$71,779	\$50,793
Other dividends	\$34,314	\$20,777

RRSP, TFSA AND RPP CONTRIBUTION LIMITS

	2024	2025
RPP ¹	\$32,490	Indexed
TFSA (cumulative 2024 — \$95,000)	\$7,000	TBD
RRSP	\$31,560	\$32,490
Income limit ²	\$175,333	\$180,500

- 1 Defined benefits.
- 2 This is the maximum earned income from the previous year used for calculating the RRSP limit.

CAPITAL GAINS EXEMPTION — 2024

- Eligible Small Business Corporation Shares and Farm Property (before June 25, 2024)
\$1,016,836
- Eligible Small Business Corporation Shares and Farm Property (after June 24, 2024)
\$1,250,000¹

- 1 Indexed annually from 2026.

PERSONAL TAX CREDITS — 2024

	FEDERAL (15%) ¹	QUEBEC (14%) ¹
Basic	\$14,156 /\$15,705 ²	\$18,056
Person living alone	N/A	\$2,069
Spouse or eligible dependant	\$14,156 /\$15,705 ²	N/A
Dependent child:		
■ 18 years or older at school	N/A	\$13,280 ³
■ Canada caregiver credit for children under 18 years of age	\$2,616	N/A
■ Additional amount for infirm children under 18 years of age	\$5,758 ⁴	N/A
■ Post-secondary studies (by term, minors)	N/A	\$3,717
■ Single-parent family	N/A	\$2,554 ⁵
■ Children's activities (refundable credit) (per child under 16 years available to families whose income does not exceed \$163,800)	N/A	\$500
Other dependant aged 18 or older	N/A	\$5,416
Age amount	\$8,790	\$3,798
Retirement income amount	\$2,000	\$3,374
Disability amount	\$9,872 ⁶	\$4,009
Caregiver (refundable provincial credit)	\$8,375	\$2,906 ⁷
■ Net income threshold	\$19,666	\$25,785
Canada Employment Credit/Deduction for Workers	\$1,433 ⁸	\$1,380 ⁹
First-Time Home Buyers' Tax Credit	\$10,000	\$10,000

- 1 Depending on income, the amounts of certain credits may be reduced.
- 2 The amount of the basic credit is \$14,156 for individuals whose net income for the year is greater than or equal to the amount from which the 33% rate applies and it is \$15,705 for individuals whose net income for the year is less than or equal to the amount from which the 29% tax rate applies.
- 3 The amount includes the recognized parental contribution and two postsecondary study sessions.
- 4 This credit is reduced by the childcare or attendant expenses claimed.
- 5 For single-parent families who lived with an eligible student.
- 6 This credit can be transferred to a person who provided for the basic needs of the dependent.
- 7 An amount of \$1,453 is not reducible based on income.
- 8 Lesser of \$1,433 and the individual's employment income for the year.
- 9 Deduction of the lesser of \$1,380 or 6% of employment income.

	FEDERAL	QUEBEC
Professional and union dues	Deduction	10% tax credit
Contribution to the FSS (The income subject to tax is net business income, investment income, pension income, taxable capital gains, etc.)	N/A	\$0 to \$17,630 = no contribution required \$17,630 to \$32,630 = 1% of taxable income \$32,630 to \$61,315 = \$150 \$61,315 to \$146,315 = \$150 + 1% of taxable income (max. \$1,000) \$146,315 and over = \$1,000
Medical expenses	15% of expenses in excess of the lesser of \$2,759 or 3% of net income of claimant	20% of expenses exceeding 3% of net family income
Charitable donations (amount of eligible donations is limited to 75% of net income)	15% on the first \$200 29% on the excess 33% on the portion that is subject to the highest marginal rate	20% on the first \$200 24% on the excess 25.75% on the portion that is subject to the highest marginal rate

PRESCRIBED INTEREST RATES — 2024

Trimester	FEDERAL			QUEBEC		
	1 st	2 nd	3 rd	1 st	2 nd	3 rd
Tax outstanding	10%	10%	9%	10%	10%	10%
Tax receivable (corporate/ other)	6%/8%	6%/8%	5%/7%	5%	5%	4.75%
Taxable benefits and loan to a related person	6%	6%	5%	6%	6%	5%

DEDUCTIONS AT SOURCE — 2024

QUEBEC			
Quebec Pension Plan (QPP)			
Maximum allowable earnings			\$68,500
Basic exemption			\$3,500
Maximum contributory gains			\$65,000
Contribution rate (5.40% for the basic contribution + 1% for the first additional contribution)			6.40%
Maximum employee contribution			\$4,160
Maximum employer contribution (per employee)			\$4,160
Maximum contribution for a self-employed worker			\$8,320
Quebec Parental Insurance Plan (QPIP)			
Maximum insurable earnings			\$94,000
Employee contribution rate			0.494%
Self-employed worker contribution rate			0.878%
Employer contribution rate			0.692%
Maximum employee contribution			\$464.36
Maximum employer contribution (per employee) (employee contribution multiplied by 1.4)			\$650.48
Maximum contribution for a self-employed worker			\$825.32
Health Services Fund (HSF)			
Employer contribution rate:			
		SMEs in primary and manufacturing sectors	Other
Payroll			
≤ \$1,000,000	1.25%		1.65%
> \$1,000,000 and < \$7,500,000	0.7869 % + [0.4631 % x MS]		1.2485 % + [0.4015 % x MS]
≥ \$7,500,000	4.26%		4.26%
(P = Cumulative total payroll / \$1,000,000)			
The cumulative total payroll represents the total amount of wages paid by any associated employer, regardless of where the employer carries on its business.			
Workforce training (1%)			
Businesses with a payroll of more than \$2M are required to devote a minimum of 1% of their payroll to eligible training expenses.			
FEDERAL			
Employment insurance			
Maximum insurable earnings			\$63,200
Employee contribution rate			1.32%
Maximum employee contribution			\$834.24
Maximum employer contribution (per employee) (employee contribution multiplied by 1.4)			\$1,167.94