



2018 Federal/Provincial Legislative Changes

February 2018

Please review the notable changes for tax year 2018 mentioned below to determine how you may be impacted.

Federal Legislative Changes for 2018 – affecting all employees

Canada Pension Plan (CPP)

Employee contribution rates remain unchanged at 4.95%. However, the annual maximum contribution will increase to \$2,593.80.

Employment Insurance (EI)

Employee premium rate will increase from 1.63% to 1.66% with the annual maximum contribution increasing to \$858.22.

Federal Income Tax Rates for 2018

Income	Tax Rate
Up to \$46,605	15%
\$46,605 - \$93,208	20.5%
\$93,208 - \$144,489	26%
\$144,489 - \$205,842	29%
Over \$205,842	33%

Quebec Legislative Changes for 2018 – affecting employees working in Quebec

Quebec Pension Plan (QPP)

Employee contribution rates will remain at 5.40% with the annual maximum contribution increasing to \$2,829.60.

Employment Insurance (EI) within Quebec

Employee premium rate will increase from 1.27% to 1.30% with the annual maximum contribution increasing to \$672.10.

Quebec Parental Insurance Plan (QPIP)

Employee premium rate remains unchanged at 0.548%. However, the annual maximum contribution will increase to \$405.52.



Personal Health Contribution

For 2018, the personal health contribution has been completely eliminated for all income levels.

Quebec Income Tax Rates for 2018

Income	Tax Rate
Up to \$43,055	15% - reduced from 16%
\$43,055 - \$86,105	20%
\$86,105 - \$104,765	24%
Over \$104,765	25.75%

Provincial Income Tax Thresholds and Rates for 2018

Alberta Income Tax Rates for 2018

Income	Tax Rate
Up to \$128,145	10%
\$128,145 - \$153,773	12%
\$153,773 - \$205,031	13%
\$205,031 - \$307,547	14%
Over \$307,547	15%

British Columbia Income Tax Rates for 2018

Income	Tax Rate
Up to \$39,676	5.06%
\$39,676 - \$79,353	7.7%
\$79,353 - \$91,107	10.5%
\$91,107 - \$110,630	12.29%
\$110,630 - \$150,000	14.7% - new tax bracket and rate



Income	Tax Rate
Over \$150,000	16.8%

Manitoba Income Tax Rates for 2018

Income	Tax Rate
Up to \$31,843	10.8%
\$31,843 - \$68,821	12.75%
Over \$68,821	17.4%

New Brunswick Income Tax Rates for 2018

Income	Tax Rate
Up to \$41,675	9.68%
\$41,675 - \$83,351	14.82%
\$83,351 - \$135,510	16.52%
\$135,510 - \$154,382	17.84%
Over \$154,382	20.3%

Newfoundland and Labrador Income Tax Rates for 2018

Income	Tax Rate
Up to \$36,926	8.7%
\$36,926 - \$73,852	14.5%
\$73,852 - \$131,850	15.8%
\$131,850 - \$184,590	17.3%
Over \$184,590	18.3%

Nova Scotia Income Tax Rates for 2018



Income	Tax Rate
Up to \$29,590	8.79%
\$29,590 - \$59,180	14.95%
\$59,180 - \$93,000	16.67%
\$93,000 - \$150,000	17.5%
Over \$150,000	21%

Northwest Territories Income Tax Rates for 2018

Income	Tax Rate
Up to \$42,209	5.9%
\$42,209 - \$84,420	8.6%
\$84,420 - \$137,248	12.2%
Over \$137,248	14.05%

Nunavut Income Tax Rates for 2018

Income	Tax Rate
Up to \$44,437	4%
\$44,437 - \$88,874	7%
\$88,874 - \$144,488	9%
Over \$144,488	11.5%

Ontario Income Tax Rates for 2018

Income	Tax Rate
Up to \$42,960	5.05%
\$42,960 - \$85,923	9.15%
\$85,923 - \$150,000	11.16%



Income	Tax Rate
\$150,000 - \$220,000	12.16%
Over \$220,000	13.16%

Prince Edward Island Income Tax Rates for 2018

Income	Tax Rate
Up to \$31,984	9.8%
\$31,984 - \$63,969	13.8%
Over \$63,969	16.7%

Saskatchewan Income Tax Rates for 2018

Income	Tax Rate
Up to \$45,225	10.5% - reduced from 11%
\$45,225 - \$129,214	12.5% - reduced from 13%
Over \$129,914	14.50% - reduced from 15%

Yukon Income Tax Rates for 2018

Income	Tax Rate
Up to \$46,605	6.4%
\$46,605 - \$93,208	9%
\$93,208 - \$144,489	10.9%
\$144,489 - \$500,000	12.8%
Over \$500,000	15%

Federal/Provincial TD1 & Quebec TP-1015.3-V Basic Personal Amounts



Province or Territory	2017 Basic Personal Amount	2018 Basic Personal Amount
Federal	\$11,635	\$11,809
Alberta	\$18,690	\$18,915
British Columbia	\$10,208	\$10,412
Manitoba	\$9,271	\$9,382
New Brunswick	\$9,895	\$10,043
Newfoundland and Labrador	\$8,978	\$9,247
Northwest Territories	\$14,278	\$14,492
Nova Scotia	\$8,481	\$11,481*
Nunavut	\$13,128	\$13,325
Ontario	\$10,171	\$10,354
Prince Edward Island	\$8,000	\$8,160
Quebec	\$11,635	\$15,012
Saskatchewan	\$16,065	\$16,065
Yukon	\$11,635	\$11,809

Federal and provincial TD1's are available at <https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later.html>

Quebec TP-1015.3-V is available at http://www.revenuquebec.ca/en/sepf/formulaires/tp/tp-1015_3/default.aspx

* For 2018, Nova Scotia has changed the way the personal exemption is applied. Going forward, the exemption will be based on your income. See TD1NS-WS Worksheet for additional information. Link to the worksheet at <https://www.canada.ca/en/revenue-agency/services/forms-publications/td1-personal-tax-credits-returns/td1-forms-pay-received-on-january-1-later/td1ns-ws.html>

Pension Adjustment (PA) & TFSA Limits

	Amount
Defined Contribution RPP's – Annual contribution limit	\$26,500.00



	Amount
Define Benefit RPP's (Maximum pension benefit \$2,944.44) X 9) - \$600.00	\$25,900.00
RRSP's – Annual contribution limit	\$26,230.00
TFSA – Annual contribution limit	\$5,500.00

Canadian Minimum Wage Increases for 2018

Alberta

Minimum wage to increase from \$13.60 to \$15.00 on October 1, 2018

British Columbia

Minimum wage to increase from \$11.35 to \$12.65 on June 1, 2018

Northwest Territories

Minimum wage to increase from \$12.50 to \$13.46 on April 1, 2018

Ontario

Minimum wage to increase from \$11.60 to \$14.00 on January 1, 2018

Prince Edward Island

Minimum wage to increase from \$11.25 to \$11.55 on April 1, 2018

Quebec

Minimum wage to increase from \$11.25 to \$12.00 on May 1, 2018

Parental, Maternity and Family Caregiver Leave Amendments Effective December 2017

Many changes/amendments regarding Employment Insurance (EI) benefits. See below for some information regarding these changes effective December 3rd/2017, as well as the link to the Service Canada site for more information.

<https://www.canada.ca/en/employment-social-development/campaigns/ei-improvements.html>

Maternity leave: Employment Insurance (EI) maternity benefits can begin as early as 12 weeks before the expected date of birth.

Parental Leave: Parents are to make an irrevocable choice* between two options for receiving EI parental benefits at the time of applying:

Standard parental benefit



Up to 35 weeks of EI parental benefits over a period of up to 12 months, at the current benefit rate of 55 percent of average weekly earnings, currently to a maximum of \$543 per week;

OR

Extended parental benefit*

Up to 61 weeks of EI parental benefits over an extended period of up to 18 months, at a lower benefit rate of 33 percent of average weekly earnings, currently to a maximum of \$326 per week.

Family caregiver benefits: As of December 3, 2017, the following amendments have been made to EI caregiver benefits:

EI special benefits for Parents of Critically Ill Children have been replaced by the Family Caregiver Benefit for Children. Immediate and extended family members of children who are critically ill now have access to a new benefit that was previously available only to parents. It replaces the Parents of Critically Ill Children Benefit and continues to provide up to 35 weeks of benefits.

Family Caregiver Benefit for Adults: Caregivers who provide care to a critically ill or injured adult family member will have access to a new benefit of up to 15 weeks.

Unpaid job protected leaves: Effective December 3, 2017, federally regulated employees under the Canada Labour Code are entitled to:

begin their maternity leave 13 weeks before the expected date of birth

up to 63 weeks of parental leave (with a legislative cap of 78 weeks of combined maternity and parental leave)

up to 17 weeks of leave provided to employees to care for a critically ill adult family member

up to 37 weeks of leave to a family member to care for a critically ill child