NOSEWORTHY CHAPMAN
chartered professional accountants

2025 TAX FACTS FOR NEWFOUNDLAND & LABRADOR RESIDENTS

CORPORATE TAX RATES

	2025	2024
CCPC Active Income		
Small Bus Limit ($500k max)	11.5%	11.5%
> Sm Bus Limit $500,001	30.0%	30.0%
CCPC Investment Income		
Interest	53.7%	53.7%
Capital Gains	26.9%	26.9%
Dividends (Part IV)	38.3%	38.3%
Refund: $1 refund per dividends of	$2.61	$2.61

(Note: CCPC = Canadian Controlled Private Corporation)

PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS

Taxable Income	Marginal Tax Rate on Salary	Marginal Tax Rate on Dividends: Public Company*	Marginal Tax Rate on Dividends: Private Company
$1 - $11,067	0.0%	0.0%	0.0%
$11,068 - $16,129	6.7%	1.8%	3.7%
$16,130 - $44,192	23.7%	3.3%	13.2%
$44,193 - $57,375	29.5%	11.3%	19.9%
$57,376 - $88,382	35.0%	18.9%	26.2%
$88,383 - $114,750	36.3%	20.7%	27.7%
$114,751 - $157,792	41.8%	28.3%	34.0%
$157,793 - $177,882	43.8%	31.0%	36.3%
$177,883 - $220,910	47.1%	35.6%	40.1%
$220,911 - $253,414	49.1%	38.4%	42.4%
$253,415 - $282,214	52.8%	43.4%	46.7%
$282,215 - $564,429	53.8%	44.8%	47.8%
$564,430 - $1,128,858	54.3%	45.5%	48.4%
> $1,128,858	54.8%	46.2%	49.0%

(* Includes dividends paid by CCPCs from income in excess of small business deduction limit)

RRSP LIMIT

Year	RRSP Deduction Limit	Prior Year Earned Income Required to Maximize RRSP
2024	$31,560	$175,333
2025	$32,490	$180,500
2026	$33,810	$187,833

FHSA LIMIT

2025	2024	2023	2022
$8,000	$8,000	$8,000	n/a

Lifetime limit is $40,000

TFSA LIMIT

2025	2024	2023	2019-2022	2016-2018
$7,000	$7,000	$6,500	$6,000	$5,500

The total limit available of $102,000 if eligible to contribute since 2009

PRESCRIBED INTEREST RATES

(Note: These rates are for shareholders loans- refunds add 2%, overdue balances add 4%)

Quarter	2025	2024	2023
1st quarter	4%	6%	4%
2nd quarter	TBA	6%	5%
3rd quarter	TBA	5%	5%
4th quarter	TBA	5%	5%

LIFETIME CAPITAL GAINS EXEMPTION

2025	2024	2023
$1,250,000	$1,016,836	$971,190

PENSION SPLITTING WITH SPOUSES

	65 or Older	Under 65
Pension Annuity Payments	Yes	Yes
RRIF Payments	Yes	No
RRSP Annuity Payments	Yes	No*
RRSP Lump-Sum Withdrawals	No	No*
Canada Pension Plan Benefits	No	No
Old Age Security Benefits	No	No

** Except if received due to the death of a spouse*

AUTOMOBILE BENEFITS

Claim Description	2025	2024
Tax-exempt car reimbursements		
-first 5,000 km	72 ¢/km	70 ¢/km
-after 5,000 km	66 ¢/km	64 ¢/km
CCA threshold-Class 10.1	$38,000 + HST	$37,000 +HST
Interest expense limit	$350/month	$350/month
Leasing limit per month	$1,100/m+HST	$1,050/m+HST
Standby charge-owned vehicle	2% of original cost per month	
Standby charge-leased vehicle	2/3 of monthly lease cost	
Operating cost benefit	34 ¢/km	33 ¢/km

CLAWBACK OF OLD AGE SECURITY

Year	OAS Benefit	Start of Clawback @15% if income is greater than	OAS fully clawed back when income is greater than
2024	$8,617.95	$90,997	$148,065
2025 - Jan	$727.67/m	$93,454	$151,668

CPP, EI & HAPSET LIMITS

Year	CPP: CPP Limit	CPP: Contribution Rate	CPP: Pensionable Earnings	EI: Employee Limit	EI: Employer Limit	EI: Contribution Rate	EI: Insurable Earnings	HAPSET (2%): Exemption Threshold
2024	$3,867.50	5.95%	$68,500	$1,049.12	$1,468.77	1.66%	$63,200	$ 2,000,000
2024-CPP2	$188.00	4.00%	$68,500-73,200					
2025	$4,034.10	5.95%	$68,502	$1,077.48	$1,508.47	1.64%	$65,700	$ 2,000,000
2025-CPP2	$396.00	4.00%	$73,200-81,200					

Note: Employer and employees pay the same CPP amount

Last Updated January 31, 2025