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BC CORPORATE TAX RATES

Combined Federal and Provincial Rates

	2015	2014	2013	2012
ACTIVE BUSINESS INCOME ⁽¹⁾				
Income up to \$500,000	13.50%	13.50%	13.50%	13.50%
Income in excess of \$500,000	26.00%	26.00%	26.00%	25.00%
INVESTMENT INCOME ⁽²⁾	45.67%	45.67%	45.67%	44.67%
DIVIDEND INCOME (from non-connected corporations) ⁽³⁾	33.33%	33.33%	33.33%	33.33%

Notes:

⁽¹⁾ The tax rates should be prorated based on the number of days in the taxation year before and after the date of the change of the tax rate. Applicable also to the investment income rate change.

Active business income is the income derived from carrying on an active business and does not include investment income or passive income. Income such as rental income is generally considered passive unless certain criteria are met.

The small business deduction (SBD) applies to active business income of Canadian Controlled Private Corporations (CCPC's), or associated groups of CCPC's.

For companies with taxable capital employed in Canada in excess of \$10 million, the small business deduction will be reduced, and completely eliminated after taxable capital exceeds \$15 million.

⁽²⁾ A portion of this tax, namely 26.67%, is eligible for a refund at a rate of \$1 for every \$3 of dividends paid. For 2015, that would make the effective rate 19%.

⁽³⁾ This tax is eligible for a refund of \$1 for every \$3 of dividends paid.