

## CANADIAN FAQ FOR THE TAX SAVVY

Canadian FAQ Issue #284

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**PAYROLL TAX RATES FOR 2019**

### Tax Question:

What are the payroll tax rates changes for 2019 for withholdings?

### Facts:

Payroll tax rates change every year and it is important for you to know the correct rates when preparing payroll remittances. See below for updated rates for 2019 with 2018 comparison.



### Discussion:

| Canada Pension Plan                  |  | 2018     | 2019     |
|--------------------------------------|--|----------|----------|
| Annual maximum pensionable earnings  |  | 55,900   | 57,400   |
| Annual basic exemption               |  | 3,500    | 3,500    |
| Contribution rate                    |  | 4.95%    | 5.10%    |
| Annual maximum employee contribution |  | 2,593.80 | 2,748.90 |
| Annual maximum employer contribution |  | 2,593.80 | 2,748.90 |
| Employment Insurance                 |  | 2018     | 2019     |
| Annual maximum insurable earnings    |  | 51,700   | 53,100   |
| Annual maximum employee contribution |  | 858.22   | 860.22   |
| Employee contribution rate           |  | 1.66%    | 1.62%    |
| Employer contribution rate           |  | 2.32%    | 2.27%    |
| Federal Tax Credits                  |  | 2018     | 2019     |
| Basic personal                       |  | 11,809   | 12,069   |
| Spouse/Equivalent to spouse          |  | 11,809   | 12,069   |
| B.C. Provincial Tax Credits          |  | 2018     | 2019     |
| Basic personal                       |  | 10,412   | 10,682   |
| Spouse/Equivalent to spouse          |  | 8,915    | 9,147    |

### Recommendation:

If you need more information about payroll tax rates, please contact Gilmour Group Chartered Professional Accountants. **Please see next FAQ #285 for BC Combined Tax Rates 2019.**

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