

The following summarizes the corporate income tax rate changes and other changes for 2021. Please feel free to forward this to any of your colleagues who may find it of interest.

Should you have any questions relating to how the following will affect your business, yourself, and your family or any other aspects of personal or corporate income taxation, please contact one of the members of our tax group at [admin@dusanjwirk.com](mailto:admin@dusanjwirk.com) or (250) 220-7311.

## Corporate Income Tax Rates

The following table summarizes the combined federal and BC income tax rates for corporations.

	2021 (%)	2020 (%)	2019 (%)	2018 (%)
Small Business Income Rate	11.00	11.00	11.00	12.00
General Business Income Rate	27.00	27.00	27.00	27.00
Investment Income Rate	50.67	50.67	50.67	50.67
Personal Services Business Income	45.00	45.00	45.00	45.00
Dividends from Non-Connected Corporations	38.33	38.33	38.33	38.33

The small business rate is available for Canadian controlled private corporations on active business income up to \$500,000. Larger private corporations may lose some or all of the small business deduction.

The investment income rate applies to investment income earned other than dividends received from Canadian corporations and capital gains. The capital gains tax is applied at one-half the rate on the table.

## Tax Rates Between Provinces

The following table summarizes the small business tax rate and general tax rate between provinces.

