



Tax highlights from the 2019 Nunavut budget

Finance Minister George Hickes tabled the 2019-2020 Nunavut territorial budget on February 20, 2019. The minister confirmed that the government projects revenues of \$2.21 billion, expenditures of \$2.22 billion and is projecting a fiscal deficit of approximately \$12 million.

On the tax side, there were no personal or corporate tax rate changes.

Please note that the budget is a proposal until passed into law by the territorial government.

PERSONAL TAX MATTERS

Personal income tax rates and tax brackets

There were no personal tax rate increases announced in this budget. Tax brackets and personal credit amounts have been indexed by 2.2% for 2019. The table below shows the new Nunavut tax rates and brackets for 2019.

Taxable income range	2019 tax rates
\$16,000 - \$45,414	4.0%
\$45,415 - \$90,829	7.0%
\$90,830 - \$147,667	9.0%
\$147,668 and greater	11.5%

The table below shows the 2019 combined federal and territorial highest marginal tax rates for various types of income:

Type of income	2019 combined tax rates
Regular income	44.5%
Capital gains	22.25%
Eligible dividends	33.08%
Non-eligible dividends	37.79%

CORPORATE TAX MATTERS

Corporate income tax rates

The budget left 2019 corporate income tax rates, as well as the small business limit, unchanged from 2018. The table below shows Nunavut's corporate tax rates and the small business limit for 2019.

Category	2019 Nunavut rates	2019 Federal and Nunavut combined rates
General rate	12%	27%
Manufacturing and processing rate	12%	27%
Small business rate	4.0% (3.0% - effective July 1, 2019)	13.0% (12.0% - effective July 1, 2019)
Small business limit	\$500,000	\$500,000

OTHER INFORMATION

Please find below the links to Mr. George Hickes' Budget Address and 2019-2020 Budget Highlights for details on 2019-2020 projected revenue streams and allocation of expenditures:

https://www.gov.nu.ca/sites/default/files/2019-20_budget_address_2019-english.pdf

https://www.gov.nu.ca/sites/default/files/2019-20_budget_highlights_-_english.pdf

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2 Queen Street East, Twentieth Floor, Toronto, Ontario M5C 3G7 | www.ci.com

Head Office / Toronto
416-364-1145
1-800-268-9374

Calgary
403-205-4396
1-800-776-9027

Montreal
514-875-0090
1-800-268-1602

Vancouver
604-681-3346
1-800-665-6994

Client Services
English: 1-800-563-5181
French: 1-800-668-3528