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Prepared May 6, 2023

2023 Combined Federal and Provincial
Average Tax Rates for Prince Edward Island

(See separate schedule for Marginal Tax Rates)

Personal Taxable Income[1]	Average Tax Rate[2]	
	Under Age 65	Age 65 or over (includes OAS Clawback)
$14,000	**0%**	**0%**
$20,000	**6%**	**0%**
$30,000	**13%**	**8%**
$40,000	**17%**	**14%**
$50,000	**20%**	**17%**
$60,000	**22%**	**20%**
$70,000	**24%**	**23%**
$80,000	**26%**	**25%**
$90,000	**27%**	**27%**
$100,000	**28%**	**29%**
$125,000	**31%**	**34%**
$150,000	**33%**	**36%**
$175,000	**35%**	**37%**
$200,000	**37%**	**39%**
$250,000	**39%**	**42%**
$500,000	**46%**	**46%**
$750,000	**48%**	**48%**
$1,000,000	**49%**	**49%**

Note 1 - Total Income: No deductions or credits other than the basic personal amount, the age amount, and the clawback of the Old Age Security (OAS) are considered for this table. These rates apply to regular income, such as employment, pension, interest and business income, and the taxable portion of capital gains. At age 65, it is assumed that the taxpayer receives OAS. Effects of various clawbacks other than the OAS and the age credit are excluded. Taxable Canadian dividends would be taxed at lower rates. Increasing income may result in reductions of EI benefits, Guaranteed Income Supplement, Child Tax Benefit, GST/HST Credit, medical expense credit, nursing home subsidies and other payments and benefits. Alternative minimum tax may also be applicable. Rates vary by province and territory, and may be changed at any time. See your tax advisor for the most current and complete information.

Note 2 - Average Rates vs. Marginal Rates: Average tax rates relate to approximation of income taxes in relation to total taxable income. The rates shown here include the cost of the OAS clawback as part of the tax cost. When calculating the "extra" tax cost of a specific amount being added to other taxable income, such as an immediate RRSP withdrawal, "marginal tax rates" should be used. An "average" rate is appropriate when estimating taxes based on total income where all sources of income are considered equal. For example, the average tax rate (discounted for the time value of money) may apply to assets being valued for divorce purposes that will be taxed when realized sometime in the future (e.g. in retirement and *included with* other income) but the marginal rate would be used for amounts to be taxed immediately *in addition to* existing income.
