



## Canadian SR&ED investment tax credit rates (2023)

| Qualified CCPC          |                    |                         |   |          | Other companies (non Qualified Co's.) |                    |                         |   |          |
|-------------------------|--------------------|-------------------------|---|----------|---------------------------------------|--------------------|-------------------------|---|----------|
| Provinces & Territories | Prov./Terr. Credit | Prov./Terr. Refundable? | Federal Credit Refundable (reduced by Prov./Terr. credit) | Combined | Provinces & Territories               | Prov./Terr. Credit | Prov./Terr. Refundable? | Federal Credit Non-refundable (reduced by Prov./Terr. credit) | Combined |
| AB                      | 8%                 | Yes                     | 31.50%  | 41.50%   | AB                                    | 8%                 | Yes                     | 13.8%   | 21.8%    |
| BC                      | 10%                | Yes                     | 31.50%  | 41.50%   | BC                                    | 10%                | No                      | 13.5%   | 23.5%    |
| MB                      | 15%                | 50%                     | 28.00%  | 48.00%   | MB                                    | 15%                | 50%                     | 12.8%   | 27.8%    |
| NB                      | 15%                | Yes                     | 29.75%  | 44.75%   | NB                                    | 15%                | Yes                     | 12.8%   | 27.8%    |
| NL                      | 15%                | Yes                     | 29.75%  | 44.75%   | NL                                    | 15%                | Yes                     | 12.8%   | 27.8%    |
| NS                      | 15%                | Yes                     | 29.75%  | 44.75%   | NS                                    | 15%                | Yes                     | 12.8%   | 27.8%    |
| ON                      | 8%                 | Yes                     |   |          | ON                                    | 8%                 | Yes                     |   |          |
| ON                      | 3.5%               | No                      | 31.33%  | 42.83%   | ON                                    | 3.5%               | No                      | 13.3%   | 24.8%    |
| PEI                     | 0%                 | N/A                     | 35.00%  | 35.00%   | PEI                                   | 0%                 | N/A                     | 20%   | 20%      |
| QC                      | 30%                | Yes                     | 24.50%  | 54.50%   | QC                                    | 14%                | Yes                     | 14%   | 24%      |
| SK                      | 10%                | Yes                     | 29.75%  | 44.75%   | SK                                    | 10%                | No                      | 17%   | 32%      |
| YK                      | 15%                | Yes                     | 29.75%  | 44.75%   | YK                                    | 15%                | Yes                     | 17%   | 32%      |
| NWT                     | 0%                 | N/A                     | 35.00%  | 35.00%   | NWT                                   | 0%                 | N/A                     | 20%   | 20%      |
| NV                      | 0%                 | N/A                     | 35.00%  | 35.00%   | NV                                    | 0%                 | N/A                     | 20%   | 20%      |

### Notes:

- 1) The **federal rate** for qualified CCPC's is 35% and fully refundable on first \$3,000,000 then rate of 15% on excess (40% refundable)  
ITC rate for non-Qualified companies is 15% and non-refundable. Federal credits are reduced by any provincial tax credits receivable.
- 2) **Alberta** tax credit increased to 20% for expenses > prior 2 year average.
- 3) **Manitoba** starting in 2012, one-half of the credit for in-house R&D is refundable.
- 4a) **Ontario** allows foreign and public companies to claim the 8% (OITC) if they meet income (<\$800k) & size (<\$50 million assets) tests.
- 4b) **Ontario** also provides a 3.5% non-refundable ORDTC credit to all corporations.
- 5) **Quebec - \$50,000 exclusion threshold** that reduces qualified expenses. Threshold increases if assets >\$50,000,000.
- 6) **Quebec rate** > 30% of wages up to \$3,000,000 then 14% on excess
- 7) **Saskatchewan** refundable 10% on first \$1,000,000 of expenses for CCPC's then non-refundable.