Basic Personal Tax Credits – effective January 2026

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A. Miscellaneous Information

Software Developer Number for electronically filed RL-1 (XML) = RQ-25-01-120
Authorization Number for Computer Generated RL-1 Slip = FS2501061

	2026	2025
Canada Employment Credit	1,501	1,471

B. New Tax Rates for January 2026

	New Basic Personal Tax Credit Jan 2026	Old Basic Personal Tax Credit Jan 2025
FEDERAL	BPAF	
Min BPA	16,452	16,129
QU	18,952	18,571
AB	22,769	22,323
BC	13,216	12,932
SASK	20,381	18,991
MB	BPAMB	
Min BPA	15,780	15,969
ON	12,989	12,747
NB	13,664	13,396
NS	11,932	11,744
PEI	15,000	14,250
NFL	11,188	11,067
NWT	18,198	17,842
NU	19,659	19,274
YKN	BPAYT	
Min BPA	16,452	16,129

Indexing factors		
	2026	2025
CA	1.02000	**1.02700**
AB	1.02000	1.02000
BC	1.02200	1.02800
MB	1.02100	1.01200
NB	1.02000	1.02700
NFL	1.01100	1.02300
NS	1.01600	1.03100
ON	1.01900	1.02800
PEI	1.00000	1.00000
SK	1.02000	1.02700
QC	1.02050	1.02850
NT	1.02000	1.02700
NUT	1.02000	1.02700
YT	1.02000	1.02700

C. New EI & CPP Rates for January 2026

	2026			2025	
EI	Employee	QC Employee PPIP=Yes		Employee	QC Employee PPIP=Yes
EI max insurable earnings	68,900	68,900		65,700	65,700
EI Employee Max Premium	1,123.07	895.70		1,077.48	860.67
EI Employer Max Premium	1,572.30	1,253.98			
Employee EI Rate	1.63	1.30		1.64	1.31
Employer EI Rate	2.282	1.820		2.296	1.834
CPP (First Pass)					
CPP Max Pensionable Earnings (YMPE)	74,600	74,600		71,300	71,300
Basic exemption	(3,500)	(3,500)		(3,500)	(3,500)
Max contributory Earnings	71,100	71,100		67,800	67,800
CPP Rate (First Pass)	4.95	5.40		4.95	5.40
CPP Max annual Contribution	3,519.45	3,839.40		3,356.10	3,661.20
CPP (Second Pass)					
CPP Additional Max Pensionable Earnings (YAMPE)	85,000	85,000		81,200	
Basic exemption	(74,600)	(74,600)		(71,300)	
Max contributory Earnings	10,400	10,400		9,900	
CPP Rate (Second Pass)	4.00	4.00		4.00	4.00
CPP Max annual Contribution	416.00	416.00		396.00	396.00
QPIP	Rate	Quebec Parental Insurance Plan		Rate	Quebec Parental Insurance Plan
Maximum Insurable Earnings		103,000			98,000
Employee Maximum	4.55	468.65		4.94	484.12
Employer Maximum	6.36	655.08		6.92	678.16

D. T4127 Payroll Deductions Formula 122th Edition

https://www.canada.ca/en/revenue-agency/services/forms-publications/payroll/t4127-payroll-deductions-formulas.html