

Changes coming in Ontario on January 1, 2020



In the 2019 Ontario Economic Outlook and Fiscal Review, which was released on November 6, 2019, proposed the following tax changes, to take effect on January 1, 2020.

- The small business tax rate will be reduced from 3.5% to 3.2%.
- The dividend tax credit rate for non-eligible dividends will be reduced from 3.2863% to 2.9863%.
- The aviation fuel tax rate in Northern Ontario will be reduced from 6.7¢/litre, to 2.7¢/litre.
- The 2019 Ontario Budget postponed wine tax increases that were scheduled for April 1, 2019, but these changes now take effect on January 1, 2020. There will be no change to the basic 6.1% rate for Ontario wine sold at winery retail stores, but Ontario wine sold at a wine boutique will increase from 9.6% of the retail price to 11.1%. The rate for non-Ontario wines will increase from 19.1% to 20.1% at winery retail stores, and from 22.6% to 26.6% at wine boutiques.
- The 2019 Ontario Budget also announced the following changes to the estate administration tax (formerly known as probate fees), which will take effect on January 1, 2020.
 - The estate administration tax will be eliminated on the first \$50,000 of the value of an estate, if the application for an estate certificate is made on or after January 1, 2020.
 - The deadline for filing estate administration tax information returns will be extended from 90 days to 180 days after an estate certificate is issued.
 - The deadline for filing an amended information return will be extended from 30 days to 60 days.

*If you have any questions,
please feel free to contact
us at (905) 549-8463*